RESOLUTION ADOPTING THE 2025 FOURTH ROUND HOUSING ELEMENT AND FAIR SHARE PLAN

TOWN OF HACKETTSTOWN LAND USE BOARD, WARREN COUNTY, NEW JERSEY

WHEREAS, on March 20, 2024, Governor Murphy signed P.L.2024, c.2. into law, establishing a new framework for determining and enforcing municipalities' affordable housing obligations under the New Jersey Supreme Court's Mount Laurel doctrine and the New Jersey Fair Housing Act (the "FHA") (N.J.S.A. 52:27D-301 et al.); and

WHEREAS, pursuant to N.J.S.A. 52:27D-304.1(f)(1)(b), each municipality must adopt a binding resolution no later than January 31, 2025 determining its present and prospective fair share obligation for the Fourth Round; and

WHEREAS, pursuant to Administrative Directive #14-24 issued by the Administrative Office of the Courts on December 13, 2024, "[a] municipality seeking a certification of compliance with the [Fair Housing Act] shall file an action in the form of a declaratory judgment complaint and Civil Case Information Statement (Civil CIS) in the county in which the municipality is located" within 48 hours of adopting the municipal resolution of fair share obligations; and

WHEREAS, the Town of Hackettstown Mayor and Council (the "Council") adopted Resolution No. 2025-22 on January 30, 2025 identifying its present and prospective fair share obligation for the Fourth Round: as follows:

Present Need: 87

Prospective Need: 100; and

WHEREAS, the Town of Hackettstown (the "Town") filed a Complaint for Declaratory Judgement, captioned IMO Town of Hackettstown, Docket No. WRN-L-63-25 on January 31, 2025 identifying its present and prospective fair share obligation for the Fourth Round as set forth above and committing to adopting and submitting a fourth round housing element and fair share plan as required by the FHA; and

WHEREAS, the New Jersey Builder's Association ("NJBA") filed a challenge to the Declaratory Judgment Action; and

WHEREAS, the Affordable Housing Dispute Resolution Program held a settlement conference on March 26, 2025 presided over by the Honorable Thomas C. Miller, A.J.S.C. (ret.); and

WHEREAS, Elizabeth McManus, P.P. served as the Special Adjudicator at the Settlement Conference; and

WHEREAS, NJBA and the Town reached a settlement agreement during the Settlement Conference, which was placed on the record and endorsed by Judge Miller and Special Adjudicator McManus setting the Town's Fourth Round Affordable Housing Obligations as follows:

Present Need: 87
Prospective Need: 102

WHEREAS, the Court entered an Order on April 8, 2025 approving such settlement and authorizing the Town to proceed with preparation and adoption of a fourth round housing plan by June 30, 2025;

WHEREAS, the FHA now requires, among other actions, that municipalities submit an adopted housing element in fair share plan on or before June 30, 2025;

WHEREAS, upon notice duly provided pursuant to N.J.S.A. 40:55D-13, the Town of Hackettstown Land Use Board (the "Board") held a public hearing on the 2025 Fourth Round Housing Element and Fair Share Plan ("HEFSP") on June 24, 2025 during which the Fourth Round Affordable Housing Plan was presented to the public and Board, and opportunity for comments and questions were provided; and

WHEREAS, upon the conclusion of the public hearing, the Board determined that the proposed 2025 Fourth Round Housing Plan Element and Fair Share Plan is consistent with the goals and objectives of the Master Plan of the Town of Hackettstown, will guide the use of lands in the municipality in a manner which protects public health and safety and promotes the general welfare in accordance with N.J.S.A. 40:55D-28, and is designed to access to affordable housing to meet present and prospective housing needs in accordance with N.J.S.A. 52:27D-310;

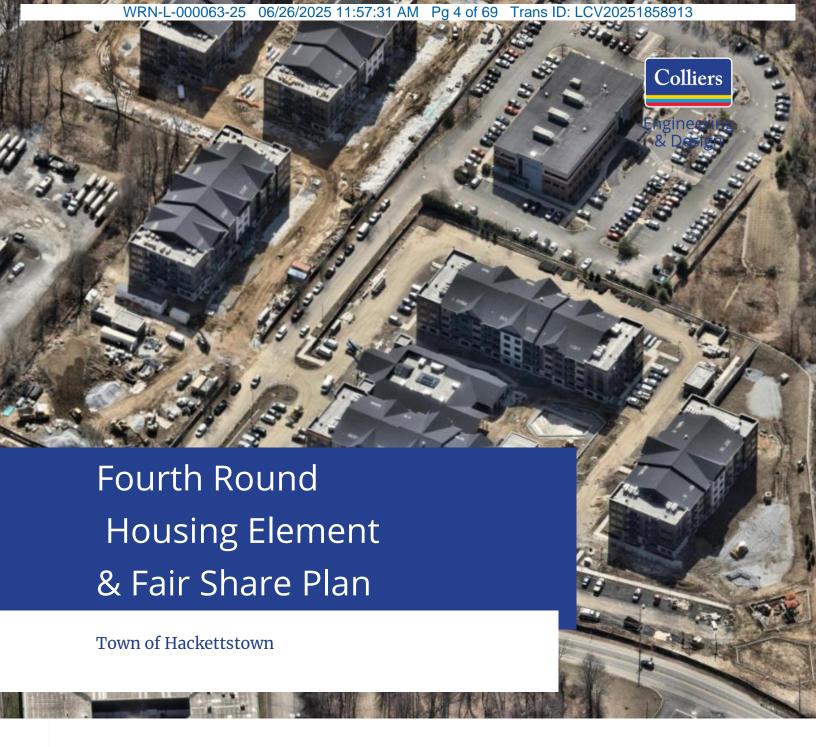
NOW, THEREFORE, BE IT RESOLVED, by the Town of Hackettstown Land Use Board as follows:

- 1. The Board hereby approves and adopts the Fourth Round Housing Element and Fair Share Plan ("HEFSP") in substantially the same form as attached hereto.
- 2. The Town Planner and Town Attorney are authorized to correct any typographical or grammatical errors in the HEFSP.
- 3. The Board Secretary shall publish notice of the adoption of this resolution and the HEFSP in the official newspaper of the Board.
- 4. The Board Secretary shall also transmit a copy of this resolution and the adopted plan to the Town Clerk and Council.

- 5. The Board Secretary shall provide a copy of this resolution and the adopted plan to the Warren County Planning Board and New Jersey Office of Planning Advocacy, in accordance with N.J.S.A. 40:55D-13.
- 6. The Town Attorney is authorized to take all actions required by the FHA, including filing a copy of this Resolution and adopted HEFSP with the Superior Court.

CERTIFICATION: It is hereby certified that this is a true and correct copy of a resolution adopted by the Land Use Board of the Town of Hackettstown at a meeting held on June 24, 2025.

Mary Matusewicz, Land Use Board Clerk



June 13, 2025

Prepared for:

Town of Hackettstown Warren County, New Jersey Prepared by:

Daniel N. Bloch, P.P., AICP, EADANJ Planner License No. 33Ll00610700

Colliers Engineering & Design

Shelbourne at Warren 53 Frontage Road, Suite 110 Hampton, New Jersey 08827

> Main: 908.238.0900 Colliersengineering.com

Fourth Round Housing Element & Fair Share Plan

Town of Hackettstown

Warren County, New Jersey

Adopted by the Land Use Board:
Endorsed by the Mayor and Council:



The original of this report was signed and sealed in accordance with NJSA 45:14A-12. HKL0030

Table of Contents

Tab	ble of Contents	ii
I.	Introduction	1
	Affordable Housing History	1
	Municipal Summary	5
	Hackettstown Affordable Housing Goals	6
	Affordable Housing Obligation	7
НО	DUSING ELEMENT	8
II.	Required Content of Housing Element	8
III.	Population Demographics	10
	Population Growth	10
	Age Distribution of Population	11
	Household Size & Type	11
	Income & Poverty Status	13
I.	Housing Demographics	15
	Housing Type	15
	Occupancy Status	15
	Value & Rent of Housing Stock	16
	Condition of Housing Stock	17
II.	Employment Demographics	19
	Occupational Characteristics	19
	Employment Projections	20
	In-Place Employment by Industry	20
	Travel Time to Work	21
IV.	Projection of Housing Stock	23
V.	Capacity for Fair Share	24
	Land Capacity	24
	Utility Capacity	25
	Appropriate Locations for Affordable Housing	25
	Potential Affordable Housing Developers	25
	Anticipated Development Patterns	25
	Multigenerational Family Continuity Evaluation	27
	Highlands Regional Master Plan Compliance	27
	State Development & Redevelopment Plan Consistency	28

FAII	R SHARE PLAN	30
VI.	Required Content of Fair Share Plan	30
VII.	Regional Income Limits	31
VIII.	. Hackettstown's Affordable Housing Obligation	32
	Present Need (Rehabilitation Obligation) 87	32
	Prior Round (1987-1999) 62	33
	Third Round (1999-2025) 163	33
	Fourth Round (2025-2035) 102	33
	Highlands Build-out Analysis 0 RDP	33
IX.	Mechanisms & Credits	36
	Rehabilitation Mechanisms & Credits	36
	Prior Round (1987-1999) Mechanisms & Credits	37
	Third Round Mechanisms & Credits	39
	Fourth Round (2025-2035) Mechanisms & Credits	40
	Highlands Build-out Unmet Need	41
	Summary of Mechanisms & Credits	43
Y	Annendix	44

I. Introduction

According to the New Jersey Fair Housing Act of 1985 (L. 1985, c. 222, s. 1, eff. July 2, 1985), a Housing Plan Element shall be designed to achieve the goal of access to affordable housing to meet present and prospective housing needs, with particular attention to low- and moderate-income housing.

This report is the Town of Hackettstown's Housing Element and Fair Share Plan ("HEFSP") for the period between 2025 and 2035 (known as the Fourth Round). Hackettstown seeks to voluntarily comply with its constitutional obligation to provide a realistic opportunity for affordable housing. This HEFSP is prepared utilizing the Prior Round Rules¹, Third Round Rules² (as applicable), and the amendments implemented in P.L. 2024, c.2. Each municipality in the State has a four-part obligation:

- 1. Rehabilitation Obligation
- 2. Prior (First and Second Round) Obligations (1987-1999)
- 3. Third Round Obligation (1999–2025)
- 4. Fourth Round Obligation (2025-2035)

Affordable Housing History

Mount Laurel Doctrine

Affordable housing planning in New Jersey dates back to 1975, when the New Jersey Supreme Court ruled in <u>Southern Burlington County NAACP v.</u> the <u>Township of Mount Laurel</u>, 67 <u>N.J.</u> 151 (1975), 336 (Mount Laurel I), that each municipality within New Jersey has a constitutional obligation to provide a realistic opportunity for the construction of their fair share of affordable housing. <u>Mount Laurel</u> I is the landmark decision that created what is commonly referred to as the "Mount Laurel Doctrine". The Supreme Court found that Mount Laurel Township's zoning ordinance only permitted one type of housing—single-family detached dwellings, while all other types of multi-family housing, such as garden apartments, townhomes, or mobile home parks, were prohibited, which the court determined resulted in economic discrimination and exclusion of substantial segments of the area population, and therefore the zoning ordinance was unconstitutional and invalid.

In 1983, the New Jersey Supreme Court issued <u>Southern Burlington County NAACP v. Township of Mount Laurel</u>, 92 <u>N.J.</u> 158 (1983), another monumental decision which became known as the "<u>Mount Laurel II</u>" decision. In this case, the Supreme Court upheld and expanded upon the <u>Mount Laurel II</u> decision. <u>Mount Laurel II</u> clarified that the constitutional obligation applies to all municipalities, not just the "developing" municipalities as referenced in <u>Mount Laurel II</u>. Each municipality is required to establish zoning that provides a realistic opportunity for the construction of affordable housing to comply with the municipality's fair share obligation. <u>Mount Laurel II</u> established the "Builder's Remedy" as a judicial mechanism to enforce the <u>Mount Laurel Doctrine</u>. A Builder's Remedy lawsuit allows a plaintiff (typically a developer) to challenge a municipality's zoning ordinance if it fails to create a realistic opportunity to provide affordable housing units to meet the constitutional fair share obligation.

¹ NJAC 5:91 (Procedural) and NJAC 5:93 (Substantive) Rules. They can be found at: New Jersey Department of Community Affairs | Second Round Regulations

²NJAC 5:96 (Procedural) and NJAC 5:97 (Substantive) Rules, which can be found at: https://nj.gov/dca/dlps/hss/thirdroundregs.shtml

In 1985, the Fair Housing Act ("FHA") was enacted in response to the court decisions, which provided an administrative process for municipal compliance. The FHA also created the New Jersey Council on Affordable Housing ("COAH"), which was the governmental agency responsible for promulgating municipal obligations, adopting regulations, and administering the compliance process.

Prior Rounds (1993-1999)

Under COAH, the First Round of affordable housing spanned from 1987 to 1993, followed by the Second Round from 1993 to 1999. The First Round Substantive Rules were enacted under N.J.A.C. 5:92 and the Second Round Substantive Rules were enacted under N.J.A.C. 5:93.

Hackettstown's Prior Round Compliance

The Town of Hackettstown has continuously addressed its affordable housing obligation since the 1980's. Hackettstown originally prepared its Housing Plan in December 1986 and first received substantive certification from the COAH on October 17, 1988. The Town prepared a Second Round Housing Plan in June 1995 and received substantive certification from COAH on August 2, 2000.

Hackettstown received its first substantive certification from COAH on August 4, 1993 with an employment adjustment. The Town received 81 units of credit for Heritage House, a US-HUD Section 202 funded housing development. The Town also adopted a Planned Residential Development (PRD) zone at a gross density of 4 units per acre with an 11 percent set-aside for affordable units.

On May 3, 2000, Hackettstown received substantive certification for its HEFSP, which addressed the Town's 1987-1999 cumulative pre-credited need of 135 units, with a 74-unit rehabilitation share and a 61-unit new construction obligation. With the First Round employment adjustment, the Second Round obligation was reduced to 122 units, consisting of a 74-unit rehabilitation obligation and a 48-unit new construction obligation. Hackettstown contracted with Affordable Housing Management Services to administer its housing program and with the Warren County Housing Rehabilitation Program to administer its rehabilitation program. Hackettstown adopted an Affirmative Marketing Ordinance and payment-in-lieu of construction after receiving COAH certification. COAH extended Second Round to December 31, 2008 for all municipalities.

Third Round (1999-2025)

The Third Round of affordable housing commenced in 1999, which was supposed to end in 2018; however, due to numerous legal challenges and court orders, the Third Round was ultimately extended through 2025.

The first version of COAH's Third Round Substantive Rules was enacted under <u>N.J.A.C</u>. 5:94 in 2004. This version of the rules was challenged and in January 2007 the Appellate Court issued a decision requiring COAH to revise its rules.

In October 2008, COAH adopted numerous amendments to its substantive and procedural regulations to address the Third Round fair housing requirements. The Third Round methodology, adopted in September 2008, required that a municipality's fair share consist of three elements: the 1) rehabilitation share, 2) any remaining Prior Round obligation that was not provided for, and 3) the Growth Share or Third Round, which is based upon one affordable housing unit for every four market-rate units built and one affordable unit for every 16 new jobs created. In addition to these new rules, COAH assigned new rehabilitation, Prior Round and Third Round obligation numbers to

each municipality. Additionally, the State legislature passed Assembly Bill A-500 (now P.L. 2008), which made significant changes to COAH's rules.

In 2009, appeals were filed regarding the new Third Round Rules' growth share methodology. The case worked its way through the Appellate Division and finally went before the Supreme Court. The Supreme Court issued a decision on September 26, 2013, finding that the key set of rules establishing the growth share methodology as the mechanism for calculating "fair shares" was inconsistent with the FHA and the Mount Laurel Doctrine. The Supreme Court instructed COAH "to adopt new third round rules that use a methodology for determining prospective need similar to the methodologies used in the first and second rounds," within five months, which was later extended to November 2014.

In July 2014, COAH proposed new Third Round under <u>N.J.A.C</u>. 5:98 and 5:99. However, the new rules were never formally adopted by COAH.

After COAH failed to promulgate its revised rules by the November 2014 deadline, the Supreme Court made a ruling on March 10, 2015 entitled In re Adoption of N.J.A.C. 5:96 & 5:97 by the N.J. Council on Affordable Housing, 221 N.J. 1 (2015) (Mount Laurel IV), which allows for judicial review for constitutional compliance, as was the case before the FHA was enacted. The ruling allowed lowand moderate-income families and their advocates to challenge exclusionary zoning in court, rather than having to wait for COAH to issue rules that may never come. The process provided a municipality that had sought to use the FHA's mechanisms the opportunity to demonstrate constitutional compliance to a court's satisfaction before being declared noncompliant and then being subjected to the remedies available through exclusionary zoning litigation, including a builder's remedy.

The transitional process created by the Supreme Court tracked the FHA procedures for compliance. In this regard, the process permitted municipalities to file a Declaratory Judgment Action during a 30-day window between June 8 and July 8, 2015 that sought an adjudication as to their fair share. This would enable the municipality to comply voluntarily with its constitutional obligation to provide a realistic opportunity for the construction if its fair share of the regions' low- and moderate-income households.

On January 18, 2017, the Supreme Court decided <u>In Re Declaratory Judgment Actions Filed by Various Municipalities</u>, County of Ocean, Pursuant to The Supreme Court's Decision In In re Adoption of N.J.A.C. 5:96, 221 N.J. 1 (2015) ("Mount Laurel V"), which held that municipalities are responsible for obligations accruing during the so-called "gap period," the period between 1999 and 2015. However, the Court stated that the gap obligation should be calculated as a never-before calculated component of Present Need (also referred to as Rehabilitation Obligation), 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).

Between 2015 and 2024, municipalities that elected to voluntarily comply with their constitutional obligation participated in mediation sessions, reached settlement agreements, adopted Third Round Housing Element and Fair Share Plans, and most municipalities concluded the process with a Third Round Judgment of Compliance and Repose ("Third Round JOR") from the courts. As a result of COAH's inability to function, the Third Round period spanned from 1999 to 2025, a 26-year long

period as opposed to the 6-year periods for the first and second rounds. The Third Round is set to expire on June 30, 2025.

Hackettstown's Third Round Compliance

Hackettstown adopted a HEFSP in April 2006 to address its Third Round obligation under the Third Round Substantive Rules in N.J.A.C. 5:94. This plan addressed a 53-unit rehabilitation obligation, a Prior Round obligation of 66 units, and a growth share obligation of 113 units. The growth share period in this report was 2004 to 2014. The Plan was submitted to COAH, but never received substantive certification because COAH's Third Round Rules (N.J.A.C. 5:94) were overturned.

Hackettstown adopted another HEFSP in April 2010 to address its Third Round obligation under COAH's 2008 Rules (N.J.A.C. 5:97). The 2010 HEFSP addressed a rehabilitation obligation of 76 units, a 62-unit Prior Round obligation, and a growth share obligation of 132 units. Hackettstown petitioned COAH for Third Round substantive certification again on June 3, 2010. COAH deemed the petition complete on August 31, 2010, but never completed the substantive review due to litigation of N.J.A.C. 5:97.

Pursuant to the <u>Mount Laurel IV</u> Supreme Court decision, the Town of Hackettstown filed for declaratory judgement on July 7, 2015, seeking a judicial declaration that its Housing Element and Fair Share Plan satisfied the Town's constitutional obligation to address its fair share of the regional need for low- and moderate-income housing.

On January 12, 2017, Hackettstown entered into a Settlement Agreement with the Fair Share Housing Center to memorialize the terms of settlement of the Town's affordable housing obligations. On March 9, 2017, a Fairness Hearing was held, and the Honorable Judge Miller approved the Settlement Agreement.

The Hackettstown Planning Board adopted a Housing Element & Fair Share Plan on July 25, 2017 to effectuate the terms of the Settlement Agreement.

Subsequent to the adoption of the 2017 Housing Element & Fair Share Plan, the Town entered into negotiations with the developer of the Paftinos III (Bilby Road) development relative to the affordable housing set-aside associated with the previously approved inclusionary development. The negotiations resulted in the agreement of the Town to evaluate a 20-percent set-aside and to investigate whether the property qualifies as an area in need of redevelopment. The property was designated as a non-condemnation area in need of redevelopment by the Hackettstown Town Council on December 27, 2018. The Bilby Road Redevelopment Plan governing the redevelopment of the property was adopted by the Town Council on February 28, 2019. The property received amended final site plan approval on July 23, 2019 for the development of an inclusionary multifamily family rental apartment complex with 275 dwelling units and an affordable housing set-aside of 55 units (20 percent).

The Hackettstown Land Use Board adopted an Amended Housing Element & Fair Share Plan on December 17, 2019 to account for the amended site plan approval reducing the affordable housing units to be developed by Paftinos III (Bilby Road) from 80 units to 55 units. Excess credits that were being reserved for future obligations were utilized to fulfill the reduction from Paftinos III.

The Final Compliance Hearing was held on June 30, 2020. On July 23, 2020, Judge Miller issued a Conditional Judgment of Compliance and Repose ("JOR"), and Hackettstown was granted immunity

and protection from any Mount Laurel builder's remedy actions through July 1, 2025, subject to a number of conditions. The Town issued a letter to the Special Court Master on June 2, 2021 demonstrating compliance with the conditions and requesting a Letter of Final Concurrence from the Special Court Master indicating that the Town had complied with the Conditional JOR. The Honorable Kevin M. Shanahan, A.J.S.C. issued a Final JOR on August 22, 2022 granting immunity through July 1, 2025.

Fourth Round (2025-2035)

On March 20, 2024, Governor Murphy signed legislation that dramatically modified the State's affordable housing regulations. The 75-page bill, known as the A4/S50 Bill, abolished COAH, modified the process of affordable housing compliance, amended bonus credits, and, among other changes, set forth several important deadlines. P.L. 2024, c.2 amended the FHA (hereinafter the "Amended FHA") and charged the Department of Community Affairs ("DCA") with the preparation of Fourth Round obligations and set forth aggressive timelines for compliance. In October 2024, DCA published a report on its calculations of regional need and municipal present need (Rehabilitation Obligation) and prospective fair share obligations (Fourth Round Obligation). The report is entitled "Affordable Housing Obligation of 2025-2035 (Fourth Round) Methodology and Background".

The DCA calculated Hackettstown's Present Need (Rehabilitation) Obligation as **87 units** and its Fourth Round Prospective Need Obligation as **105 units**.

Municipalities were required to adopt a binding resolution outlining their present and prospective fair share obligations by January 31, 2025. On January 30, 2025, the Town Council adopted Resolution 2025-22 accepting the DCA's calculations of the Town's Present Need Obligation of 87 units and challenging the Fourth Round Prospective Need Obligation of 105 units. The Town identified discrepancies with the data for the land capacity factor which led to a reduction to the overall average allocation factor. Therefore, the Town requested that the obligation be reduced to 100 units.

The Town also filed a "Complaint for a Declaratory of Compliance with the Fair Housing Act" on January 31, 2025. as part of the compliance certification process outlined in the Director of the Administrative Office of the Courts Directive #14-24.

During the 30-day challenge window, Hackettstown received a challenge to from the New Jersey Builder's Association ("NJBA"). NJBA's objection contended that Hackettstown had improperly calculated its affordable housing obligations and should be required to utilize the calculation prepared by the DCA in its October 18, 2024 report, setting the Prospective Need obligation at 105. The Town and NJBA entered into mediation through the Affordable Housing Dispute Resolution Program ("the Program") and ultimately agreed that Hackettstown's prospective need obligation shall be 102 units. The Honorable William G. Mennen, J.S.C. issued an order on March 26, 2025, ordering that Hackettstown's Present Need shall be **87 units** and the prospective need for the Fourth Round housing cycle shall be **102 units** (Docket No. WRN-L-63-25).

Municipal Summary

The Town of Hackettstown contains approximately 3.7 square miles (or 2,374 acres) situated in the easternmost part of Warren County, New Jersey. Hackettstown is bordered by Washington Township and Mount Olive Township in Morris County and Allamuchy, Independence and Mansfield Townships in Warren County. Hackettstown is traversed by US Route 46, State Route 182, County

Route 517, and State Route 57. Additionally, Hackettstown is served by a transit stop on the NJ Transit Montclair-Boonton and Morristown rail lines.

Hackettstown is a suburban community with predominately single-family detached housing units. Hackettstown has an estimated population of 10,429 residents and estimated 7,022 jobs. Hackettstown is served by public water and sewer.

Hackettstown is situated entirely within the Highlands Region, with 203 acres being located within the Highlands Preservation Area and 2,171 acres within the Highlands Planning Area. Hackettstown received Plan Conformance from the Highlands Council on August 3, 2011 for lands in both the Preservation Area and Planning Area. According to the Highlands Land Use Capability Zone ("LUCZ") Map, Hackettstown includes 426 acres of land in the Protection Zone, 1,336 acres in the Existing Community Zone, 152 acres of land in the Existing Community Zone – Environmentally Constrained Sub-Zone, and 214 acres of land in the Wildlife Management Sub-Zone.

The approved Petition for Plan Conformance for Hackettstown Town was accompanied by approval of a Highlands Center Designation for the Hackettstown Highlands Center. Hackettstown's Highlands Center encompasses the central business district, the Hackettstown Historic District, the Centenary University Campus, the Stiger Street Redevelopment Area, the Hackettstown Regional Medical Center and adjacent affordable housing projects, M&M/Mars, and commercial/residential development near the border with Mansfield Township. The total area of the Highlands Center includes approximately 743 acres, all of which is in the Planning Area and is served by both water and sewer service.

Hackettstown Affordable Housing Goals

The overriding policy of the HEFSP is to ensure the provision of a variety of housing opportunities sufficient to address the needs of the community and the region, including the need for affordable housing, while at the same time respecting the density limits and resource constraints of lands within the Highlands Preservation Area, and the numerous other policies, goals and objectives set forth by the Town's Master Plan. The Housing Plan furthers the Municipal Land Use Law purposes of zoning and fulfills the New Jersey Fair Housing Act, which in keeping with New Jersey Supreme Court doctrine, as expressed in the "Mount Laurel" decisions, recognizes that every municipality in a "growth area" has a constitutional obligation to provide, through its land use regulations, a realistic opportunity for its fair share of affordable housing.

In furtherance of Hackettstown's efforts to ensure sound planning, this HEFSP incorporates the following goals and objectives with respect to future housing:

- 1. To the extent feasible, the Town's zoning will guide anticipated new residential development into compact, center-based projects.
- 2. To provide a realistic opportunity for the provision of the municipal share of the region's present and prospective needs for housing for low- and moderate-income families.
- 3. To the maximum extent feasible, to incorporate affordable housing units into any new residential construction that occurs within Hackettstown, including any mixed-use, redevelopment, and/or adaptive reuse projects.

- 4. To preserve and monitor the existing stock of affordable housing.
- 5. To reduce long term housing costs through:
 - a. The implementation of green building and energy efficient technology in the rehabilitation, redevelopment and development of housing. Recent innovations in building practices and development regulations reflect significant energy efficiency measures, and therefore cost reductions, through building materials, energy efficient appliances, water conservation measures, innovative and alternative technologies that support conservation practices, and common sense practices, such as recycling and reuse.
 - b. The promotion of the use of sustainable site design, efficient water management, energy efficient technologies, green building materials and equipment, and retrofitting for efficiencies.
 - c. Maximizing the efficient use of existing infrastructure, through such means as redevelopment, infill and adaptive reuse.
- 6. To use a smart growth approach to achieve housing needs:
 - a. Use land more efficiently to engender economically vibrant communities, complete with jobs, houses, shopping, recreation, entertainment and multiple modes of transportation.
 - b. Support a diverse mix of housing that offers a wide range of choice in terms of value, type and location. In addition, seek quality housing design that provides adequate light, air and open space.
 - c. Target housing to areas with existing higher densities and without environmental constraints, within walking distance of schools, employment, services, transit and community facilities with sufficient capacity to support them.

Affordable Housing Obligation

For the Fourth Round, Hackettstown accepted the DCA's calculations for the Present Need of <u>87 units</u> and will address a Fourth Round Prospective Need obligation of <u>102 units</u>.

Therefore, Hackettstown's four-part obligation is as follows:

1. Present Need (Rehabilitation Obligation): 87 units

2. Prior Round Obligation: 62 units

3. Third Round Obligation: 163 units

4. Fourth Round Obligation: 102 units

HOUSING ELEMENT

II. Required Content of Housing Element

The Amended Fair Housing Act requires that "the housing element be designed to achieve the goal of access to affordable housing to meet present and prospective housing needs, with particular attention to low and moderate income housing". As per the Municipal Land Use Law (hereinafter "MLUL"), specifically N.J.S.A. 52:27D-310, a housing element must contain at least the following items:

- a. An inventory of the municipality's housing stock by age, condition, purchase or rental value, occupancy characteristics and type, including the number of units affordable to low and moderate income households and substandard housing capable of being rehabilitated, and in conducting this inventory the municipality shall have access, on a confidential basis for the sole purpose conducting this inventory, to all necessary property tax assessment records and information in the assessor's office, including but not limited to the property record cards;
- A projection of the municipality's housing stock, including the probable future construction of low and moderate income housing for the next ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands;
- c. An analysis of the municipality's demographic characteristics, including but not necessarily limited to, household size, income level and age;
- d. An analysis of the existing and probable future employment characteristics of the municipality;
- e. A determination of the municipality's present and prospective fair share for low and moderate income housing and its capacity to accommodate its present and prospective housing needs, including its fair share for low and moderate income housing, as stablished pursuant to section 3 of P.L.2024, c.2 (C.52-27D-304.1);
- f. A consideration of the lands that are most appropriate for construction of low and moderate income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low and moderate income housing, including a consideration of lands of developers who have expressed a commitment to provide low and moderate income housing;
- g. An analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal f preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, adopted pursuant to paragraph (1) of subsection f. of section 1 of P.L.2021, c.273 (C.52D-329.20);
- h. For a municipality located within the jurisdiction of the Highlands Water Protection and Planning Council, established pursuant to section 4 of P.L.2004, C.120 (C.13-20-4), an analysis of compliance of the housing element with the Highlands Regional Master Plan of lands in the Highlands Preservation Area, and lands in the Highlands Planning Area for Highlands-

conforming municipalities. This analysis shall include consideration of the municipality's most recent Highlands Municipal Build Out Report, consideration of opportunities for redevelopment of existing developed lands into inclusionary or 100 percent affordable housing, or both, and opportunities for 100 percent affordable housing in both the Highlands Planning Area and Highlands Preservation Area that are consistent with the Highlands regional master plan; and

i. An analysis of consistency with the State Development and Redevelopment Plan, including water, wastewater, stormwater, and multi-modal transportation based on guidance and technical assistance from the State Planning Commission.

III. Population Demographics

Population Growth

The Town of Hackettstown's population saw rapid growth through the 1970s. During the 1950s, Hackettstown gained 1,382 new residents, followed by 4,196 new residents during the 1960s. However, since 1970, the Town's population has decreased by over 500 each decade until 2000. As of the 2023 Census, the population of Hackettstown was 10,249, which is 154 residents less than its peak of 10,403 in 2000. See the table below for additional details.

Population Growth

Year	Population	Change	Percent
1940	3,289		
1950	3,894	605	18.4%
1960	5,276	1,382	35.5%
1970	9,472	4,196	79.5%
1980	8,850	-622	-6.6%
1990	8,120	-730	-8.2%
2000	10,403	2,283	28.1%
2010	9,724	-679	-6.5%
2020	10,249	525	5.4%

Source: 2010 & 2020 Census Table P1; New Jersey Population Trends, 1790 to 2000, https://www.nj.gov/labor/labormarketinformation/assets/PDFs/census/2kpub/njsdcp3.pdf

The North Jersey Transportation Planning Authority ("NJTPA") projects that the Town's population will grow to 10,455 residents by 2050 from their baseline 2015 population of 9,705. This represents an increase of 750 residents, or an average increase of approximately 21 residents annually over 35 years. However, as noted above, the Town's estimated population according to the 2023 American Community Survey ("ACS") is 10,249, which is just 312 less than the 2050 population of 10,455 projected by the NJTPA.

Population Projection

Year	Population	Change	Percent
2015	9,705		
2020	10,249	544	5.6%
2050	10,455	206	2.0%

Source: NJTPA Plan 2050, Appendix E, 2050 Demographic Forecasts, https://www.njtpa.org/plan2050; 2020 Census Table P1

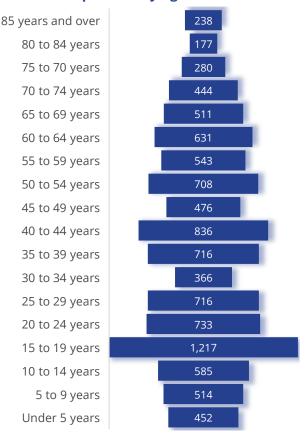
Age Distribution of Population

The 2023 ACS estimates just 16.3 percent of Hackettstown's population was 65 years or older, while 27.3 percent of the population was 19 years or younger. The largest age cohort was estimated to be those aged 15 to 19 years, which comprised 12 percent (1,217) of the Town's population. Residents aged 40 to 44 years comprised the second-largest age cohort at 8.2 percent (836) of the population, followed by those aged 20 to 24 years at 7.2 percent (733) of the population. The median age was estimated at 38 years in the 2023 ACS.

Population by Age Cohort

., 8				
Age	Total	Percent		
85 years and over	238	2.3%		
80 to 84 years	177	1.7%		
75 to 70 years	280	2.8%		
70 to 74 years	444	4.4%		
65 to 69 years	511	5.0%		
60 to 64 years	631	6.2%		
55 to 59 years	543	5.4%		
50 to 54 years	708	7.0%		
45 to 49 years	476	4.7%		
40 to 44 years	836	8.2%		
35 to 39 years	716	7.1%		
30 to 34 years	366	3.6%		
25 to 29 years	716	7.1%		
20 to 24 years	733	7.2%		
15 to 19 years	1,217	12.0%		
10 to 14 years	585	5.8%		
5 to 9 years	514	5.1%		
Under 5 years	452	4.5%		
Total	10,143	100%		

Population by Age Cohort



Source: 2023 ACS Table S0101

Household Size & Type

According to the 2023 ACS, Hackettstown had 3,790 households of various types. A majority were married-couple households, which comprised just over 48 percent of all households. Of those, 814 had children under 18 years old. Male householders with no spouse present comprised only 16 percent of all households, while female householders with no spouse present comprised 27.9 percent. Of all households with no spouse present, 275 had children under the age of 18 (7.3 percent), while 1,046 were living alone (27.6 percent).

Household Type

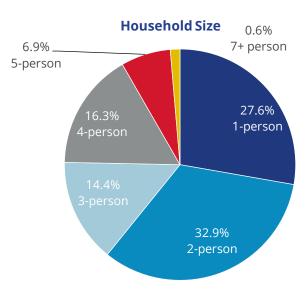
Туре	Number	Percent
Married-couple	1,834	48.4%
with children under 18	814	21.5%
Cohabitating couple	294	7.8%
with children under 18	135	3.6%
Male householder, no spouse	606	16.0%
with children under 18	44	1.2%
living alone	435	11.5%
Female householder, no spouse	1,056	27.9%
with children under 18	231	6.1%
living alone	611	16.1%
Total	3,790	100%

Source: 2023 ACS Table DP02

The most common household size in Hackettstown was estimated to be two-person households, which comprised 32.9 percent of households in 2023. One-person households comprised the second-largest number of households at just over 27 percent. Finally, four-person households comprised 16.3 percent of the 3,790 households in Hackettstown. It should be noted that 51 households contained seven or more people. The table and pie chart below graphically illustrate the household size composition in Hackettstown. Additionally, the 2023 ACS estimated the average household size at 2.48 persons, which is the same as that reported in the 2010 Census (2.48 persons).

Household Size

Size	Total	Percent
1-person	1046	27.6%
2-person	1,246	32.9%
3-person	546	14.4%
4-person	617	16.3%
5-person	262	6.9%
6-person	22	0.6%
7+ person	51	1.3%
Total	3,790	100%



Income & Poverty Status

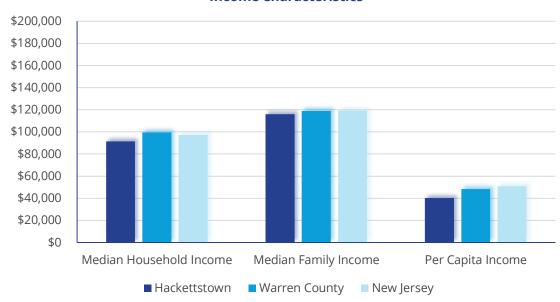
The 2023 ACS estimated the median household income for the Town of Hackettstown to be \$91,250, which is over \$8,000 less than Warren County's and over \$5,000 less than the State's. Similarly, the median family income for Hackettstown was estimated at \$115,905, which is over \$3,000 below the County's and over \$3,000 less than the State's. Finally, the Town's per capita income was estimated at \$40,297, which is less than the County's and less than the State's. Based on this data, residents of Hackettstown represent the lower end of incomes between the high incomes of Warren County and the median State incomes. This is reflected in the poverty rates of individuals and families estimated in the 2023 ACS. Hackettstown's poverty rate for individuals was estimated at 7.8 percent, which is less State's by 1.9 percent and more than the County's by 4 percent. The Town's poverty rate for families was estimated at 5.7 percent, which is 3.4 percent more than the County's and less than the State's by 1.2 percent. The table and bar chart below provide a comparison between income and poverty characteristics.

Income and Poverty Characteristics

Income Type	Hackettstown	Warren County	New Jersey
Median Household Income	\$91,250	\$99,596	\$97,126
Median Family Income	\$115,905	\$118,994	\$119,240
Per Capita Income	\$40,297	\$48,232	\$50,995
Poverty Status (Percent of People)	7.8%	3.8%	9.7%
Poverty Status (Percent of Families)	5.7%	2.3%	6.9%

Source: 2023 ACS Table DP03

Income Characteristics



According to the 2023 ACS, only 11 percent of households in Hackettstown (426) earn over \$200,000 annually. Household earning \$100,000 or more annually were estimated to include 1,794 households or 47.3 percent of all households in Hackettstown. Over 49 percent of household in Warren County earned at least \$100,000 annually, including 13.7 percent earning more than \$200,000. Households in New Jersey earning \$100,000 or more according to the 2023 ACS included 48.8 percent of households. It should be noted that nearly 23 percent of households in Hackettstown earned less than \$50,000.

Household Income

Incomo Dango	Hackettstown Warre		Warre	n County	New Jersey	
Income Range	Total	Percent	Total	Percent	Total	Percent
Less than \$10,000	122	3.2%	1,650	3.7%	139,920	4.1%
\$10,000 to \$14,999	52	1.4%	954	2.1%	102,608	3.0%
\$15,000 to \$24,999	206	5.4%	2,402	5.3%	185,476	5.4%
\$25,000 to \$34,999	204	5.4%	2,270	5.1%	196,998	5.7%
\$35,000 to \$49,999	305	8.0%	3,230	7.2%	281,264	8.2%
\$50,000 to \$74,999	740	19.5%	6,714	14.9%	455,543	13.2%
\$75,000 to \$99,999	367	9.7%	5,349	11.9%	397,730	11.6%
\$100,000 to \$149,999	778	20.5%	10,482	23.3%	620,335	18.0%
\$150,000 to \$199,999	590	15.6%	5,733	12.8%	396,837	11.5%
\$200,000 or more	426	11.2%	6,159	13.7%	661,451	19.2%
Total	3,790	100%	44,943	100%	3,438,162	100%

Housing Demographics

Housing Type

The 2023 ACS estimated the Town's housing stock at 3,823 units, which contains a variety of residential dwellings. Single-family, detached dwellings comprised a majority of the housing stock with 2,159 units or 56.5 percent of all dwellings. One-unit, attached dwellings (e.g. townhomes) comprised 319 units (8.3 percent), while two-family dwellings comprised 149 units (3.9 percent) of the housing stock. The Town contains 973 multi-family units (25.5 percent), which are buildings containing five or more dwelling units. It should be noted that the 2023 ACS estimated 53 dwellings to be mobile homes. See the table below for details. Of the estimated 3,823 existing housing units in 2023, 269 or 7 percent of the housing stock are deed restricted for low- and moderate-income households.

Housing Units in Structure

Structure	Number of Units	Percent
1-unit, detached	2,159	56.5%
1-unit, attached	319	8.3%
2 units	149	3.9%
3 or 4 units	170	4.4%
5 to 9 units	275	7.2%
10 to 19 units	227	5.9%
20 or more units	471	12.3%
Mobile Home	53	1.4%
Other (boat, RV, van, etc.)	0	0.0%
Total	3,823	100%

Source: 2023 ACS Table DP04

Occupancy Status

Of the 3,823 residential units, 3,790 units, or 99.1 percent of the housing stock, was occupied. This includes 2,246 owner-occupied units and 1,544 rental units. The 33 vacant units only included properties classified as "other".

The 2023 ACS estimated the average household size in Hackettstown was 2.48 persons, while the average family size was 2.99 persons. Comparing tenure, the average owner-occupied household was 2.59, while the average renter-occupied household was 2.32 persons.

Occupancy Status

Status	Units	Percent
Occupied Total	3,790	99.1%
Owner Occupied	2,246	59.3%
Renter Occupied	1,544	40.7%
Vacant Total	33	0.9%
For rent	0	0.0%
Rented, not occupied	0	0.0%
For Sale	0	0.0%
Sold, not occupied	0	0.0%
Seasonal	0	0.0%
For migrant workers	0	0.0%
Other	33	100.0%
Total	3,823	100%

Source: 2023 ACS Tables DP04 & B25004

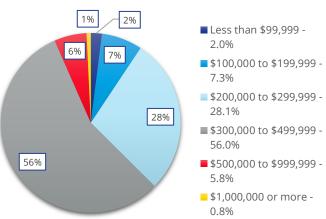
Value & Rent of Housing Stock

The 2023 ACS provided estimates for owner-occupied housing units in Hackettstown. According to the data, a plurality of homes in the Town were valued between \$300,000 and \$499,999 (56 percent). Homes worth between \$200,000 and \$299,999 comprised 28.1 percent of the owner-occupied housing units, while 7.3 percent of homes were estimated to be worth between \$100,000 and \$199,999. Only 5.8 percent of homes (131 units) were valued between \$500,000 and \$999,999, while only 17 homes were estimated to be valued at greater than \$1 million. The median home value estimated in the 2023 ACS was \$337,100.

Value of Owner Occupied Units

Value	Number of Units	Percent			
Less than \$99,999	45	2.0%			
\$100,000 to \$199,999	165	7.3%			
\$200,000 to \$299,999	631 28.19				
\$300,000 to \$499,999	1,257	56.0%			
\$500,000 to \$999,999	131	5.8%			
\$1,000,000 or more	17	0.8%			
Total	2,246	100%			
Median Value	\$337,100				

Value of Owner Occupied Units

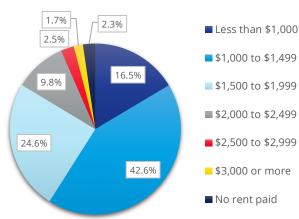


The median rent in the Town was estimated at \$1,419 per the 2023 ACS. Looking at the rent ranges, a little less than half of the Town's rental units fell between \$1,500 and \$1,999 per month (42.6 percent). Units that cost between \$1,500 and \$1,999 comprised 24.6 percent of rentals (380 units), while only 9.8 percent (152 units) cost between \$2,000 and \$2,499 per month. See the table below and chart on the following page for more information.

Cost of Rentals

Cost	Number of Units	Percent
Less than \$1,000	254	16.5%
\$1,000 to \$1,499	657	42.6%
\$1,500 to \$1,999	380	24.6%
\$2,000 to \$2,499	152	9.8%
\$2,500 to \$2,999	38	2.5%
\$3,000 or more	27	1.7%
No rent paid	36	2.3%
Total	1,544	100%
Median (in dollars)	\$1,419	





Source: 2023 ACS Table DP04

Condition of Housing Stock

The Census does not classify housing units as standard or substandard, but it can provide an estimate of the substandard housing units that are occupied by low and moderate income households. The Appellate Division upheld COAH's use of three indicators to determine substandard housing in the State. Those three indicators are:

- Houses built before 1970, and which are overcrowded with more than one person per room;
- Homes lacking complete plumbing;
- Homes lacking kitchen facilities.

Most of the Census indicators available at the municipal level indicate a sound housing stock. Only 22 occupied homes were estimated to not contain adequate heat and 41 lack telephone service, while all homes within the Town had complete plumbing and kitchen services.

Condition of Housing Stock

Condition	Number of Units	Percent
Lack of complete plumbing	0	0.00%
Lack of complete kitchen	0	0.00%
Lack of telephone service	41	1.1%
Lack of adequate heat	22	0.6%
Total Occupied Housing Units	3,790	1.66%

Housing with 1.01 or more persons per room is an index of overcrowding as defined by the U.S. Department of Housing and Urban Development. According to the 2023 ACS, 4.7 percent of the Town's 3,790 occupied housing units contained 1.01 or more persons per room.

Occupants Per Room

Occupants	Number of Units	Percent
1.00 or less	3,611	95.3%
1.01 to 1.50	129	3.4%
1.51 or more	50	1.3%
Total	3,790	100%

Source: 2023 ACS Table DP04

Research has demonstrated that units built 50 or more years ago (i.e. 1975 or earlier) are much more likely to be in substandard condition. Included in the rehabilitation calculation are overcrowded units and dilapidated housing as discussed above.

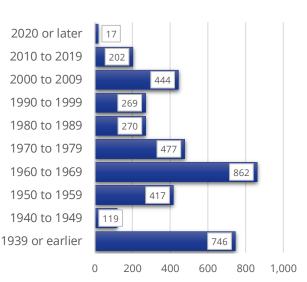
The table and bar graph on the following page provide the 2023 ACS estimates for the age of housing units in Hackettstown. An estimated 2,144 units, or 56.1 percent, of the Town's housing stock were constructed prior to 1970 with over 19 percent being constructed prior to 1940. Since 1980, an estimated 1,202 homes have been constructed.

It should be noted that the "2020 or later" line item may be inaccurate. The New Jersey Department of Community Affairs' ("DCA"), Division of Codes and Standards website provides data on building permits, certificates of occupancy, and demolition permits for both residential and non-residential development. We have reviewed the data from the State for 2020 through 2024 and 5 certificates of occupancy have been issued for new residential units since the beginning of 2020. (See page 25.)

Age of Housing Stock

Year Built	Number of Units	Percent
2020 or later	17	0.4%
2010 to 2019	202	5.3%
2000 to 2009	444	11.6%
1990 to 1999	269	7.0%
1980 to 1989	270	7.1%
1970 to 1979	477	12.5%
1960 to 1969	862	22.5%
1950 to 1959	417	10.9%
1940 to 1949	119	3.1%
1939 or earlier	746	19.5%
Total	3,823	100%

Age of Housing Stock



II. Employment Demographics

The 2023 ACS estimated that Hackettstown had 5,877 residents over the age of 16 in the workforce. Of those, 5,413 (92.1 percent) were employed, which translates to a 7.9 percent unemployment rate. A majority of workers were private wage and salary worker (73.8 percent). However, 13.2 percent were workers employed by the government and 5.1 percent were self-employed.

Class of Workers

Class	Workers	Percent
Private wage and salary workers	4,337	73.8%
Government workers	775	13.2%
Self-employed workers	301	5.1%
Unpaid family workers	0	0.0%
Total employed residents	5,413	92.1%
Total unemployed residents	464	7.9%
Total residents in workforce	5,877	100%

Source: 2023 ACS Table DP03

Occupational Characteristics

The 2023 ACS estimated 2,157 workers were employed management, business, science, and arts fields, which represents 39.8 percent of the Town's employed residents. Sales and office workers totaled 21.5 percent of employed residents, while 20.5 percent were employed in service jobs.

Occupation of Employed Population

Occupation	Workers	Percent
Management, business, science, & arts	2,157	39.8%
Service	1,112	20.5%
Sales & office	1,165	21.5%
Natural resources, construction, & maintenance	534	9.9%
Production, transportation, & material moving	445	8.2%
Total	5,413	100%

Employment Projections

NJTPA's Plan 2050 estimates that the number of available jobs in Hackettstown will increase from 906 reported in 2015 to 924 in 2050. This represents an increase of 18 jobs, or an average annual increase of 0.51 jobs annually. However, as detailed in the following section, the New Jersey Department of Labor and Workforce Development estimated a total of 538 jobs in Hackettstown in 2023, which is 386 less than projected by NJTPA. Utilizing this number, roughly 14 new jobs would need to be created within the Town each year for the next 27 years.

Employment Projection

Year	Jobs	Change	Percent
2015	7,210		
2050	7,296	86	1.2%

Source: NJTPA Plan 2050, Appendix E, 2050 Demographic Forecasts, https://www.njtpa.org/plan2050

In-Place Employment by Industry

New Jersey's Department of Labor and Workforce Development ("NJDLWD") is the entity that reports on employment and wages within the State of New Jersey through the Quarterly Census of Employment and Wages ("QCEW"). The latest Municipal Report was completed in 2023. The QCEW data reflects employment within Hackettstown, regardless of where the employee lives.

The Municipal Report redacted data from two private-sector industries for not meeting minimum publication standards (agriculture and information industries). The 2023 QCEW reported that Hackettstown had an average of 8,324 private-sector jobs provided by 751 employers, including the redacted data.

Based on the 2023 QCEW data provided, the health/social industry contained the largest number of jobs in the Town with an average of 1,770 jobs (20 percent). These jobs were provided by 145 employers, which is the largest industry of employers in Hackettstown largely due to the Hackettstown Medical Center and related medical offices. The retail trade industry had 107 employers and an average of 1,387 (15.7 percent), which was the second-largest industry and number of employees. In the public sector, the 2023 QCEW Municipal Report indicated that there were 4 federal government employers, which had an average of 71 employees, 2 state government employers with an average of only 3 employees, and 5 local government employers, which had an average of 443 jobs. This included 2 local government education employers providing an average of 334 jobs. See the table on the following page for data on each industry sector.

Private and Public Sector Employment (2023)

Industry		ishments	Emp	oloyees	Annual	
muustry	Total	Percent	Total	Percent	Wages	
Agriculture	-	-	-	-	-	
Construction	76	10.0%	330	3.7%	\$76,961	
Manufacturing	33	4.3%	667	7.5%	\$72,169	
Wholesale Trade	25	3.3%	147	1.7%	\$61,759	
Retail Trade	107	14.0%	1,387	15.7%	\$36,279	
Transportation/Warehousing	17	2.2%	155	1.8%	\$46,677	
Information	-	-	-	-	-	
Finance/Insurance	26	3.4%	139	1.6%	\$69,870	
Real Estate	17	2.2%	44	0.5%	\$54,405	
Professional/Technical	64	8.4%	277	3.1%	\$77,088	
Admin/Waste Remediation	42	5.5%	391	4.4%	\$54,272	
Health/Social	145	19.0%	1,770	20.0%	\$62,499	
Arts/Entertainment	13	1.7%	139	1.6%	\$13,799	
Accommodations/Food	62	8.1%	673	7.6%	\$27,149	
Other Services	67	8.8%	342	3.9%	\$46,824	
Unclassified	35	4.6%	44	0.5%	\$30,233	
Private Sector Total	751	99%	8,324	94%	\$70,026	
Federal Government	4	0.5%	71	0.8%	\$59,505	
State Government	2	0.3%	3	0.0%	\$75,669	
Local Government	5	0.7%	443	5.0%	\$71,872	
Local Government Education	2	0.3%	334	3.8%	\$75,767	
Public Sector Total	11	1%	517	6%		

Source: The table values above are sourced from the NJDLWD's QCEW 2023 Municipal Report. It is noted that this Report has redacted multiple private sector industries for not meeting the minimum publication standard.

Travel Time to Work

The 2023 ACS collected data regarding employed resident's commute time. The most common commute time was between 45 and 59 minutes, which was made by 699 workers (14.9 percent). A commute between 5 and 9 minutes followed close behind with 692 workers (14.7 percent). Rounding off the top three was a commute of 60 to 89 minutes, which was reported by 679 workers (14.4 percent). The mean travel time was estimated at 30.9 minutes. It should be noted that 209 workers (4.4 percent) reported a commute of more than 90 minutes. Additionally, 509 workers, or 9.7 percent of the Town's employed residents, reported working from home. See the table and chart on the following page for additional details.

Commute Time

Travel Time (minutes)	Workers	Percent
Less than 5	228	4.9%
5 to 9	692	14.7%
10 to 14	553	11.8%
15 to 19	557	11.9%
20 to 24	373	7.9%
25 to 29	203	4.3%
30 to 34	349	7.4%
35 to 39	76	1.6%
40 to 44	82	1.7%
45 to 59	699	14.9%
60 to 89	679	14.4%
90 or more	209	4.4%
Total	4,700	100.0%

IV. Projection of Housing Stock

As per the MLUL, specifically N.J.S.A. 52:27D-310, a housing element must contain 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.

The DCA Division of Codes and Standards website provides data on building permits, certificates of occupancy, and demolition permits for both residential and non-residential development through the New Jersey Construction Reporter. This database contains permit and certificate of occupancy information that is submitted by municipal construction officials across the State each month. The Construction Reporter has information dating back to 2000, which can be used to show the Town's historic development trends. However, data from 2013 and onward was reviewed to determine more recent trends.

As shown in the table below, the issuance of residential certificates of varies from year to year in the Town of Hackettstown. The years with large numbers of COs recorded coincide with the inclusionary housing developments that have been constructed. Sycamore Landing contains 247 units completed in 2017. The Autumn Ridge inclusionary family rental development contains a total of 198 units which were constructed in 2020 and 2021.

Historic Trend of Residential Certificates of Occupancy & Demolition Permits (2013-2024)

	'13	'14	'15	'16	'17	'18	'19	'20	'21	'22	'23	'24	Total
COs Issued	41	30	5	7	49	37	54	124	170	6	7	2	532
Demolitions	0	0	0	0	1	0	0	1	0	0	0	NR	2
Net Development	41	30	5	7	48	37	54	123	170	6	7	NR	530

Source: NJDCA, Construction Reporter - Housing Units Certified and Demolition Permits, Yearly Summary Data

Projecting into the future, given the limited remaining vacant land within the Town, it is not expected that any significant residential developments will occur within the next ten years, aside from ongoing construction or proposed inclusionary projects.

V. Capacity for Fair Share

This chapter of the HEFSP provides the following information as required:

- The Town's capacity to accommodate its housing needs.
- A consideration of the lands that are most appropriate for construction of low and moderate income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low and moderate income housing.
- Lands of developers who have expressed a commitment to provide low and moderate income housing.
- The location and capacities of existing and proposed water and sewer lines and facilities relevant to the proposed affordable housing sites.

Land Capacity

Hackettstown's capacity to accommodate its present and prospective affordable housing need is determined by three components: available land, water availability/capacity, and sewer availability/capacity. Land development is limited by parcel size, easements (conservation, sewer, water, etc.), municipal regulations, and a variety of environmental features.

Nearly half of Hackettstown's total land area is encumbered by environmentally sensitive areas. Environmental constraints within the Town include the following:

- Waterbodies 81.9 acres (3.5% of Town)
- Wetlands 243.1 acres (10.2% of Town)
- FEMA Special Flood Hazard Area Zones
 - o AE 234.1 acres (9.9% of Town)
 - o A 14.8 acres (0.6% of Town)
- Steep Slopes Protection Area (greater than 15% slopes) 262.3 acres (11% of Town)
- Critical Wildlife Habitat 645.4 acres (27.2% of the Town's area)
- Highlands Open Water Protection Area ("OWPA") 1,140.7 acres (48% of Town)
- Highlands Riparian Area 867.8 acres (36.5% of Town)

Hackettstown previously conducted a vacant land analysis as part of the Third Round HEFSP to identify vacant and developable properties remaining in the Town that may be suitable for affordable housing development. The study found that most of Hackettstown is developed and properties that are vacant or public property not used for any purpose are undersized, environmentally constrained, have the potential for infill development or redevelopment or have vested development approvals. The study found three parcels that have a realistic development potential ("RDP") to be developed with inclusionary housing based on a minimum presumptive density of 6 du/ac. and affordable housing set-aside of 20 percent. The total developable area of these properties is 22.81 acres. The properties were found have potential to be developed with a total of 136 units, resulting in an RDP of 26 units. However, despite the lack of available vacant

lands, Hackettstown did not seek an adjustment of its Third Round obligation at that time since there were sufficient existing and proposed credits to satisfy the Third Round obligation. The Town reserved its rights to request a vacant land adjustment in the future if necessary.

For the Fourth Round, the Town has prepared a highlands build-out study and determined the RDP to be 0 units for the Town, as described in Chapter XI. Hackettstown is located within the Highlands Region and is a fully conforming municipality. Therefore, development within the Town is also controlled and limited by the Highlands Regional Master Plan.

Utility Capacity

Wastewater Treatment Capacity

Hackettstown's Wastewater Management Plan ("WMP") was approved by the New Jersey Highlands Council on February 12, 2016. The WMP establishes the Highlands Existing Community Zone and the Hackettstown Highlands Center as the wastewater service area for Hackettstown. Hackettstown is served by the Hackettstown Municipal Utilities Authority ("HMUA") wastewater treatment plant, which also services portions of Independence Township, Mansfield Township, Mount Olive Township, and Washington Township (Morris). The WMP analyzes the existing flows and potential flows from anticipated future development of the lands within the HMUA service area and found that there is sufficient capacity at the plant to address anticipated wastewater flows from the combined build out.

Water Capacity

Public water supply in Hackettstown is provided by the HMUA. According to the Hackettstown Town Municipal Build-Out Report prepared by the Highlands Council in July 2009, the buildout for Hackettstown does not exceed the available water supply capacity.

Appropriate Locations for Affordable Housing

Given the limited availability of vacant and developable land within the Highlands Center and sewer service area, the Town does not believe there are any properties that are currently suitable or appropriate for the construction of low- and moderate-income.

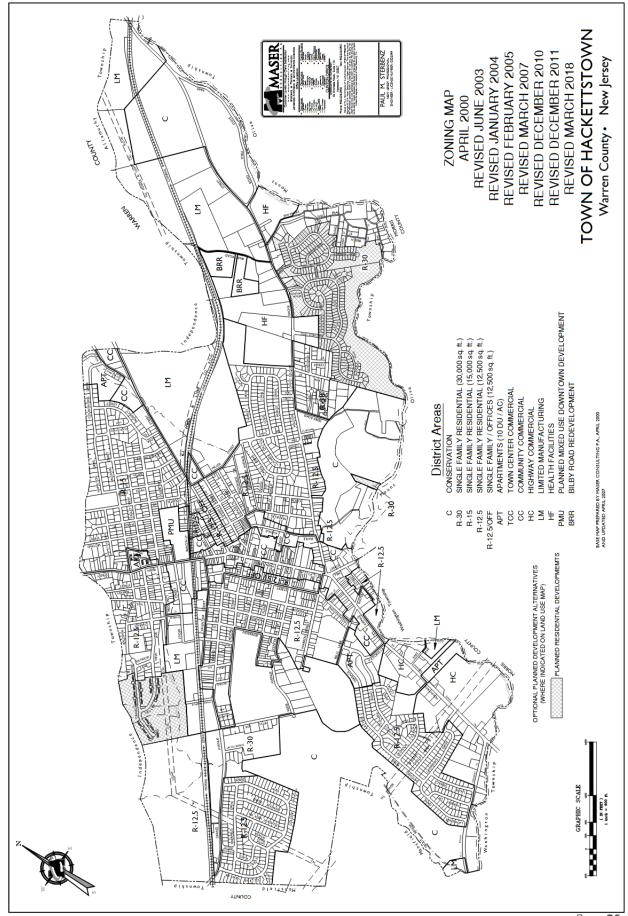
Existing structures appropriate for conversion to affordable housing may include ranch-style homes, which may be cost effective to buy and convert to an alternative living arrangement. As for structures suitable for rehabilitation, according to the Rehabilitation Obligation, 87 homes within the Town are in need of a major system repair (e.g. roof, electric, plumbing, etc.).

Potential Affordable Housing Developers

No developers have approached the Town with a concept plan or request to construct affordable housing within the Highlands Center.

Anticipated Development Patterns

Anticipated land use patterns within the Town of Hackettstown will most likely follow the established zoning map. The Town does not propose any changes to the existing zoning map at this time.



Page **26**

Multigenerational Family Continuity Evaluation

P.L. 2024, c.2 amended various aspects of the Fair Housing Act. These amendments modified the mandatory components of a municipality's housing element. NJSA 52:27D-310g. has been added, which states "An analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, adopted pursuant to paragraph (1) of subsection f. of section 1 of P.L.2021, c. 273 (C.52:27D-329.20)"

P.L. 2021, c.273 took effect on November 8, 2021. The law established the Multigenerational Family Housing Continuity Commission, which consists of a body of nine members. The duties of the Commission include the preparation and adoption of 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. The Law requires the Commission to report annually to the Governor on its activities, findings, and recommendations, if any, for State and local government. The Department of Community Affairs ("DCA") is required to provide staff services as may be needed for the Commission to carry out its responsibilities, including assembly of necessary information and statistics, and preparation of draft reports, analyses, and recommendations.

The State of New Jersey's website was reviewed on March 18, 2025. A search of the website revealed no webpage for the Multigenerational Family Housing Continuity Commission. As DCA is required to provide staff and research for the Commission, DCA's website was reviewed on March 18, 2025. DCA's website is silent regarding the Commission, its annual required reports, studies, and/or recommendations. Without recommendations from the Commission, Hackettstown is unable to conduct an analysis of its ordinances and other local factors. Despite the absence of recommendations, it should be noted that there is nothing in Hackettstown's zoning ordinance that prohibits senior citizens from residing at the home of their extended families.

Highlands Regional Master Plan Compliance

The Amended FHA lists the essential components of a municipality's housing element. NJSA 52-27D-310h. states the following:

For a municipality located within the jurisdiction of the Highlands Water Protection and Planning Council, established pursuant to section 4 of P.L.2004, C.120 (C.13-20-4), an analysis of compliance of the housing element with the Highlands Regional Master Plan of lands in the Highlands Preservation Area, and lands in the Highlands Planning Area for Highlands-conforming municipalities. This analysis shall include consideration of the municipality's most recent Highlands Municipal Build Out Report, consideration of opportunities for redevelopment of existing developed lands into inclusionary or 100 percent affordable housing, or both, and opportunities for 100 percent affordable housing in both the Highlands Planning Area and Highlands Preservation Area that are consistent with the Highlands regional master plan.

Hackettstown has lands within both the Highlands Preservation Area (203.1 acres, 8.6% of Town) and Planning Area (2,171.7 acres, 91.4% of Town).

Highlands Build-Out

As detailed in Chapter XI., on November 1, 2024, the Highlands Council issued a <u>Highlands Municipal Build-Out Update</u>, which outlined the process the Council utilized to determine parcels eligible for development. Conforming municipalities were provided access to an online GIS portal to evaluate identified properties as well as any properties that did not have a tax code classification.

For Hackettstown, there are no remaining vacant and developable parcels suitable for affordable housing, resulting in a Realistic Development Potential of 0 affordable units.

However, the Highlands build-out does not consider redevelopment opportunities. As noted in Chapter XI, there are three sites that have been designated for redevelopment: Bergen Tool, Lion Gate, and Bilby Road. No other sites have been identified as being suitable for redevelopment at this time.

The Highlands build-out restricts all affordable housing obligations, not just the Fourth Round. Build-out is a limit on development in the entire community and does not consider past outstanding affordable housing obligations. Therefore, unbuilt Third Round and Fourth Round RDP obligations are adjusted to or capped at a Highlands affordable housing obligation of 174 units, with the remaining 91 units becoming the Unmet Need.

Site-Specific Consistency Issues

Many of the remaining vacant properties in Hackettstown are not suitable for development of affordable housing due to environmentally sensitive features, such as wetlands, stream corridors and riparian areas, floor hazard areas, steep slopes, and vernal pools, which are regulated and protected by the Town's conformance with the Highlands Regional Master Plan.

Redevelopment Opportunities

As noted in Chapter XI, the Town believes the only redevelopment opportunities have already been identified and designated as redevelopment areas for inclusionary housing to capture any future redevelopment opportunities. Should any additional redevelopment opportunities arise, the Town will put a mandatory set-aside ordinance to capture any potential for affordable housing units.

100% Affordable Opportunities

The Town has a finite affordable housing trust fund and does not propose any 100% affordable housing developments within this HEFSP. It is the Town's opinion that the Amended FHA cannot require a municipality to spend its own money on compliance and consequently cannot compel 100% projects. Nonetheless, the Town has not identified any areas suitable for a 100% affordable project.

State Development & Redevelopment Plan Consistency

P.L. 2024, c.2 amended the Fair Housing Act to include a new requirement for housing elements. NJSA 52:27D-310i. reads "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."

The Draft State Development and Redevelopment Plan was approved by the State Planning Commission ("SPC") on December 4, 2024, and was released on December 6, 2024. The Office of

Planning Advocacy ("OPA") conducted public hearings in each of New Jersey's 21 Counties between February 12, 2025 and April 16, 2025. Municipalities are tasked with completing Cross-Acceptance Response Template forms to determine a municipality's consistency with the Draft State Plan. The OPA anticipates collecting all Cross-Acceptance Response Template forms in the Summer of 2025. During this time, the OPA is accepting comments on the Draft Plan. The OPA anticipates releasing a Final Draft Plan and holding six additional public hearings in the Summer/Fall of 2025. The expected adoption of the Final Plan by the SPC is anticipated to be in the Winter of 2025.

As the document is draft, the Town cannot opine on consistency until the final version is adopted. Hackettstown has not received guidance from the State Planning Commission concerning water, wastewater, or multi-modal transportation.

FAIR SHARE PLAN

VI. Required Content of Fair Share Plan

The Fair Share Plan contains the following information:

- Description of existing credits intended to satisfy the obligation;
- Description of mechanisms that will be used to meet any outstanding obligation; and
- An implementation schedule that sets forth a detailed timetable for units to be provided.

In adopting its housing element, a municipality may provide for its fair share of low and moderate income housing by means of any technique or combination of techniques that provide a realistic opportunity for the provision of the fair share. As per N.J.A.C. 5:93, these potential techniques include but are not limited to:

- Rehabilitation of existing substandard housing units;
- ECHO units (as a Rehabilitation credit);
- Municipally-sponsored and 100 percent affordable developments;
- Zoning for inclusionary development;
- Alternative living arrangements;
- Accessory apartment program;
- Purchase of existing homes;
- Write-down/buy-down programs; and
- Assisted living residences.

VII. Regional Income Limits

Dwelling units are affordable to low and moderate income households if the maximum sales price or rental cost is within their ability to pay such costs, based on a specific formula. The State historically provided income limits based upon the median gross household income of the affordable housing region in which the household is located. A moderate income household is one with a gross household income equal to or more than 50 percent, but less than 80 percent, of the median gross regional household income. A low income household is one with a gross household income equal to 50 percent or less of the median gross regional household income. Very-low income households are those with a gross household income equal to 30 percent or less of the median gross household income. Hackettstown is located in Region 2, which contains Essex, Morris, Union, and Warren Counties.

Using the Affordable Housing Professionals of New Jersey's latest chart on the regional income limits for Housing Region 2 in 2024, a four-person moderate income household is capped at \$103,533. Two-person moderate income households are capped at \$82,826, while two-person households could make up to \$51,766 to be considered a low-income household. The table on the following page provides the median, moderate, low, and very-low income limits for one-, two-, three-, and four-person households in Region 2.3

2024 Regional Income Limits (Region 2)

Income		Househ	old Size	
ilicome	1 Person	2 Person	3 Person	4 Person
Median	\$90,591	\$103,533	\$116,475	\$129,416
Moderate	\$72,473	\$82,826	\$93,180	\$103,533
Low	\$45,296	\$51,766	\$58,237	\$64,708
Very-Low	\$27,177	\$31,060	\$34,942	\$38,825

Source: https://ahpnj.org/member_docs/Income_Limits_2024_FINAL.pdf

³ In October 2018, Judge Miller signed a vicinage wide income limits order applying to all of the 60 or so municipalities with cases in Somerset, Hunterdon, and Warren Counties. All of these municipalities can now utilize the most current income limits available as it applies both to towns that have settled and those that have not and reserves all rights on the methodology.

VIII. Hackettstown's Affordable Housing Obligation

This chapter outlines the four-part affordable housing obligation Hackettstown has been assigned.

Present Need (Rehabilitation Obligation) | 87

Third Round Present Need

The Opinion issued by the Supreme Court of New Jersey on March 10, 2015 (the Mount Laurel IV Opinion) directs that that the Prior Round methodology be used to calculate municipal Present Need. This methodology was utilized by David N. Kinsey, PhD, FAICP, P.P. in his July 22, 2016 report "New Jersey Fair Share Housing Obligations for 1999-2025 (Third Round) Under Mount Laurel IV", prepared on behalf of the Fair Share Housing Center (FSHC), to calculate the Present Need. For Hackettstown, the Kinsey Report calculated a Present Need of 123 units in need of rehabilitation for the Third Round period.

Due to the wide margin of error associated with the ACS data used to calculate the present need, Hackettstown performed a Structural Conditions Survey. COAH and the Courts have recognized that the census indicators may yield an inaccurate result. COAH's prior round rules (N.J.A.C. 5:93-5.2(a) and N.J.A.C. 5:93-Appendix C) provide a survey for municipalities to utilize that may be used to alter the census-generated indigenous need estimates. The survey requires an exterior inspection of the existing housing stock to determine if a unit is substandard. It then provides for the use of census data to estimate the number of substandard units that are occupied by low and moderate income households, since the income of the families residing in the substandard units is unknown.

The Survey requires seven components of the exterior structure to be inspected. Foundation, siding and walls, roof, and chimney are considered major systems, and the remaining components are considered minor systems. If one major system or two or more minor systems are determined to be in fair/poor conditions, the structure and all units within the structure are considered to be substandard.

The Structural Conditions Survey for Hackettstown was prepared by Richard O'Connor, Hackettstown's Construction Official who is licensed by the State of New Jersey to perform building and/or housing inspections. According to Mr. O'Connor's survey, there were 73 dwelling units in the Town that are structurally deficient. According to the FSHC report, the estimated proportion of low and moderate income households within deficient units is 81.82 percent. Applying that ratio to the 73 surveyed structurally deficient dwelling units, resulted in a rehabilitation share of 60 units for Hackettstown. Therefore, Hackettstown's Third Round HEFSP addressed a Rehabilitation Obligation of 60 units.

Fourth Round Present Need

For the Fourth Round, NJDCA calculated a present need of 87 units of rehabilitation for Hackettstown. Hackettstown accepted this rehabilitation obligation for the Fourth Round and has not prepared an updated Structural Conditions Survey at this time due to the stringent deadlines to prepare the HESFP as set forth in the Amended Fair Housing Act. Hackettstown reserves the right to conduct a Structural Conditions Survey and may amend this HEFSP to document the results of the survey and the reduction in the rehabilitation obligation. At this time, Hackettstown intends to comply with the 87-unit rehabilitation obligation.

Prior Round (1987-1999) | 62

Hackettstown received Second Round Substantive Certification in 2000 from COAH. The Town had 1987-1999 pre-credited need of 122 affordable units, comprised of 48 new construction units and 74 rehabilitation units.

Third Round (1999-2025) | 163

For the Third Round, Hackettstown's Third Round HEFSP addressed a 163-unit prospective need for the 1999-2025 period, as well as a rehabilitation share of 60 units.

Fourth Round (2025-2035) | 102

As indicated in the 2025 Order setting the Fourth Round obligations, Hackettstown's Fourth Round Obligation is 102 units.

Highlands Build-out Analysis | 0 RDP

As part of the Third Round HEFSP, Hackettstown previously conducted a vacant land analysis to identify vacant and developable properties remaining in the Town that may be suitable for affordable housing development. The study found that most of Hackettstown is developed and properties that are vacant or public property not used for any purpose are undersized, environmentally constrained, have the potential for infill development or redevelopment or have vested development approvals. The study found three parcels that have a realistic development potential ("RDP") to be developed with inclusionary housing based on a minimum presumptive density of 6 du/ac. and affordable housing set-aside of 20 percent. The total developable area of these properties is 22.81 acres. The properties were found have potential to be developed with a total of 136 units, resulting in an RDP of 26 units. However, despite the lack of available vacant lands, Hackettstown did not seek an adjustment of its Third Round obligation at that time since there were sufficient existing and proposed credits to satisfy the Third Round obligation. The Town reserved its rights to request a vacant land adjustment in the future if necessary.

The Amended FHA requires municipalities located within the Highlands Region to provide an analysis of compliance of the housing element with the Highlands Regional Master Plan of lands in the Highlands Preservation Area, and lands in the Highlands Planning Area for Highlands-conforming municipalities. This analysis shall include consideration of the municipality's most recent Highlands Municipal Build Out Report, consideration of opportunities for redevelopment of existing developed lands into inclusionary or 100 percent affordable housing, or both, and opportunities for 100 percent affordable housing in both the Highlands Planning Area and Highlands Preservation Area that are consistent with the Highlands regional master plan.

The Highlands Council issued a <u>Highlands Municipal Build-Out Update</u> dated November 1, 2024. The document outlines the process the Council utilized to determine parcels eligible for development. Utilizing Mod-IV tax data, the Highlands Council included Class 1 (Vacant) and Class 3B (Farmland Assessed) properties with 0.83 acres or greater as available for development.⁴ Parcels with a public classification (Class 15C or 15F) where 0.83 acres or greater after the existing impervious surface area is subtracted from the maximum building coverage (based on the

⁴ Utilizing a presumptive minimum density of 6 units per acre, a parcel would need to have a minimum of 0.83 acres to develop 5 units.

maximum building coverage percentage permitted by local zoning) were also included as available for development.

The Highlands Council provided conforming municipalities with access to an online GIS portal hosted through ArcGIS to evaluate identified developable properties as well as any properties that did not have a tax code classification. For Hackettstown, 15 properties required municipal review. The portal review required confirmation of sewer service, Mod-IV property class, preservation status, and whether or not the site is available for development. Any changes to a parcel's developability required rationale to be entered into the portal.

The analysis concluded that no parcels remaining in Hackettstown are vacant and available for development.

In terms of the interplay between affordable housing obligations and the build-out, the Highlands Guidance Document stresses the long historical interaction between the Council on Affordable Housing ("COAH") standards and affordable housing. This includes, the Regional Master Plan, COAH's second attempt at Round 3 rules, Executive Order 114, a Memorandum of Understanding ("MOU") between the Highlands and COAH, a 2009 guidance document from the Highlands and the 2011 Appellate Division decision upholding the Regional Master Plan ("RMP"), Executive Order 114 and the MOU – but invalidating, on non-substantive grounds, the Highlands Guidance Document and 2009 COAH resolution as rulemaking that would have had to go through the administrative rule making process. Not mentioned in the Guidance Document is that, in addition to all of those documents, COAH's proposed 2014 regulations imposed a "buildable limit" on Highlands municipalities, which corresponded to the Highlands Build Out numbers. COAH was rendered Moribund in 2015 and towns lost the benefit of the regional planning entity's interaction with COAH. This had significant consequences in Round 3 in the context of impacts on the RMP from an environmental perspective (the "Adverse Consequences").

On March 20, 2024, Governor Murphy signed amendments to the New Jersey Fair Housing Act into law. The Amended FHA made clear that the Adverse Consequences would need to be avoided in Round 4 and beyond in order to protect the State's drinking water and the environmental features of the Highlands. To effectuate renewed and legitimate protections in the Highlands, the Amended FHA provided for a lower "off-the-top" allocation in the Highlands by providing a 0-weighting factor for developable land in the Preservation Area and Planning Areas outside of a sewer service area and the Existing Community Zone.

As part of the consideration of the Regional Master Plan in the regional allocation of need, the New FHA also renews the statutory requirement that Highlands municipalities specifically comply with the Highlands Build-Out in the context of their Housing Plans.

The only way to conform with the Highlands Build-Out in the HEFSP, in the context of affordable housing, is to adjust the off-the-top number downward so that inclusionary development would not exceed the build out. For example, if a Highland's municipality had a prospective need of 1,000 units, and a highlands buildout of 500 units, then it would need to have an adjusted affordable housing obligation of 100 units to achieve the maximum yield with a 20 percent affordable housing set-aside.

In addition, the municipality would consider: "opportunities for redevelopment of existing developed lands into inclusionary or 100 percent affordable housing, or both... that are consistent with the Highlands regional master plan".

That is precisely what the Highlands Guidance document envisions. The Highlands document provides that Build-out is effectively a cap on the number of units that can be supported in the Town. Since the FHA cannot require a municipality to spend municipal funds on compliance (and therefore cannot compel 100 percent affordable projects), the only way to reconcile the build-out with the Amended FHA is assume a 20 percent set aside relative to the upward capacity for multifamily units in the build-out.

It should also be noted that the <u>Highlands Municipal Build-Out Update</u> states that a minimum presumptive density of 6 units per acre based on developable acreage should be assumed. While this recommendation is blind to specific site conditions, the guidance document does provide that the analysis should be done "within the parameters of sound land use planning, municipalities will generally have to determine appropriate densities for lands that have the potential to be serviced by public wastewater." Thus, the Highlands Build-out also requires an analysis of suitability for multifamily use of at least 5 units.

In addition to the build-out, the Town must identify properties that may be suitable for redevelopment. The Town had previously declared three parcels in need of redevelopment. The Bergen Tool Redevelopment Area is under construction. The Bilby Road Redevelopment Area is also under construction. The Lion Gate Redevelopment Area remains vacant despite land use approvals being in place since 2017. No other sites have been identified as potential redevelopment areas in Hackettstown.

The Highlands build-out restricts not just the Fourth Round Obligation, but all affordable housing obligations. Build-out is a limit on development in the entire community, blind to past outstanding affordable housing obligations. Therefore, the unbuilt Third Round Unmet Need and Fourth Round Obligation are adjusted to or capped at an amended Highlands affordable housing obligation of 0 units.

Build-Out Unmet Need | 91

The unbuilt units from the Third and Fourth Round obligations become the unmet need from the Highlands Build-out. The 18 units previously proposed to address the Third Round from Lion Gate remain unbuilt from the Third Round. Additionally, the Town is applying 26 units of existing development towards the Fourth Round. Therefore, there are 18 unbuilt units from the Third Round and 73 unbuilt units from the Fourth Round, which result in a combined Highlands Buildout Unmet Need of 91 units.

IX. Mechanisms & Credits

This chapter provides the existing and proposed mechanisms and credits for each of the four affordable housing obligations.

Rehabilitation Mechanisms & Credits

Rehabilitation must occur within the affordable housing round to count for credit.

Third Round Rehabilitation Share (1999-2025)

Warren County operates a Housing Rehabilitation Program ("WCHRP") for qualified low and moderate income households that gives homeowners money to fix major systems (such as roofs, heating, structural, well, septic, etc.) of their home. In return for the rehabilitation money, the house must have a lien with 99-year affordability controls placed on the property. Since July 2015, one home has been rehabilitated in Hackettstown through the WCHRP.

Pursuant to N.J.A.C. 5:97-6.2(b)(7), units that are eligible to receive new construction credit may be used to address a municipal rehabilitation share. Van Paftinos II is an inclusionary development with 21 age restricted affordable rentals of 100 total units. Hackettstown plans to utilize 15 new construction credits from Van Paftinos II to be applied to the rehabilitation obligation. These 15 credits are rental units, which will fulfill the requirement to include renter-occupied units in the rehabilitation program, pursuant to NJAC 5:93-5.2(f).

Hackettstown continues to encourage residents to utilize the existing WCHRP to rehabilitate homes. Hackettstown transferred \$210,000 from its affordable housing trust fund to WCHRP in 2012 to be designated for rehabilitation of homes in Hackettstown. At an average cost of \$10,000 per home, this is assumed to be sufficient funds for 21 homes to be rehabilitated. It is also assumed that additional funds will be available from the WCHRP to rehabilitate an additional 23 units in Hackettstown, for a total of 45 anticipated units through WCHRP.

In the case of a shortfall, Hackettstown will apply for a Small Cities/CBDG grant available through the Department of Community Affairs. The grant's purpose is to rehabilitate homes and encourage the construction of affordable housing. Other eligible costs include activities that support an affordable housing development, such as site assemblage, engineering, infrastructure improvements, and utilities hook ups. The Town will earmark funds from its total development fees projected to be collected for rehabilitation to supplement the existing rehabilitation mechanisms in the case of a shortfall of rehabilitation credits.

Fourth Round Rehabilitation Share (2025-2035)

Pursuant to N.J.A.C. 5:97-6.2(b)(7), units that are eligible to receive new construction credit may be used to address a municipal rehabilitation share. The Town will apply 6 units of new construction credit from Van Paftinos II and 21 units from Jane Paftinos, for a total of 27 age-restricted credits towards the Fourth Round Rehabilitation obligation. The Amended FHA permits up to 30 percent of the obligation to be met by age-restricted credits, which is 27 of the 87 unit obligation.

1. Van Paftinos II

Van Paftinos II is an inclusionary development located at 620 Willow Grove Street (Block 119.03, Lot 15). The site contains 100 total units, of which 21 units are age-restricted affordable rental units.

The development received its certificates of occupancy in 2003, and the affordable units have a 30-year deed restriction. The facility is eligible for 21 credits. Hackettstown previously applied 15 of the units to the Third Round rehabilitation obligation, and will apply the remaining 6 units to the Fourth Round rehabilitation obligation.

2. Jane Paftinos, LLC

Jane Paftinos is an age-restricted inclusionary development, located at 21 Route 57 (Block 129, Lot 26). The development received preliminary approval in 2004 for a total of 128 units including 26 affordable units. Subsequently, the development changed owners, and the amended plan was decreased to 104 total units with 21 age-restricted rental affordable units deed restricted for 30 years. Construction of the development was completed in 2014. The site is eligible for 21 credits.

3. Warren County Housing Rehabilitation Program ("WCHRP")

Hackettstown will continue to encourage residents to utilize the existing WCHRP to rehabilitate homes. Since the Fourth Round period has not commenced, there are no existing units from WCHRP eligible for credits during the 2025 to 2035 period. Hackettstown will plan for 60 units to be rehabilitated through the WCHRP.

Prior Round (1987-1999) Mechanisms & Credits

1. Heritage House

Heritage House is an age-restricted rental housing development constructed in 1985 and funded through the HUD Section 202 program. The development has a 40-year mortgage expiring in 2025. There are a total of 81 affordable units at Heritage House. These 81 units were deemed creditworthy in the.

Pursuant to the Settlement Agreement with FSHC, Hackettstown has agreed to comply with FSHC determination that credits for age-restricted units constructed between April 1, 1980 and December 15, 1986 may not be applied in a manner consistent with N.J.A.C. 5:93-3.2. As a result, the Town is no longer able to satisfy the entirety of its Prior Round obligation with this development as the Town has done in the past. Therefore, 15 credits from units at Heritage House have been applied to Prior Round obligation, 40 credits are applied to the Third Round obligation, and the remaining 26 credits are applied to the Fourth Round obligation.

2. B&W Associates, LLP and Gordon MAB Hackettstown, LLC

As a part of two non-residential development approvals, B&W Associates, LLP and Gordon MAB Hackettstown, LLC entered into agreements with Robert Russell, owner of 103 Valentine Street, Unit 1 and 105 Valentine Street, Units 1, 2, 3, 4 and 5 to provide six family rental units. The units are deed restricted for 30 years and are managed by Housing Affordability Services. Pursuant to the Third Round JOR, the units were deemed eligible for a total of 12 credits, 6 from the units along with 6 bonus credits.

3. Arc of Warren County Group Home (109 Carter Terrace)

ARC of Warren County operates a group home located at 109 Carter Terrace (Block 114, Lot 16). The facility has 4 bedrooms for developmentally disabled adults and is licensed by the NJ Department of Human Services, Division of Developmental Disabilities. Pursuant to the Third Round JOR, the facility was deemed eligible for 4 credits.

4. Arc of Warren County Group Home (431 Hurley Drive)

ARC of Warren County operates a group home located at 431 Hurley Drive (Block 46, Lot 6). The facility has 4 bedrooms for developmentally disabled adults and is licensed by the NJ Department of Human Services, Division of Developmental Disabilities. Pursuant to the Third Round JOR, the facility was deemed eligible for 4 credits.

5. Center for Humanistic Change

The Center for Humanistic Change of New Jersey maintains a group home at 101–105 Christopher Street. The facility is regulated by the New Jersey Department of Human Services, Division of Developmental Disabilities. The facility has a total of 5 bedrooms that serve low-income residents. The facility received its Certificate of Occupancy in 1995. Pursuant to the Third Round JOR, the facility was deemed eligible for 5 credits. Hackettstown is applying 2 credits to the Prior Round and 3 credits to the Third Round.

6. Van Paftinos III (Bilby Road)

Van Paftinos III (Bilby Road) consists of Block 45, Lots 1.01 and 2, located along Bilby Road. The property was designated as a non-condemnation area in need of redevelopment by the Hackettstown Town Council on December 27, 2018. The Bilby Road Redevelopment Plan governing the redevelopment of the property was adopted by the Town Council on February 28, 2019. The property received amended final site plan approval on July 23, 2019 for the development of an inclusionary multi-family family rental apartment complex with 275 dwelling units. The property must provide 55 affordable units. Pursuant to the Third Round JOR, the site was deemed eligible for 55 credits. Hackettstown intends to apply 15 credits along with 10 bonus credits from Van Paftinos III to the Prior Round obligation.

7. Rental Bonus Credits

Pursuant to N.J.A.C. 5:93-5.15(d), the Town may claim 2 units of credit for rental units available to the general public (i.e. family rentals or non-age-restricted group homes) or 1.33 units of credit for age-restricted rentals. Rental bonuses for the Prior Round are capped at the rental obligation, which is 25 percent of the new construction obligation. For the Prior Round, Hackettstown has a rental obligation of 16 units and, therefore, may apply up to 16 bonus credits. Hackettstown will apply 6 family rental bonus credits from B&W and Gordon MAB, and 10 family rental bonus credits from Van Paftinos III, for a total of 16 bonus credits.

Summary of Prior Round Credits

The Town has a total of 46 existing or under construction affordable units along with 16 rental bonus credits to meet its Prior Round obligation.

	CREDITS						
Project	Credit Type	Status	Total Units	Available Credits	Pr	ior Roui	nd
			Oilles	Credits	Units	Bonus	Total
Heritage House	Prior Cycle AR	Existing	81	81	15		15
B & W and Gordon MAB	Family Rental	Existing	6	6	6	6	12
Arc of Warren County (109 Carter Terrace)	Group Home	Existing	1	4	4		4
Arc of Warren County (431 Hurley Drive)	Group Home	Existing	1	4	4		4
Center for Humanistic Change	Group Home	Existing	1	5	2		2
Van Paftinos III (Bilby Road)	Family Rental	Under Const.	275	55	15	10	25
				Total	46	16	62
				Obligation		62	
			Age	-Restricted		15	
			ſ	Max Bonus		16	

Third Round Mechanisms & Credits

Based on the Highlands Build-out, the Third Round obligation of 163 units is being reduced to a Realistic Development Potential (RDP) of 145 units. Hackettstown intends to satisfy the 145-unit RDP with the following projects:

1. Heritage House

The Third Round JOR deemed the Heritage House eligible for 40 credits towards the Third Round obligation.

2. Center for Humanistic Change

The Center for Humanistic Change of New Jersey group home has 3 eligible credits that will be applied to the Third Round obligation.

3. Brook Hollow Estates

Brook Hollow Estates is an inclusionary development completed by K. Hovnanian in 1998 on Block 119.03, Lot 14. The development contains 187 total units, of which 21 are family affordable for-sale units. Pursuant to the Third Round JOR, the site is eligible for 21 credits towards the Third Round obligation along with 1 rental bonus credit.

4. Van Paftinos III (Bilby Road)

Pursuant to the Third Round JOR, Hackettstown applied 40 credits along with 40 bonus credits from Van Paftinos III to the Third Round obligation.

5. Rental Bonus Credits

Pursuant to N.J.A.C. 5:93-5.15(d), the Town may claim 2 units of credit for rental units available to the general public (i.e. family rentals) or 1.33 units of credit for age-restricted rentals. Rental bonuses for the Third Round are capped at the rental obligation, which is 25 percent of the new construction obligation. For the Third Round, Hackettstown has a rental obligation of 41 units and therefore, may apply up to 41 bonus credits. Hackettstown will utilize 40 rental bonus credits for units within Van Paftinos I and 1 unit from Brook Hollow Estates to satisfy the Third Round obligation.

Summary of Third Round Credits

The Town has a total of 104 existing or under construction affordable units along with 41 rental bonus credits to meet its Third Round obligation.

	CREDITS						
Project	Credit Type	Status	Total Units	Available Credits	Th	ird Rou	nd
			Offics	Credits	Units	Bonus	Total
Heritage House	Prior Cycle AR	Existing	81	81	40		40
Center for Humanistic Change	Group Home	Existing	1	5	3		3
Van Paftinos III (Bilby Road)	Family Rental	Under Const.	275	55	40	40	80
Brook Hollow Estates	Family Sales	Existing	187	21	21	1	22
				Total	104	41	145
				Obligation		163	
			Age	-Restricted		40	
			-	Max Bonus		41	•

Fourth Round (2025-2035) Mechanisms & Credits

Based on the Highlands Build-out, the Fourth Round obligation of 102 units is being reduced to a Realistic Development Potential (RDP) of 0 units. Due to existing credits carried over from previous cycles, Hackettstown will apply 26 units towards the Fourth Round RDP, as follows:

1. Heritage House

There are 26 age-restricted credits remaining from Heritage House that can be applied to the Fourth Round. No bonus credits are eligible for Heritage House.

Summary of Fourth Round Credits

The Town has a total of 26 existing or under construction affordable units along with 13 rental bonus credits to meet its Third Round obligation.

	CREDITS						
Project	Credit Type	Status	Total Units	Available Credits	Fou	ırth Rou	und
			Ullits	Credits	Units	Bonus	Total
Heritage House	Prior Cycle AR	Existing	81	81	26		26
				Total	26	0	26
				Obligation		102	
			Age	-Restricted	•	26	
			1	Max Bonus		26	

Highlands Build-out Unmet Need

The unbuilt units from the Third and Fourth Round obligations become the unmet need from the Highlands Build-out. There are 18 unbuilt units from the Third Round and 73 unbuilt units from the Fourth Round, which result in a combined Highlands Buildout Unmet Need of 91 units. The following projects will be applied to the unmet need:

1. Van Paftinos I

Van Paftinos I is an inclusionary development located along Vans Drive adjacent to Mountain Avenue (Block 127, Lot 7). The project contains 76 total units, of which 14 are age-restricted affordable rental units. The units received certificates of occupancy in 1995 and are deed restricted for 30 years. The units are eligible for 14 credits that could not be applied due to the age-restricted caps.

2. Bergen Tool Redevelopment

The Bergen Tool, known as Block 21, Lot 18, has been designated as an area in need of redevelopment and has been rezoned as the PMU Planned Mixed Use Downtown Development Zone. The PMU Zone permits a variety of non-residential and residential uses. The Ordinance requires a minimum of 10% of the dwelling units to be set aside as affordable housing units. The affordable housing obligation may also be satisfied by a minimum in lieu payment of \$25,000 per affordable unit obligation. These funds would be used for a market to affordable program or rehabilitation of dwelling units in the downtown area. The property is expected to be developed with 108 units, which would yield an 11-unit affordable housing obligation or a \$275,000 payment in lieu.

3. Hunter's Brook Payment-in-Lieu

As a part of the approval for Hunter's Brook, a 101-unit residential project, Hackettstown received a payment in lieu of \$275,000, which was deposited into the affordable housing trust fund. Much of this money was transferred to the WCHRP in 2012 to assist with housing rehabilitation in Hackettstown. There are no credits available for this payment-in-lieu.

4. Lion Gate at Musconetcong

The Lion Gate site consists of 15.7 acres with 440 feet of frontage along the easterly side of Mountain Avenue (State Route 182). A portion of the southerly and westerly sides of the subject site borders the Musconetcong River. The river is also the municipal boundary and County boundary. The property also abuts the former Hackettstown Mall site which was redeveloped with the Lowe's shopping center.

The site has remained vacant since the 1980s when partial building foundations, asphalt surfaces, and stormwater management facilities were constructed in association with a shopping center approved for development that was never completed.

The site is located entirely within the HC (Highway Commercial) District, which permits a variety of retail, office, restaurant, motel, hotel, bed and breakfast, public playground, and indoor recreation uses as principal permitted uses. The site was designated as a Non-Condemnation Area in Need of Redevelopment by the Hackettstown Common Council and is subject to the land use requirements and procedures outlined in a Redevelopment Plan that was adopted by ordinance by the

Hackettstown Common Council on February 23, 2017. The Redevelopment Plan approved for the site allows for a mixed use retail commercial and multi-family residential project.

The Planning Board granted preliminary and final major site plan and subdivision plan approvals to redevelop the site for a 5,558 square foot Wawa convenience store with fuel dispensing facilities including 6 multi-unit fuel dispensers beneath a canopy, and 145 apartment units, including 25 low and moderate income units in two buildings. The resolution memorializing the grant of preliminary and final major site plan and subdivision plan approvals was adopted on June 27, 2017.

The Third Round HEFSP included the Lions Gate site as providing 18 units along with 1 rental bonus credit to satisfy 19 units of the Third Round obligation.

Subsequent to the granting of approvals in 2017 for the project, the subdivision was perfected and the Wawa convenience store with fuel dispensing facilities was constructed and placed into operation on Lot 9.02. A Certificate of Occupancy for the Wawa convenience store was issued in December 2018 by the Town of Hackettstown. While the commercial component of the Redevelopment Plan adopted by the Hackettstown Common Council in 2017 is now complete, the residential component on Lot 9.01 remains outstanding and undeveloped.

Lion Gate at Musconetcong River Urban Renewal, LLC received amended preliminary and final major site plan approval from the Land Use Board on September 27, 2022 with respect to the residential portion of the redevelopment on Lot 9.01 in Block 125. Specifically, the applicant was approved to separate previously approved Building 2 into two (2) buildings known as Buildings 2 and 3 and modify the site layout as a result of the building separation.

Despite the amended approval in 2022, the site remains undeveloped, and construction has yet to commence. The site continues to be in poor condition which impairs the public health and safety, contributes to an image of a site in a state of disrepair and abandonment, which exerts a blighting influence on neighboring properties and the community. Due to the decades of inaction on the property, including the past 8 years specifically since the site was declared an area in need of redevelopment, the Town of Hackettstown has lost faith in the redeveloper and believes that this property is no longer a realistic site for inclusionary housing. Therefore, this site is being removed from the plan and will be applied as an unmet need site if development ever moves forward.

5. Town-Wide Mandatory Set-aside Ordinance

The Town intends to amend the Affordable Housing Ordinance to require any future residential development of 5 or more units throughout the entire municipality to provide a mandatory 20 percent set-aside for low- and moderate-income households, regardless of tenure (sale or rental).

Summary of Mechanisms & Credits

The table below provides a summary of the mechanisms, credits and bonuses this HEFSP proposes.

				CREDITS												
Project Credit Type		Status	Total Units	Available Credits			Pr	ior Roui	nd	Th	ird Rou	nd	Fou	ırth Rou	ınd	Excess
			Ullits	Cieuits	3rd	4th	Units	Bonus	Total	Units	Bonus	Total	Units	Bonus	Total	
Heritage House	Prior Cycle AR	Existing	81	81			15		15	40		40	26		26	0
B & W and Gordon MAB	Family Rental	Existing	6	6			6	6	12			0			0	0
Arc of Warren County (109 Carter Terrace)	Group Home	Existing	1	4			4		4			0			0	0
Arc of Warren County (431 Hurley Drive)	Group Home	Existing	1	4			4		4			0			0	0
Center for Humanistic Change	Group Home	Existing	1	5			2		2	3		3			0	0
Van Paftinos III (Bilby Road)	Family Rental	Under Const.	275	55			15	10	25	40	40	80			0	0
Brook Hollow Estates	Family Sales	Existing	187	21					0	21	1	22			0	0
Van Paftinos I (Vans Drive) AR Rental		Existing	76	14					0			0			0	14
Van Paftinos II (Willow Grove St)	AR Rental	Existing	100	21	15	6			0	0				0	0	
Jane Paftinos (Route 57)	AR Rental	Existing	104	21		21			0	0				0	0	
WCHRP Rehabilitation	Rehab	Existing	1	1	1				0			0			0	
WCHRP Rehabilitation	Rehab	Proposed			44	60			0			0			0	
				Total	60	87	46	16	62	104	41	145	26	0	26	14
	•	•	•	Obligation	60	87		62			163			102		
	•	•	Age	-Restricted	15	27		15			40			26		
	•	•		Max Bonus		,		16			41			26		

X. Appendix

Shelbourne at Hunterdon 53 Frontage Road, Suite 110 Hampton, New Jersey 08827 Main: 877 627 3772



Memorandum

Date: June 13, 2025

Subject: Town of Hackettstown: Highlands Build-Out Analysis

From: Daniel N. Bloch, PP, AICP, Township Planner

Project No.: HKL0030

The Amended FHA requires municipalities located within the Highlands Region to provide an analysis of compliance of the housing element with the Highlands Regional Master Plan of lands in the Highlands Preservation Area, and lands in the Highlands Planning Area for Highlands-conforming municipalities. This analysis shall include consideration of the municipality's most recent Highlands Municipal Build Out Report, consideration of opportunities for redevelopment of existing developed lands into inclusionary or 100 percent affordable housing, or both, and opportunities for 100 percent affordable housing in both the Highlands Planning Area and Highlands Preservation Area that are consistent with the Highlands regional master plan.

The Highlands Council issued a <u>Highlands Municipal Build-Out Update</u> dated November 1, 2024. The document outlines the process the Council utilized to determine parcels eligible for development. Utilizing Mod-IV tax data, the Highlands Council included Class 1 (Vacant) and Class 3B (Farmland Assessed) properties with 0.83 acres or greater as available for development. Parcels with a public classification (Class 15C or 15F) where 0.83 acres or greater after the existing impervious surface area is subtracted from the maximum building coverage (based on the maximum building coverage percentage permitted by local zoning) were also included as available for development.

The Highlands Council provided conforming municipalities with access to an online GIS portal hosted through ArcGIS to evaluate identified developable properties as well as any properties that did not have a tax code classification. For Hackettstown, 15 properties required municipal review. The portal review required confirmation of sewer service, Mod-IV property class, preservation status, and whether or not the site is available for development. Any changes to a parcel's developability required rationale to be entered into the portal.

The analysis concluded that no parcels remaining in Hackettstown are vacant and available for development.

¹ Utilizing a presumptive minimum density of 6 units per acre, a parcel would need to have a minimum of 0.83 acres to develop 5 units.

Project No. HKL0030 June 13, 2025 Page 2 | 3



In terms of the interplay between affordable housing obligations and the build-out, the Highlands Guidance Document stresses the long historical interaction between the Council on Affordable Housing ("COAH") standards and affordable housing. This includes, the Regional Master Plan, COAH's second attempt at Round 3 rules, Executive Order 114, a Memorandum of Understanding ("MOU") between the Highlands and COAH, a 2009 guidance document from the Highlands and the 2011 Appellate Division decision upholding the Regional Master Plan ("RMP"), Executive Order 114 and the MOU – but invalidating, on non-substantive grounds, the Highlands Guidance Document and 2009 COAH resolution as rulemaking that would have had to go through the administrative rule making process. Not mentioned in the Guidance Document is that, in addition to all of those documents, COAH's proposed 2014 regulations imposed a "buildable limit" on Highlands municipalities, which corresponded to the Highlands Build Out numbers. COAH was rendered Moribund in 2015 and towns lost the benefit of the regional planning entity's interaction with COAH. This had significant consequences in Round 3 in the context of impacts on the RMP from an environmental perspective (the "Adverse Consequences").

On March 20, 2024, Governor Murphy signed amendments to the New Jersey Fair Housing Act into law. The Amended FHA made clear that the Adverse Consequences would need to be avoided in Round 4 and beyond in order to protect the State's drinking water and the environmental features of the Highlands. To effectuate renewed and legitimate protections in the Highlands, the Amended FHA provided for a lower "off-the-top" allocation in the Highlands by providing a 0-weighting factor for developable land in the Preservation Area and Planning Areas outside of a sewer service area and the Existing Community Zone.

As part of the consideration of the Regional Master Plan in the regional allocation of need, the New FHA also renews the statutory requirement that Highlands municipalities specifically comply with the Highlands Build-Out in the context of their Housing Plans.

The only way to conform with the Highlands Build-Out in the HEFSP, in the context of affordable housing, is to adjust the off-the-top number downward so that inclusionary development would not exceed the build out. For example, if a Highland's municipality had a prospective need of 1,000 units, and a highlands buildout of 500 units, then it would need to have an adjusted affordable housing obligation of 100 units to achieve the maximum yield with a 20 percent affordable housing set-aside.

In addition, the municipality would consider: "opportunities for redevelopment of existing developed lands into inclusionary or 100 percent affordable housing, or both... that are consistent with the Highlands regional master plan".

That is precisely what the Highlands Guidance document envisions. The Highlands document provides that Build-out is effectively a cap on the number of units that can be supported in the Town. Since the FHA cannot require a municipality to spend municipal funds on compliance (and therefore cannot compel 100 percent affordable projects), the only way to reconcile the build-out with the Amended FHA is assume a 20 percent set aside relative to the upward capacity for multifamily units in the build-out.

WRN-L-000063-25 06/26/2025 11:57:31 AM Pg 54 of 69 Trans ID: LCV20251858913

Project No. HKL0030 June 13, 2025 Page 3 | 3



It should also be noted that the <u>Highlands Municipal Build-Out Update</u> states that a minimum presumptive density of 6 units per acre based on developable acreage should be assumed. While this recommendation is blind to specific site conditions, the guidance document does provide that the analysis should be done "within the parameters of sound land use planning, municipalities will generally have to determine appropriate densities for lands that have the potential to be serviced by public wastewater." Thus, the Highlands Build-out also requires an analysis of suitability for multifamily use of at least 5 units.

In addition to the build-out, the Town must identify properties that may be suitable for redevelopment. The Town had previously declared three parcels in need of redevelopment. The Bergen Tool Redevelopment Area is under construction. The Bilby Road Redevelopment Area is also under construction. The Lion Gate Redevelopment Area remains vacant despite land use approvals being in place since 2017. No other sites have been identified as potential redevelopment areas in Hackettstown.

The Highlands build-out restricts not just the Fourth Round Obligation, but all affordable housing obligations. Build-out is a limit on development in the entire community, blind to past outstanding affordable housing obligations. Therefore, the unbuilt Third Round Unmet Need and Fourth Round Obligation are adjusted to or capped at an amended Highlands affordable housing obligation of 0 units.

The unbuilt units from the Third and Fourth Round obligations become the unmet need from the Highlands Build-out. The 18 units previously proposed to address the Third Round from Lion Gate remain unbuilt from the Third Round. Additionally, the Town is applying 26 units of existing development towards the Fourth Round. Therefore, there are 18 unbuilt units from the Third Round and 73 unbuilt units from the Fourth Round, which result in a combined Highlands Buildout Unmet Need of 91 units.

Highlands Build-out	lown of Hackettstowi
t Resul	stown

Section								
AC SEPTIC CLASS DERINTY Planning Area 1 NO NO 8.71 YES Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO 0.014 YES Planning Area 1 NO NO 0.018 YES Planning Area 1 NO NO 0.018 YES Planning Area 1 NO NO 0.018 YES Planning Area 1 NO NO 0.00 YES P	4A		2.45 YES	0.56	3.00		01	
AC SEPTIC OXO YES DERINITY Planning Area 1 NO NO 3.71 YES Planning Area 1 NO NO OXO YES P	1		0.00 NO	0.24	0.24	8 THE TRAIL SOUTH	1	
AC SEPTIC CLASS	1		0.00 NO	31.84	31.84	GE DR	1	
AC SEPTIC Planning Area 1 NO	_		0.00 NO	0.17	0.17	CRANE RD COMMON AREA	1	
AC BETTIC Planning Area 1 NO	1		0.47 NO	0.37	0.84	HELM'S MILL RD	1	119 1.47
AC SEPTIC Planning Area 1 NO	1		0.40 NO	0.00	0.40	1 GREEN ST	1	118 5
AC BEPTIC RAYLEY 0.00 YES Planning Area 1 NO NO 3.71 YES Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO 0.01 YES Planning Area 1 NO NO 0.02 YES Planning Area 1 NO NO 0.03 YES Planning Area 1 NO NO 0.04 YES Planning Area 1 NO NO 0.05 YES Planning Area 1 NO NO 0.07 YES Planning Area 1 NO NO 0.08 YES Planning Area 1 NO NO 0.09 YES Planning Area 1 NO NO 0.09 YES Planning Area 1 NO NO 0.00 YES Plan	1	P	0.13 YES	0.14	0.26	1 BIRCH RD	1	18 1
AC SEPRIC DENSITY CLASS REVIEW 0.00 YES Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO 0.00 YES Planning Area 4C NO NO 0.00 YES Planning Area 1 NO NO 0.00 NO 0.18 Planning Area 1 NO NO 0.02 YES Planning Area 1 NO NO 0.03 YES Planning Area 1 NO NO 0.00 YES Planning Area 1 NO <td>15F</td> <td>P</td> <td>2.01 YES</td> <td>1.87</td> <td>3.88</td> <td></td> <td></td> <td>17.01 1</td>	15F	P	2.01 YES	1.87	3.88			17.01 1
AC SEPRIC DENSITY CLASS REVIEW 0.00 YES Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO 0.00 YES Planning Area 4C NO NO 0.00 YES Planning Area 1 NO NO 0.00 NO 0.18 Pelanning Area 1 NO NO 0.00 NES Planning Area 1 NO NO 0.00 Y	1	P	0.00 YES	0.13	0.13	1 THE TRAIL NORTH	1	117 14
AC SEPTIC DENSITY CLASS REVIEW 0.00 YES Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO 0.00 YES Planning Area 4C NO NO 0.00 YES Planning Area 1 NO NO 0.00 NO 0.18 Planning Area 1 NO NO 0.00 NO 0.15 Planning Area 1 NO NO 0.00 NO 0.18 Planning Area 1 NO NO 0.18 YES Planning Area 1 NO NO 0.64 YES Planning Area 1 NO NO 0.65 YES Planning Area 1 NO NO	1	P	0.00 YES	0.29	0.29	10 THE TRAIL	1	117 4
AC SEPTIC DENSITY CLASS Planning Area CLASS REVIEW 0.00 YES Planning Area 1 NO NO 0.00 NO 0.18 Planning Area 1 NO NO 0.00 NO 0.18 Planning Area 1 NO NO 0.00 NO 0.18 Planning Area 1 NO NO 0.018 YES Planning Area 1 NO NO 0.02 YES Planning Area 1 NO NO 0.03 YES Planning Area 1 NO NO 0.00 YES Planning Area 1	1	P	0.00 YES	0.25	0.25	9 PARKE AVE	1	116 12
AC SEPTIC DENSITY Planning Area Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO 0.00 NO 0.25 Planning Area 1 NO NO 0.00 NO 0.25 Planning Area 1 NO NO 0.02 YES Planning Area 4B NO NO 0.03 YES Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO 0.00 YES Planning Area	1	P	0.15 YES	0.00	0.15	ARTHUR TERR	1	
AC SEPTIC DENSITY CLASS REVIEW 0.00 YES DENSITY Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO NO 0.00 YES Planning Area 1 NO NO 0.00 NO 0.25 Planning Area 1 NO NO 0.00 NES Planning Area 1 NO NO 0.02 YES Planning Area 1 NO NO 0.03 YES Planning Area 1 NO NO <td>1</td> <td>P</td> <td>0.47 YES</td> <td>0.00</td> <td>0.47</td> <td>89 MITCHELL RD</td> <td>1</td> <td></td>	1	P	0.47 YES	0.00	0.47	89 MITCHELL RD	1	
AC DENSITY Planning Area 1 NO	. 12	7	0.01 YES	1.00	1.02	509 CENTERST	. 12	10/ 21
AC SEPTIC DENSITY CLASS RAVIEW 0.00 YES DENSITY Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO NO 0.00 YES Planning Area 1 NO NO 0.00 NO 0.18 YES Planning Area 1 NO NO 0.02 YES Planning Area 1 NO NO 0.03 YES Planning Area 1 NO NO 0.04 YES Planning Area 1 NO N	·		0.22 YES	0.00	0.22	503 VALENTINE ST	٠ _{١-}	
AC SEPTIC DENSITY CLASS REVIEW 0.00 YES Planning Area 1 NO NO 0.00 NO 0.18 Planning Area 1 NO NO 0.00 NO 0.18 Planning Area 1 NO NO 0.00 YES	۰ ۲		0.44 YES	0.00	0.44	SOI WASHING ON SI	, -	
AC SEPTIC DENSITY CLASS Planning Area CLASS REVIEW 0.00 YES Planning Area 1 NO NO 0.00 NO 0.18 Planning Area 1 NO NO 0.00 NO 0.18 Planning Area 1 NO NO 0.18 YES Planning Area 1 NO NO 0.04 YES Planning Area 1 NO NO 0.09 YES Planning Area 1 NO	۰ -		0.09 YES	0.00	0.09	184 IVIAIN SI	, -	70 0
AC SEPTIC CLASS OCRNSITY Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO 0.00 NO 0.25 Planning Area 1 NO NO 0.00 NO 0.25 Planning Area 1 NO NO 0.00 NO 0.18 Planning Area 1 NO NO 0.04 YES Planning Area 1 NO NO 0.08 YES Planning Area 1 NO NO 0.09 YES Planning Area 1 NO NO 0.09 YES Planning Area 1 NO NO 0.00 NO 0.00 YES Planning Area 1 NO NO 0.00 NO	7 F		0.02 113	0.00	0.02	38 IVAN ST	2 F	
AC SEPTIC DENSITY CLASS REVIEW 0.00 YES Planning Area 1 NO NO 0.18 YES Planning Area 1 NO NO 0.18 YES Planning Area 1 NO NO 0.64 YES Planning Area 1 NO NO 0.00 YES Planning	٠,	P.	0.02 YES	0.00	0.02	98 MAIN ST	1	
AC SEPTIC DENSITY CLASS Planning Area CLASS REVIEW 0.00 YES Planning Area 1 NO NO 0.00 NO 0.18 YES Planning Area 1 NO NO 0.18 YES Planning Area 1 NO NO 0.64 YES Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO	p I	P	0.08 YES	0.06	0.15	273-275 MAIN ST	ь ,	
AC SEPTIC DENSITY CLASS Planning Area CLASS REVIEW 0.00 YES Planning Area 1 NO NO 0.00 NO 0.18 Planning Area 1 NO NO 0.18 YES Planning Area 1 NO NO 0.25 Planning Area 1 NO NO 0.264 YES Planning Area 1 NO NO 0.27 YES Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO	1	Р	0.12 YES	0.00	0.12	195 SHARP ST	01 1	
AC SEPTIC DENSITY CLASS R RUIEW 0.00 YES Planning Area 1 NO NO 0.00 NO 0.25 Planning Area 1 NO NO 0.018 YES Planning Area 1 NO NO 0.04 YES Planning Area 1 NO NO 0.05 YES Planning Area 1 NO NO 0.09 YES Planning Area 1 NO NO 0.09 YES Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO	1	P	0.08 YES	0.00	0.08	1 ASHLEY AVE	4.01 1	-
AC SEPTIC DENSITY CLASS REVIEW 0.00 YES Planning Area 1 NO NO 0.00 NO 0.25 Planning Area 1 NO NO 0.04 YES Planning Area 1 NO NO NO 0.04 YES Planning Area 1 NO NO NO 0.00 YES Planning Area 1 NO NO	1	Р	0.15 YES	0.00	0.15	307 LAFAYETTE ST	1	
AC SEPTIC DENSITY CLASS REVIEW 0.00 YES DENSITY Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO NO 0.00 YES Planning Area 1 NO NO 0.00 NO 0.25 Planning Area 1 NO NO 0.00 NO 0.18 Planning Area 1 NO NO NO 0.04 YES Planning Area 1 NO NO NO NO 0.04 YES Planning Area 1 NO NO NO NO 0.00 YES Planning Area 1 NO NO <td< td=""><td>1</td><td>P</td><td>0.33 YES</td><td>0.00</td><td>0.33</td><td>321 WILLOW GROVE ST</td><td>24.02 1</td><td></td></td<>	1	P	0.33 YES	0.00	0.33	321 WILLOW GROVE ST	24.02 1	
AC SEPTIC DENSITY CLASS REVIEW 0.00 YES DENSITY Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO NO 0.00 NO 0.18 Planning Area 1 NO NO 0.18 YES Planning Area 1 NO NO 0.04 YES Planning Area 1 NO NO 0.09 YES Planning Area 1 NO NO 0.00 YES Planning Area </td <td>1</td> <td>P</td> <td>0.00 YES</td> <td>0.10</td> <td>0.10</td> <td>306 LAFAYETTE ST</td> <td>1</td> <td>53 3</td>	1	P	0.00 YES	0.10	0.10	306 LAFAYETTE ST	1	53 3
AC SEPTIC DENSITY CLASS REVIEW 0.00 YES DENSITY Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO 0.00 VES Planning Area 1 NO NO 0.00 NO 0.18 YES Planning Area 1 NO NO 0.04 YES Planning Area 1 NO NO 0.64 YES Planning Area 1 NO NO 0.05 YES Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO	1	P	0.00 YES	0.18	0.18	304 LAFAYETTE ST	1	
AC SEPTIC DENSITY CLASS REVIEW 0.00 YES Planning Area 1 NO NO 0.00 NO 0.25 Planning Area 1 NO NO 0.018 YES Planning Area 1 NO NO NO 0.64 YES Planning Area 1 NO NO NO 0.64 YES Planning Area 1 NO NO NO 0.69 YES Planning Area 1 NO NO 0.00 YES Planning Area 1 NO	1	Р	0.28 YES	13.67	13.96	637 WILLOW GROVE ST	1	
AC SEPTIC DENSITY CLASS REVIEW 0.00 YES Planning Area 1 NO NO 0.04 YES Planning Area 1 NO NO 0.05 YES Planni	1	P	0.00 YES	1.82	1.82	691 WILLOW GROVE ST	1	
AC SEPTIC DENSITY CLASS REVIEW 0.00 YES Planning Area 1 NO NO 0.00 NO 0.25 Planning Area 1 NO NO 0.00 NO 0.18 Planning Area 1 NO NO 0.04 YES Planning Area 1 NO NO 0.04 YES Planning Area 1 NO NO 0.05 YES Planning Area 1 NO NO 0.064 YES Planning Area 1 NO NO 0.69 YES Planning Area 1 NO NO 1.55 YES Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO	1	Р	0.00 YES	1.42	1.42	689 WILLOW GROVE ST	1	15 3.01
AC SEPTIC DENSITY CLASS REVIEW 0.00 YES Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO 0.00 YES Planning Area 4C NO NO 0.00 YES Planning Area 1 NO NO 0.00 NO 0.25 Planning Area 1 NO NO 0.18 YES Planning Area 1 NO NO 0.04 YES </td <td>1</td> <td>P</td> <td>0.00 YES</td> <td>8.55</td> <td>8.55</td> <td>104 BILBY RD</td> <td>1</td> <td>45 2</td>	1	P	0.00 YES	8.55	8.55	104 BILBY RD	1	45 2
AC SEPTIC DENSITY CLASS REVIEW 0.00 YES Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO 0.00 YES Planning Area 4C NO NO 0.00 YES Planning Area 1 NO NO 0.01 YES Planning Area 1 NO NO 0.02 YES Planning Area 1 NO NO 0.03 YES Planning Area 1 NO NO 0.00 NO 0.18 Planning Area 1 NO NO 0.18 YES Planning Area 1 NO NO 0.64 YES Planning Area 1 NO NO 0.64 YES </td <td>1</td> <td>Р</td> <td>0.69 YES</td> <td>5.57</td> <td>6.26</td> <td>112 BILBY RD</td> <td>1.01 1</td> <td>5 1.0</td>	1	Р	0.69 YES	5.57	6.26	112 BILBY RD	1.01 1	5 1.0
AC SEPTIC DENSITY CLASS REVIEW 0.00 YES Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO 0.00 YES Planning Area 4C NO NO 0.00 YES Planning Area 1 NO NO 0.01 YES Planning Area 1 NO NO 0.02 YES Planning Area 1 NO NO 0.03 YES Planning Area 1 NO NO 0.04 YES Planning Area 1 NO NO 0.18 YES Planning Area 1 NO NO 0.64 YES Plann	đ	-	1.00		i i		S	
AC SEPTIC DENSITY CLASS REVIEW 0.00 YES Planning Area 1 NO NO 0.01 YES Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO 0.01 YES Planning Area 1 NO NO 0.00 NO 0.25 Planning Area 1 NO NO 0.00 NO 0.18 Planning Area 1 NO NO 0.18 YES Planning Area 1 NO NO 0.64 YES Planning Area 1 NO NO	/B		ז בב עבכ	1 08	2 52		าร	4 4 6
AC SEPTIC DENSITY CLASS REVIEW 0.00 YES Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO 0.00 YES Planning Area 4C NO NO 0.00 YES Planning Area 1 NO NO 0.01 YES Planning Area 1 NO NO 0.01 YES Planning Area 1 NO NO 0.01 YES Planning Area 1 NO NO 0.00 NO 0.25 Planning Area 1 NO NO 0.00 NO 0.18 Planning Area 1 NO NO 0.13 YES Planning Area 1 NO NO 0.64 YES Planning Area 1 NO NO								
AC SEPTIC DENSITY CLASS REVIEW 0.00 YES Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO 0.00 YES Planning Area 4C NO NO 0.00 YES Planning Area 1 NO NO 0.01 YES Planning Area 1 NO NO 0.02 YES Planning Area 1 NO NO 0.03 NO 0.25 Planning Area 1 NO NO 0.00 NO 0.25 Planning Area 1 NO NO 0.04 YES Planning Area 1 NO NO	ц	τ.	3.09 YES	2.24	5.32	/13 WILLOW GROVE ST	ш	4 4.02
AC SEPTIC DENSITY CLASS Planning Area CLASS 1 NO NO 0.00 YES Planning Area 1 NO NO 0.00 YES Planning Area 4C NO NO 0.00 YES Planning Area 1 NO NO 0.01 YES Planning Area 1 NO NO 0.01 YES Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO 0.00 NO 0.25 Planning Area 1 NO NO 0.00 NO 0.18 Planning Area	. 12	P	0.64 YES	2.22	2.86	717 WILLOW GROVE ST	. 1	44 4.0
AC SEPTIC CLASS DENSITY Planning Area RYJIEW 0.00 YES Planning Area 1 NO NO 0.01 YES Planning Area 1 NO NO 0.00 NO 0.25 Planning Area 1 NO NO 0.00 NO 0.18 Planning Area 1 NO NO 0.018 YES Planning Area 1 NO NO 0.018 Planning Area 1 NO NO	#	7	2.33 1E3	10.10	72.52		C.F.	5.01
AC SEPTIC DENSITY CLASS REVIEW 0.00 YES DENSITY Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO NO 0.00 YES Planning Area 4C NO NO 0.00 YES Planning Area 1 NO NO 0.00 NO 0.25 Planning Area 1 NO NO 0.00 NO 0.18 Planning Area 1 NO NO 0.00 NO 0.18 Planning Area 1 NO NO	; -		4.04 NO	5.37	10.41	WILLOW GROVE ST	ŀ	
AC SEPTIC CLASS DENSITY Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO 0.00 YES Planning Area 4C NO NO 0.00 YES Planning Area 1 NO NO 0.01 YES Planning Area 1 NO NO	۰ ۲		0.18 TES	9.04	10.41	WILLOW CROVE ST	4 د	41.04 19
AC SEPTIC DENSITY CLASS REVIEW 0.00 YES Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO 0.71 YES Planning Area 4C NO NO 0.00 YES Planning Area 1 NO NO 0.00 NO 0.25 Planning Area 1 NO NO 0.00 NO 0.18 Planning Area 1 NO NO	٠ ٢		0.00 140	500	500.1		. -	
AC SEPTIC CLASS DENSITY Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO 0.00 YES Planning Area 4C NO NO 0.00 YES Planning Area 1 NO NO 0.01 YES Planning Area 1 NO NO	→ ⊩		0.00 NO	1 60	1 60		- f	11 04 16
AC SEPTIC CLASS DENSITY Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO 8.71 YES Planning Area 4C NO NO 0.00 YES Planning Area 1 NO NO	- L		0.00 NO	2.30	2.37	A AUTE AIEW AAE	۲ ۲	
AC SEPTIC CLASS DENSITY REVIEW 0.00 YES Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO 8.71 YES Planning Area 4C NO NO 0.00 YES Planning Area 1 NO NO	- F	7	0.00 113	1 06	2 27	W WALLEY MEN ANE	٠ ـ	100 5
AC SEPTIC DENSITY CLASS REVIEW 0.00 YES DENSITY REVIEW 0.00 YES Planning Area 1 NO NO 8.71 YES Planning Area 1 NO NO 0.00 YES Planning Area 4C NO NO 0.00 YES Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO Planning Area 1 NO NO	<u>.</u>	D	0 00 VES	95.0	96.0	300 W BBOSBECT ST	۷	1 01 5
AC SEPTIC CLASS DENSITY REVIEW 0.00 YES Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO 8.71 YES Planning Area 4C NO NO 0.00 YES Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO	1	P	0.00 YES	28.63	28.63	500 W VALLEY VIEW AVE	1	.1 17
AC SEPTIC DENSITY CLASS REVIEW 0.00 YES Planning Area 1 NO NO 8.71 YES Planning Area 4C NO NO 0.00 YES Planning Area 1 NO NO	1	Р	0.00 YES	0.29	0.29	210 STIGER ST	1	38 4
AC SEPTIC DENSITY CLASS REVIEW 0.00 YES Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO 8.71 YES Planning Area 4C NO NO	1	P	0.00 YES	0.45	0.45	113 E BALDWIN ST	12.01 1	
AC SEPTIC CLASS DENSITY REVIEW 0.00 YES Planning Area 1 NO NO 0.00 YES Planning Area 1 NO NO 8 74 VES Planning Area 1 NO NO	ŧ	-	8./1 TE3	0.03	9.50	33-33 MAIN 31	10.02	71 10
AC SEPTIC CLASS DENSITY Planning Area 1 NO	10		0.00 TES	T. /3	D 26	DIGIT ST	۱ د	
AC SEPTIC CLASS DENSITY REVIEW	, -		0.00 YES	0.65	0.65	HIGH ST	۰	1 U
AC SEPTIC CLASS	KEVIEW		0.00 VES	AL	0.65		MODIA	7
	CLASS	SEPTIC	AC	ONSTRAINTS	0		CLASS	
DEVELOPABLE SEWER COMBINED REGION	REGION PROPERTY PRESE	COMBINED	EVELOPABLE SEWER		ACRES	PROP LOC FAC NAME	OT PROP	вьоск сот

Parcel is common area for existing office	NO NO	4A 7	Planning Area	1.41 YES	0.22	1.63)2	7 17.02	127
Parcel is developed with Elks Lodge	NO NO	15F N	Planning Area	4.62 YES	0.71	5.32	CLUB HOUSE	210 MOUNTAIN AVE)2 15F	7 13.02	127
on adjacent lot											
parcel contains parking lot for McDonalds	NO	4A N	Planning Area	1.12 YES	3.01	4.13		204 MOUNTAIN AVE	4A	7 13	127
Redevelopment Plan											
apartments in rear pursuant to											
station and has site plan approval for											
Parcel is partially developed with Wawa gas	NO	4A N	Preservation/Planning Areas	0.69 YES Pr	13.09	13.78		301 MOUNTAIN AVE	1	9.01	125
	NO NO	1 7	Planning Area	0.00 YES	0.32	0.32		173 MOUNTAIN AVE	1	3 16	123
convenience/gas station											
Parcel is developed with Quick Check	NO	4A N	Planning Area	0.85 YES	0.00	0.85				2 10	122
condominium development											
Parcel is common area for an existing office	NO NO	4A N	Planning Area	0.97 YES	0.13	1.09				1 3	121
	NO NO	1	Planning Area	0.01 YES	0.15	0.16		BROOK HOLLOW DR	1	19.04 13	119
	YES NO	1 Y	Planning Area	0.02 NO 0.12	1.06	TERS 1.09	COMMON AREA HUNTERS	HELM'S MILL RD	1	19.04 9	119
office park											
Parcel is common open space for existing	NO	4A NO	Planning Area	1.46 YES	1.03	2.49				119.03 14	119
	NO NO	1 7	Planning Area	0.00 YES	1.27	1.27		119 MILL ST	1	9 107	119
		REVIEW	R	DENSITY	AC			/	MODIV		
		CLASS		AC SEPTIC	CONSTRAINTS				CLASS		
MUNICIPAL RATIONALE	OPERTY PRESERVED DEVELOPABLE	OPERTY F	REGION PR	DEVELOPABLE SEWER COMBINED	TOTAL DE	ACRES	FAC NAME	PROP LOC	T PROP	вгоск гот	BLO
											ĺ

WRN-L-000063-25 03/26/2025 Pg 1 of 5 Trans ID: LCV20251023430

PREPARED BY THE AFFORDABLE HOUSING PROGRAM:

In the Matter of the Town of
Hackettstown

Docket No. WRN-L-63-25

Program Settlement Recommendation
Present Need and Prospective Need

THIS MATTER, having come before the Affordable Housing Program, pursuant to the Complaint for Declaratory Judgment filed in this matter on January 31, 2025 ("DJ Complaint") by the Petitioner, Town of Hackettstown ("Petitioner" or "Municipality"), pursuant to N.J.S.A. 52:27D-304.2, -304.3, and -304.1(f)(1)(c) of the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301, et seq. (collectively, the "FHA"), and in accordance with Section II.A of Administrative Directive #14-24 ("Directive #14-24") of the Affordable Housing Dispute Resolution Program (the "Program"), seeking a certification of compliance with the FHA;

AND IT APPEARING that, on October 18, 2024, pursuant to the FHA (as amended), the New Jersey Department of Community Affairs ("DCA") issued its report entitled "Affordable Housing Obligations for 2025-2035 (Fourth Round)", therein setting forth the "present need" and prospective need" obligations of all New

WRN-L-000063-25 03/26/2025 Pg 2 of 5 Trans ID: LCV20251023430

Jersey municipalities for the Fourth-Round housing cycle (the "DCA's Fourth Round Report");

AND IT APPEARING that, pursuant to the DCA's Fourth Round Report, the "present need" obligation of the Petitioner has been calculated and reported as 87 affordable units, and its "prospective need" obligation of the Petitioner has been calculated and reported as 105 affordable units, and which calculations have been deemed "presumptively valid" for purposes of the FHA;

AND IT APPEARING that the Municipality represented by counsel adopted a resolution seeking deviation from DCA numbers based on their planners recommendation for its prospective need obligation of 100 units.

AND IT APPEARS that challenges to the Municipal calculations were timely and properly filed by the New Jersey Builders Association (NJBA) represented by Counsel, both the challenger disputing the town proposed obligations for present and prospective need, and supporting DCA present and prospective need obligations, each challenge supported by their own expert reports;

AND IT APPEARING; The Program, assigned the case to program member Judge Thomas C. Miller, A.J.S.C. (Ret.) to handle the case in accordance with the statute and the AOC Directive, requiring the member to issue recommendations to the County Mount Laurel Judge, and appointed member of the program having considered the submissions of counsel, the various planners report and the DCA

WRN-L-000063-25 03/26/2025 Pg 3 of 5 Trans ID: LCV20251023430

report, and the program having conducted settlement conferences and sessions hosted by the assigned member in accordance with Directive and the statutory framework.

AND IT APPEARS THAT, the AOC appointed an independent special adjudicator affordable housing expert to work with and make recommendations to the program, and that Elizabeth McManus was appointed special adjudicator in this case,

AND IT APPEARING THAT the Builders Association have notified the program in writing that by their counsel that they will not participate in the settlement negotiations, and that they will not object to any settlement reached between the municipality and Fair Share Housing,

AND IT APPEARS THAT, the program hosted a settlement conference on this case, and that all parties, local officials, attorneys, and planners appeared with the goal of reaching a resolution,

AND IT APPEARS THAT, the parties have engaged in extensive settlement negotiations before, during and after the settlement conferences, with the guidance and assistance of the program member assigned to the case and the special adjudicator,

AND IT APPEARS THAT the municipality and the NJBA have reached a resolution, the settlement was place on the record, the parties circulated a settlement

WRN-L-000063-25 06/26/2025 11:57:31 AM Pg 60 of 69 Trans ID: LCV20251858913

WRN-L-000063-25 03/26/2025 Pg 4 of 5 Trans ID: LCV20251023430

agreement that will be uploaded to eCourts and that the municipal governing body

has adopted or intends to adopt a resolution to accept the settlement,

AND IT APPEARING that the special adjudicator recommends accepting the

settlement to the program,

AND it APPEARING THAT the terms of the settlement are as follows: The

prospective need obligation for the Town shall be 102 units and that parties will now

move on to the compliance phase to address the remaining issues,

For all those reasons, the program member hereby recommends an ORDER

as follows:

That the proposed settlement is hereby directed to the vicinage Mount Laurel

judge for review and the entry of an order as to the municipality's determination of

its fair share obligation is accordance with the terms of the settlement agreement,

that this settlement disposes of all the challenges filed, that the municipality retains

all the protections of the law and retains immunity from exclusionary zoning

litigation, and that the program retains jurisdiction for the compliance phase of

accordance with the statutory frame work and the AOC directive.

Respectfully submitted by The Program:

By: /s/ Thomas C. Miller

Thomas C. Miller, A.J.S.C. (Ret.),

Program Chair

Hon. Thomas C. Miller, A.J.S.C. (Ret.)

Page | 4

WRN-L-000063-25 03/26/2025 Pg 5 of 5 Trans ID: LCV20251023430

·
Dated: March 26, 2025
Mount Laurel Judge:
The Program's recommendation is Xaccepted for the reasons set forth by the
Program, □accepted for the reasons set forth below, □rejected,
□accepted/rejected in part.
Findings of fact and conclusions of law (Rule 1:7-4(a)):
Arms:length settlement entered into by the parties was fair and equitable especially
when balancing and considering the risks and costs and expense of litigation.
By:
(lawwell form
Hon. William G. Mennen , J.S.C.
Dated: 4/8/25

TOWN OF HACKETTSTOWN WARREN COUNTY, NEW JERSEY

RESOLUTION # 2025 - 22

RESOLUTION REGARDING FAIR SHARE AFFORDABLE HOUSING OBLIGATIONS FOR THE FOURTH ROUND

WHEREAS, the New Jersey Supreme Court, through its rulings in Southern Burlington County NAACP v. Mount Laurel, 67 13 N.J. 151 (1975) and Southern Burlington County NAACP 14 v. Mount Laurel, 92 N.J. 158 (1983), has determined that every municipality in New Jersey has a constitutional obligation to provide through its land use regulations a realistic opportunity for its fair share of its region's present and prospective needs for housing for low-and moderate-income families; and

WHEREAS, on March 20, 2024, Governor Murphy signed P.L.2024, c.2 into law, establishing a new framework for determining and enforcing municipalities' affordable housing obligations under the New Jersey Supreme Court's <u>Mount Laurel</u> doctrine and the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301 et al.); and

WHEREAS, pursuant to N.J.S.A. 52:27D-304.1(f)(1)(b), each municipality must adopt a binding resolution no later than January 31, 2025 determining its present and prospective fair share obligation for the Fourth Round; and

WHEREAS, pursuant to Administrative Directive #14-24 issued by the Administrative Office of the Courts on December 13, 2024, "[a] municipality seeking a certification of compliance with the [Fair Housing Act] shall file an action in the form of a declaratory judgment complaint and Civil Case Information Statement (Civil CIS) in the county in which the municipality is located" within 48 hours of adopting the municipal resolution of fair share obligations; and

WHEREAS, pursuant to N.J.S.A. 52:27D-304.1(d), the New Jersey Department of Community Affairs issued "a report on the calculations of regional need and municipal obligations for each region of the State" on or about October 18, 2024 (the "DCA Report"); and

WHEREAS, on or about November 20, 2024, DCA provided a GIS data set that was used to calculate each municipality's land capability factor in the DCA Report.

WHEREAS, the webpage associated with such data set (https://njdca.maps.arcgis.com/home/item.html?id=12acdfe0a5104f8f8a2f604e96063e74) notes:

The land areas identified in this dataset are based on an the best available data using publicly available data enumerated in N.J.S.A. 52:27D-304.3c(4) to estimate the area of developable land, within municipal and regional boundaries, that may accommodate development. It is important to note that the identified areas could be over or under inclusive depending on various conditions and that municipalities are permitted to

provide more detailed mappings as part of their participation in the Affordable Housing Dispute Resolution Program. (emphasis added).

WHEREAS, the DCA Report set the municipal obligation for Hackettstown as follows:

Present Need: 87 Prospective Need: 105

WHEREAS, the Town accepts the conclusions set forth in the DCA Report, except those regarding the land capacity allocation factor applicable to Hackettstown; and

WHEREAS, pursuant to N.J.S.A. 52:27D-304.1(f)(1)(a), a municipality may determine its present and prospective fair share obligation for affordable housing consistent with the established methodologies; and

WHEREAS, DCA maintains that the areas the DCA identified as developable may be "overinclusive;" and

WHEREAS, the Town's Professional Planner, has determined that such data set is "overinclusive" and has prepared a report dated January 29, 2025 stating such, which is attached hereto as Exhibit A; and

WHEREAS, the data compiled by DCA to calculate the Town's "land capacity factor" erroneously included approximately 6.336368 acres as vacant and developed land as outlined in the attached report from the Town Planner (Exhibit A); and

WHEREAS, removing such property from the inventory of vacant land in the Town reduces the total vacant land from 10.522 acres to 4.185632 acres and the land capacity factor from 0.2% to 0.12%, as outlined in the report attached hereto as Exhibit A; and

WHEREAS, the correction of the land capacity factor and the average allocation factor reduces the Town's prospective affordable housing obligation from 105 to 100, as outlined in the report attached hereto as Exhibit A; and

WHEREAS, N.J.S.A. 52:27D-304.1(f)(1)(b) provides that: "the municipality's determination of its fair share obligation shall have a presumption of validity, if established in accordance with sections 6 and 7 of P.L. 2024, c. 2..." and

WHEREAS, the Town's calculation of need is entitled to a "presumption of validity" because it complies with Sections 6 and 7 of P.L. 2024, c. 2; and

WHEREAS, the Town specifically reserves its rights to:

a. Adjust the Town's fair share obligations based on a Vacant Land Adjustment, a lack of public water or sewer infrastructure (i.e. a Durational Adjustment), Highlands Build Out Analysis, a structural conditions survey pursuant to N.J.A.C.

- 5:93-5.2(a), and / or all other applicable adjustments, permitted in accordance with applicable statute, regulations or law;
- Revoke or amend this Resolution and the Town's Fourth Round Affordable Housing Obligations to account for decisions of a court of competent jurisdiction or a change in applicable legislation; and
- c. The right to take any contrary position, or adjust its Fourth Round Affordable Housing Obligations, in the event of a third party challenge to the Town's Fourth Round Affordable Housing Obligations.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Council of the Town of Hackettstown, Warren County, New Jersey, as follows:

2. The Town of Hackettstown hereby determines, based on the DCA Report, corrections to the data utilized therein, and advice of the Municipal Planner and Attorney, to adopt the following obligations as its binding Fourth Round Affordable Housing Obligations:

> Present Need: 87 Prospective Need: 100

- 3. The adoption of this Resolution and the aforementioned Fourth Round Affordable Housing Obligations is subject to all reservations of rights, which specifically include, without limitation, the following:
 - a. The right to adjust the Town's fair share obligations based on a Vacant Land Adjustment, a lack of public water or sewer infrastructure (i.e. a Durational Adjustment), Highlands Build Out Analysis, a structural conditions survey pursuant to N.J.A.C. 5:93-5.2(a), and all other applicable adjustments, permitted in accordance with applicable statute, regulations or law with such adjustments to be adopted as part of the municipality's Fourth Round Housing Element and Fair Share Plan.;
 - b. The right to revoke or amend this Resolution and the Town's Fourth Round Affordable Housing Obligations to account for decisions of a court of competent jurisdiction or a change in applicable legislation; and
 - c. The right to take any contrary position, or adjust its Fourth Round Affordable Housing Obligations, in the event of a third party challenge to the Town's Fourth Round Affordable Housing Obligations.
- 4. The Municipal Clerk and Municipal Attorney are authorized to take all actions required by N.J.S.A. 52:27D-304.1(f)(1)(b), including:
 - a. Filing a Declaratory Judgment Complaint, along with this Resolution and a Case Information Statement, in the appropriate venue with the Program or any other

such entity as may be determined to be appropriate, to initiate an action within 48 hours of the adoption of this Resolution pursuant to the requirements of P.L.2024, c.2, and AOC Directive #14-24

- b. Publishing this Resolution on the Town's website.
- 5. The Municipal Attorney, Municipal Planner, and Planning Board are authorized to take all actions to draft documents necessary to comply with all Fourth Round affordable housing obligations, including drafting a Housing Element and Fair Share Plan, an Affordable Housing Trust Fund Spending Plan, and effectuating ordinances and resolutions.
- 6. This Resolution shall take effect immediately.

I hereby certify the foregoing to be a true copy of a Resolution adopted by the Mayor and Council of Town of Hudgettstown at a meeting held on January 30, 2023.

P.J. Reilly, Clerk

Jerry DiMaio, Mayor

Shelbourne at Hunterdon 53 Frontage Road, Suite 110 Hampton, New Jersey 08827 Main: 877 627 3772



Memorandum

To: Town of Hackettstown

From: Daniel N. Bloch, PP, AICP, EADA

Date: January 29, 2025

Subject: Fourth Round Allocation Factors

Project No.: HKL0030

P.L. 2024, c.2 specifies the formula and process by which Fourth Round affordable housing obligation numbers are to be calculated. The Department of Community Affairs (DCA) was charged with the preparation of the Fourth Round numbers. DCA published their report on or about October 18, 2024. It was accompanied by a detailed spreadsheet illustrating the various calculations used in determining the Fourth Round affordable housing obligations. The spreadsheet includes a tab for each of the three allocation factors (land capacity, equalized non-residential valuation, and income). However, the spreadsheet only noted an aggregated acreage value for each town. Detailed Geographic Information Systems ("GIS") mapping illustrating the location of the developable areas was not released until November 27, 2024.

The allocation process starts with a state-wide number. DCA has calculated this number to be 84,698. This number is allocated amongst the six affordable housing regions. Hackettstown is located in Region 2 – Essex, Morris, Union, and Warren. Region 2 has a Fourth Round obligation of 20,506.

The regional need is then distributed to the non-urban aid municipalities based on three allocation factors:

- Equalized Non-residential Valuation
- Income Capacity
- Land Capacity

Equalized non-residential valuation is determined by the change in value for commercial and industrial parcels between 1999 and 2023. The Township value change is divided by the change in value of Region 2, which produces a percentage. This percentage is the Equalized Non-residential Valuation factor.

Income capacity measures the extent to which the Township's income level differs from that of the lowest-income municipality in its Region. For Region 2, Newark has the lowest median income. The analysis reviews the income difference and does account for number of households in each community. Once again, each community is compared to the Region's aggregate median income difference. Essentially, the higher median income a community has, the higher percentage it is allocated.

Project No. HKL0030 January 29, 2025 Page 2 | 4



Land capacity estimates the total acreage that is developable based on 2020 aerial imagery. The Township's developable acreage is divided by the Region's total acreage, which produces a percentage. This percentage is the Land Capacity factor.

The three factors are then averaged for each community. That average is then multiplied by the obligation for the municipality's Region.

The information below summarizes the three allocation factors and the average allocation assigned to Hackettstown Township.

- Non-residential ~ 0.81%
- Land Capacity ~ 0.20%
- Income ~ 0.52%
- Average allocation is 0.51%; therefore, the Fourth Round Obligation is 105 (0.51% x 20,506)

DCA provided a detailed excel workbook with their data inputs and calculations. Below is a summary of the data we reviewed and our findings.

Equalized Non-residential Valuation

- 2023 commercial and industrial values are correct (total = \$285,683,500)
- 2023 State Equalization Table Average Ratio 84.76% from state table on website is correct
- 1999 commercial and industrial values are correct (total = \$114,744,000)
- 1999 State Equalization Table Average Ratio 90.4% is correct
- The calculations for Hackettstown are correct

Income Capacity

- 2022 number of households is correct (3,698) [2023 number of households is 3,790]
- 2022 median income is correct (\$95,174) [2023 median income is \$91,250]
- Regional 2 minimum median income was Newark with \$46,460, correct
- Difference from median household floor with household weight is correct
- Household weighted income difference percentage is correct
- Difference from median household income floor is correct
- Income difference percentage of region is correct
- Income capacity allocation calculations for Hackettstown Township are correct
- DCA used 2022 5-year data, which was the latest available. 2023 5-year data was released today and is included above in brackets for reference but not used in calculations.

Land Capacity

- Table states 10.522 acres we do not agree with this
 - The DCA GIS data identifies 14 areas within the Township as developable. These areas total 10.522 acres according to the GIS data. Each area has been assigned a unique "ObjectID" or identification number. The table attached as **Exhibit A** lists each area's

Project No. HKL0030 January 29, 2025 Page 3 | 4



identification number (see column "DCA ObjectID"), and the associated vacant acres identified by DCA.¹ Our office then added a column to identify the block(s) and lot(s) each area encompasses. We then reviewed each area to confirm if it was developable as it stands at the time of this review. Our findings for each of the 14 areas is provided under "Comments". Finally, the table contains a column labeled "Adjusted Developable Acres" based upon the results of our area-by-area analysis.

This detailed evaluation reveals that only 4 of the 14 identified areas are developable. The developable areas encompass 4.185632 acres. Therefore, Hackettstown's developable acreage is 4.18 acres, not 10.522 acres. When this corrected acreage data is entered into DCA's excel spreadsheet² the Township's Land Capacity Factor decreased from 0.2% to 0.12%. The Township's Average Allocation Factor decreased from 0.51% to 0.49% and, accordingly, Hackettstown's Fourth Round Obligation is reduced to 100 units.

Based upon our review of the data for Hackettstown Township, the GIS analysis prepared by DCA has the following shortcomings:

- It does not capture conservation easements or deed restrictions.
- It fails to account for a lack of street frontage.
- It is blind to block and lot lines and identifies portions of existing developed sites as developable. Many of these instances occur in rear and side yard setback areas.
- It fails to account for area shape and size. For example, areas as narrow as 5 feet are identified as developable.
- It does not take into account utility easements.

Our analysis has identified discrepancies with the data for the allocation factors, specifically the land capacity factor. Once analyzed and updated to reflect the status of developable land, the land capacity factor was reduced which led to a reduction to the overall average allocation factor. Therefore, there was a decrease in the calculated obligations for the Township. As a result, we have reason to object to the Fourth Round obligation DCA has calculated for Hackettstown and request that the obligation be reduced to 100 units.

 $R. Yerojects \\ \ E-H\ HKL\ HKL0030\ DCA\ Fourth\ Round\ Land\ Analysis \\ \ 250129_Hacketts town_Affordable_Allocation_Factors_Memorandum.docx$

¹ Note that the DCA GIS attribute table labels this column as "vacant acres" not developable acres.

² https://www.nj.gov/dca/dlps/4th Round Numbers.shtml

Project No. HKL0030 January 29, 2025 Page 4 | 4



Exhibit A: DCA Land Capacity Factor Analysis

DCA ObjectID	Weighted Acres	Vacant Acres	Block(s) / Lot(s)	Comments	Adjusted Developable Acres
30099	0.90085	0.90085	B107/L21	Selection has frontage on an unimproved right-of-way. Selection is developable.	0.90085
30100	2.170823	2.170823	B3.01/L1	This selection part of a developed house of worhship property. Selection is not developable.	0
30101	0.222844	0.222844	B45/L4.01	Selection is part of the Hackettstown Community Hospital campus. Selection is developable.	0.222844
30102	2.585275	2.585275	B45/L4.01	Selection is part of the Hackettstown Community Hospital campus. Selection is developable.	2.585275
30103	0.476753	0.476753	B118/L1 &5	Selection is vacant with access to roadway. Area is developable	0.476663
30104	0.402935	0.402935	B4/L5.01	Selection is a narrow strip of land along the railroad right-of-way with no street frontage. Not developable.	0
30105	0.166056	0.166056	B45/L2	This parcel is currently under construction for an inclusionary housing development.	0
30106	0.094564	0.094564	B4/L5.01 & L2	Selection is a narrow strip of land along the railroad right-of-way with no street frontage. Not developable.	0
30107	0.22228	0.22228	B45/L2	This parcel is currently under construction for an inclusionary housing development.	0
30108	0.972406	0.972406	B45/3.01 & 3.02	This area is within 1000 feet of a vernal pool. Not developable.	0
30109	0.279592	0.279592	B4/L6	Selection is a narrow strip of land along the railroad right-of-way with no street frontage. Not developable.	0
30110	0.315887	0.315887	B4/L5	Selection is part of an existing development in adjacent municipality. Not developable	0
30111	0.214255	0.214255	B44/L4.01	Selection is irregularly shaped with no access to a roadway due to slope constraints. Area is undevelopable	0
30112	1.497876	1.497876	B44/L4.01	Parcel has vested development approvals and is not considered developable.	0
Total		10.522396			4.185632