

**HOUSING PLAN ELEMENT
AND FAIR SHARE PLAN
INDEPENDENCE TOWNSHIP
WARREN COUNTY, NEW JERSEY**

**Adopted by:
INDEPENDENCE TOWNSHIP
PLANNING BOARD**

**Adopted on:
November 21, 2005**

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**Township of Independence
Warren County, New Jersey**

**Housing Plan Element And
Fair Share Plan - 2005**

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INDEPENDENCE TOWNSHIP HOUSING PLAN ELEMENT

The Housing Plan Element is to *“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”*. The Fair Housing Act N.J.S.A. 52:27D-310 requires the inclusion of at least the following items in the Master Plan Housing Plan Element:

- 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 household and substandard housing capable of being rehabilitated, and in conducting this inventory the municipality shall have access, on a confidential basis for the sole purpose of conducting the inventory, to all necessary property tax assessment records and information in the assessor’s office, including but not limited to the property record cards;*
- b. A projection of the municipality’s housing stock, including the probable future construction of low and moderate income housing, for the next six years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands;*
- c. An analysis of the municipality’s demographic characteristics, including but not necessarily limited to, household size, income level and age;*
- d. An analysis of the existing and probable future employment characteristics of the municipality;*
- e. A determination of the municipality’s present and prospective fair share for low and moderate income housing and its capacity to accommodate its present and prospective housing needs, including its fair share for low and moderate income housing; and*
- f. A consideration of the lands that are most appropriate for construction of low and moderate income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low and moderate income housing.*

It also responds to the affordable housing mandates of the third round substantive rules of the Council On Affordable Housing (“COAH”): N.J.S.A.5:94.

The purpose of this element is to meet the requirements for municipal housing plan

elements under the Municipal Land Use Act and the Fair Housing Act as they pertain to the Township of Independence.

This Housing Plan Element includes the determination of Independence's fair share affordable housing obligation, and identifies proposed compliance techniques to meet the local obligation, which together constitute the Independence Fair Share Plan. The Fair Share for the Township has been calculated using two methods, including population growth based upon New Jersey Transportation Planning Authority (NJTPA) population and employment projections; and local projections of residential and non-residential growth. For both residential and non-residential growth, NJTPA population and employment forecast exceed local projections. Therefore, Independence is utilizing NJTPA growth projections to determine its third round growth share affordable housing obligation as required.

HOUSING PLAN ELEMENT - BACKGROUND

In 1985, the New Jersey Council On Affordable Housing ("COAH"), calculated that the Township had a fair share housing obligation of 27 units. More specifically, these were identified as indigenous need units or existing substandard units in need of rehabilitation within the Township occupied by low and moderate income households. Independence addressed this need by rezoning a 32.5 acre parcel fronting Route 46 (Stonemill) for inclusionary housing: 230 townhouse and apartment units, of which 27 are for low and moderate income households. Upon submission of the adopted Housing Plan Element And Fair Share Plan, COAH granted substantive certification to the Township on October 19, 1988.

Stonemill received site plan approval soon thereafter. For reasons unknown to the Township, the project was not built and the property remains vacant. All approvals have expired. It remains zoned for inclusionary housing.

In 1993, COAH published new fair share numbers which show a need for 5 indigenous need units. While the total pre-credited need for 1993 - 1999 is 48, the Township gets credit for 40 Liberty House units as this is a Federal Farmers Home Administration subsidized project and other credits wherein the need number is reduced to the 5 indigenous need units. This Liberty House credit was unaccounted for and not part of the earlier 1988 Township Housing Plan Element and Fair Share Plan.

On September 17, 2001 Independence adopted a new Housing Plan Element and Fair Share Plan. That document addressed COAH's Second Round 1993 - 1999 need. The Township's Plan provided for the following:

1. A development fee ordinance which generates funds to be used to address the

indigenous need: local substandard housing in need of rehabilitation occupied by low and moderate income households,

2. The Township retains the PRD-IH inclusionary housing zone district (Stonemill) which is mandated to develop 27 low and moderate income housing units out of a total 240 units. Although, this development was granted preliminary site plan approval, this approval has long since elapsed,
3. The Township modified the Planned Senior Citizen Residential Development zone (PSCRD), recently referred to as Heritage At Independence by the prospective developer, to include 14 low and moderate income units out of a maximum of 275 units.
4. The Township proposes to rezone the Liberty House development, presently containing 40 subsidized senior units, to allow 8 more subsidized units to be built.

On February 20, 2004 Independence petitioned COAH for substantive certification. On January 13, 2005, Independence advised COAH that it will be submitted a new Housing Plan Element and Fair Share Plan to COAH on or before December 20, 2005. These Plans are presented herein.

The purpose of this document is to meet the requirements for municipal housing plan elements under the Municipal Land Use Law and the Fair Housing Act as they pertain to Independence Township.

Municipal Housing Stock Inventory

The municipal housing stock inventory is required to include information and data on the age, condition, purchase or rental value, occupancy characteristics and type of housing in the municipality. The inventory also must quantify the number of housing units affordable to lower income households and the substandard housing existing in the municipality capable of rehabilitation.

The housing stock in Independence Township is composed of a wide variety of housing types and styles. A summary of this varied housing stock is presented herein below.

According to the 2000 Census of Housing, there are 2,210 housing units in the Township. The 2,210 units are divided into the following:

**TABLE 1A
EXISTING HOUSING STOCK
INDEPENDENCE TOWNSHIP
AND WARREN COUNTY 2000**

<u>Units</u>	<u>Independence Number</u>	<u>Percent</u>	<u>Warren Number</u>	<u>Percent</u>
1, Detached	1,200	54.3	27,216	66.1
1, Attached	554	25.1	4,634	11.3
2 - 4	123	5.6	3,831	9.3
5 to 9	71	3.2	1,549	3.8
10 to 19	128	5.8	1,864	4.5
20 to 49	85	3.8	538	1.3
50 or more	35	1.6	1,055	2.6
Other	<u>14</u>	<u>0.6</u>	<u>470</u>	<u>1.1</u>
Total	2,210	100.0	41,157	100.0

Independence

Number of units (1990): 1,575

Number of units (2000): 2,210

Warren

Number of units (1990): 36,589

Number of units (2000): 41,157

The 1990 - 2000 decade witnessed a growth of 635 housing units or 40.3 percent increase. Most of this growth is due to Oak Hill, a 570 unit townhouse project started in the late 1980's and completed in the late 1990's. There was also growth in the single family home category. In contrast, the County had 11.3 percent of its housing as attached versus 25.1 percent for Independence.

**TABLE 1B:
EXISTING HOUSING STOCK
INDEPENDENCE TOWNSHIP - 2000**

<u>Housing Type</u>	<u>Number</u>	<u>Percent</u>
Single family detached	1,085	49.1
Single family attached:		
- Oak Hill	570	
- Hills of Independence	<u>124</u>	
Subtotal	694	31.4
Apartments:		
- Towpath	236	
- Old Allamuchy Road	20	
- Liberty House	<u>40</u>	
Subtotal	296	13.4
Other ¹	<u>135</u>	<u>6.1</u>
TOTAL	2,210	100.0

Source: Planning consultant study based upon municipal tax records.

¹ 2-4 family and mobile home.

**TABLE 2:
AGE OF HOUSING
INDEPENDENCE TOWNSHIP AND WARREN COUNTY**

<u>Year Housing Unit Built</u>	<u>Independence Township</u>		<u>Warren County</u>	
	<u>Number of Units</u>	<u>Percent</u>	<u>Number of Units</u>	<u>Percent</u>
1990 - 2000	635	28.7	4,568	11.1
1980 - 1989	573	25.9	6,250	15.2
1970 - 1979	360	16.3	6,464	15.7
1960 - 1969	167	7.6	4,854	11.8
1950 - 1959	110	5.0	4,333	10.5
1940 - 1949	93	4.2	2,558	6.2
Before 1940	272	12.3	12,130	29.5
TOTAL	2,210	100.0	41,157	100.0

SOURCE: U.S. Census of Population and Housing, 1990 and 2000.

As shown in Table 2, Independence Township possesses a relatively new housing stock. Of all the housing units in place as of March 2000, 71.0 percent were built after 1970 and only 12.3 percent were built prior to 1940. In comparison to Warren County, housing construction in the 1990 - 2000 decade produced 28.7 percent new units for the Township contrasted to 11.1% for the County. This dynamic Township growth is in the main, a function of townhouse development in Oak Hill and Hills of Independence.

**TABLE 3
OWNER OCCUPIED HOME VALUE
INDEPENDENCE TOWNSHIP AND WARREN COUNTY - 2000**

<u>Value</u>	<u>Independence</u>		<u>Warren</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Under \$100,000	87	6.0	4,106	15.3
\$100,000 - 149,999	437	30.2	7,441	27.7
\$150,000 - 199,999	445	30.7	8,393	31.3
\$200,000 - 299,999	341	23.5	5,270	19.6
\$300,000 - 499,999	126	8.7	1,529	5.7
\$500,000 or more	<u>12</u>	<u>8.3</u>	<u>81</u>	<u>0.3</u>
TOTAL	1,448	100.0	26,820	99.9

Independence:

Median Value (1990): \$169,100

Median Value (2000): \$169,500

Warren County:

Median Value (1990): \$143,500

Median Value (2000): \$155,500

Source: 2000 Census of Housing And Population

The 2000 Census data provided in Table 3 shows the Township has higher home values than the County. Homes over \$300,000 represented 17.0 percent in Independence versus 6.0 percent in the County. Median home values essentially did not change in the 1990 - 2000 decade in Independence due to the large number of townhouses built and their values are less than that of detached homes.

**TABLE 4
GROSS RENT IN
INDEPENDENCE TOWNSHIP AND WARREN COUNTY - 2000**

<u>Rent</u>	<u>Independence</u>		<u>Warren</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Under \$500	64	15.3	1,792	18.2
\$500 - 749	203	48.4	4,428	45.0
\$750 - 999	83	19.8	2,601	26.4
\$1,000 - 1,499	63	15.0	914	9.3
\$1,500 or more	<u>6</u>	<u>1.4</u>	<u>110</u>	<u>1.1</u>
TOTAL	419	99.9	9,845	100.0

Independence

Median Rent (1990): \$683

Median Rent (2000): \$675

Warren

Median Rent (1990): \$624

Median Rent (2000): \$689

Source: 2000 Census of Housing and Population

In the 2000 rental market, Independence had fewer units priced under \$500 (15.3 percent) than the County (18.2 percent). It also had more units priced over \$1,000 (16.4 percent) versus a lesser percent than the County (10.4 percent).

Housing Affordability To Low And Moderate (“Lower”) Income Households

Housing affordability to Township lower income residents can be estimated using 1999 Census income data and widely accepted affordability standards. Under these standards, local households earning less than \$28,050 in 1999 would be considered low income, while households earning between \$28,050 and \$44,880 would be classified as moderate income. These levels are based on Warren County’s 1999 median household income of \$56,100 and the COAH standard that low and moderate income households earn less than 50 and 80 percent of median income, respectively.

The Township’s owner housing units available to lower income residents can then be determined assuming a household can afford a housing unit priced at 2.5 times its income. Using this standard, homes priced under \$70,125 in the Township would be available to low income residents, and homes priced under \$112,200 would be available to moderate income residents. According to the data in Table 3 and related Census data, 28 units are priced to be available to low income households. However, 140 units are available to moderate income residents.

A similar assessment can be made of Independence rental market using the standard that rent levels should not exceed 30 percent of gross income. Under this standard, low income households could afford units renting for \$701 monthly, while moderate income households could afford units under \$1,122 monthly. In 2000, 239 rental units were available for low income households and 363 units were available for moderate income households. See Table 4.

Under these tests a total of 140 owner units and 363 rental units were available to the Township’s low and moderate income residents in 2000. This represents a healthy 22.8 percent of the Township’s occupied housing units in 2000.

In summation, housing inventory of Independence is a relatively new one, in good condition, and owner and rental values are relatively low when compared to Warren County. The housing stock is largely owner occupied. Roughly 23 of every 100 occupied homes in the Township were available, from a price perspective, to low or moderate income residents in 2000.

Housing Condition

In addition to data concerning occupancy characteristics, the 2000 Census includes a number of indicators, or surrogates, which relate to the condition of the housing stock. These indicators are used by COAH in calculating a municipality’s deteriorating units and indigenous need. In the first Two Rounds of COAH’s fair share allocations (1987 - 1999), COAH used seven indicators to calculate indigenous need: age of dwelling; plumbing facilities; kitchen facilities; persons per room; heating fuel; sewer; and, water. In the Round Three rules, COAH has reduced this to three indicators:

Plumbing Facilities

Inadequate plumbing is indicated by either a lack of exclusive use of

plumbing or incomplete plumbing facilities.

Kitchen Facilities

Inadequate kitchen facilities are indicated by shared use of a kitchen or the non-presence of a sink with piped water, a stove, or a refrigerator.

Overcrowding

More than 1.01 persons per room.

The 2000 Census of Housing data shows 12 units lacking complete plumbing facilities, 7 units lacking complete kitchen facilities and 31 units overcrowded.

**TABLE 5
HOUSING UNITS BY SIZE
INDEPENDENCE TOWNSHIP AND WARREN COUNTY - 2000**

<u>Housing Unit Size</u>	<u>Independence</u>		<u>Warren</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
1 - 3	190	8.6	3,817	9.3
4	299	13.5	5,496	13.4
5	452	20.5	6,213	15.1
6	332	15.0	8,744	21.2
7	235	10.6	6,270	15.2
8	333	15.1	5,956	14.5
9 or more	<u>369</u>	<u>16.7</u>	<u>4,661</u>	<u>11.3</u>
Total	2,210	100.0	41,157	100.0

Independence

Median Rooms (1990): 6.2

Median Rooms (2000): 6.0

Warren

Median Rooms (1990): 6.3

Median Rooms (2000): 6.1

Source: 2000 Census of Housing And Population

Housing Summary

In summation, Independence housing inventory is in good condition, possessing owner and rental values somewhat higher than Warren County levels. The housing stock is largely owner occupied. Roughly 23 of every 100 homes in the Township were available to low and moderate income residents in 2000.

Municipal Housing Stock Projection

Housing elements are also required to provide information regarding projection of the local housing inventory including a discussion of the probable future construction of housing for lower income households.

During the 1990 - 2000 period, there were 635 single family homes² built in the Township. That represents approximately 64 homes per year. Much of that growth was development of two attached housing projects: Hills of Independence and Oakhill.

For the 10 year period 2004 - 2014, the New Jersey Transportation Planning Authority (NJTPA) projects housing to grow by 100 units or approximately 10 units per year. This lower number however, does not recognize that fact that a significant portion, or 47.8 percent, of Independence Township has recently been placed in the Highlands Preservation Area. This designation seriously inhibits any housing development in this area. The remaining 52.2 percent of the Township is in the Highlands Planning Area.

It is not anticipated that any future housing in Independence will be for low and moderate income housing.

MUNICIPAL DEMOGRAPHIC CHARACTERISTICS

Housing element guidelines also call for an analysis of a municipality's demographic characteristics, including but not limited to, household size, income level and age.

² Detached and attached units.

**TABLE 6
POPULATION TRENDS AND PROJECTIONS
INDEPENDENCE TOWNSHIP AND WARREN COUNTY**

<u>Year</u>	<u>Independence</u>		<u>Warren</u>	
	<u>Number</u>	<u>Change</u>	<u>Number</u>	<u>Change</u>
1940	1,046	-	50,181	-
1950	1,169	+ 123	54,374	+ 4,193
1960	1,509	+ 340	63,220	+ 8,846
1970	2,057	+ 548	73,879	+10,659
1980	2,829	+ 772	84,429	+10,550
1990	3,940	+ 1,111	91,607	+ 7,178
2000	5,640	+ 1,700	102,437	+10,830
2015 (Projection)	6,140	+ 500	123,500	+21,063

Note: Projections for 2015 are from the NJTPA (May 23, 2005).

Source: Census of Population

Population growth in Independence showed steady growth up to 1980. There was substantial growth from 1980 to 1990 and even greater growth 1990 - 2000. In this 20 year (1980 - 2000) interval, the population doubled. In contrast, population growth in the County grew at a more steady pace. Projections show modest population growth for the Township but more substantial growth for the County.

**TABLE 7
AGE DISTRIBUTION
INDEPENDENCE TOWNSHIP AND WARREN COUNTY - 2000**

<u>Sex</u>	<u>Independence</u>		<u>Warren</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Male	2,710	48.4	49,870	48.7
Female	2,893	51.6	52,567	51.3
<u>Age</u>				
Under 5	364	6.5	7,032	6.9
5 - 9	430	7.7	7,752	7.6
10 - 14	465	8.3	7,672	7.5
15 - 19	328	5.9	6,434	6.3
20 - 24	205	3.7	4,261	4.2
25 - 34	804	14.3	13,089	12.8
35 - 44	1,150	20.5	18,947	18.5
45 - 54	917	16.4	14,929	14.6
55 - 59	299	5.3	5,426	5.3
60 - 64	190	3.4	3,689	3.6
65+	<u>451</u>	<u>8.0</u>	<u>13,206</u>	<u>12.9</u>
Total	5,603	100.0	102,437	100.0

Source: 2000 Census of Population

Comparison between the Township and County show a similar population distribution by age except in two categories. The first shows the Township has higher percentages in the 25 - 54 age cohort and the second shows the Township has lower percentages in the 65+ age cohort. These figures reflect the larger number of townhouse units in the Township which yields higher numbers in the 25 - 54 age cohort. The higher percentage of senior citizens in the County reflects a stable elderly population and the existence of senior citizen housing in the County.

The median age of local residents is 36.8 years. This is similar to the Warren County population, which had a 2000 median age of 37.6 years, the State median age of 36.7 years.

TABLE 8
INCOME AND POVERTY CHARACTERISTICS
INDEPENDENCE TOWNSHIP AND WARREN COUNTY - 1999

	<u>Independence</u>		<u>Warren</u>	
Median Household Income	\$ 67,247		\$56,100	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Below Poverty Level				
Number of persons	158	2.8	5,492	5.4
Under 18	29	0.5	1,536	1.5
65 and Over	28	0.5	841	0.8
Families	18	-	999	-
Totals*	5,603		100,938	

* Population for whom poverty status is determined.

Source: 2000 Census of Population

The data in Table 9 show relatively higher percents of persons below the poverty level in the County than the Township.

**TABLE 9
HOUSEHOLD INCOME BY COHORT
INDEPENDENCE TOWNSHIP AND WARREN COUNTY - 1999**

<u>Annual Household Income</u>	<u>Independence</u>		<u>Warren</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Under \$25,000	247	11.5	7,439	19.2
\$25,000 - \$49,999	371	17.3	9,330	24.1
\$50,000 - \$74,999	586	27.3	8,974	23.2
\$75,000 - \$99,999	350	16.3	5,836	15.1
\$100,000 - \$149,999	445	20.7	5,086	13.2
\$150,000 - \$199,999	80	3.7	1,157	3.0
\$200,000 or more	<u>66</u>	<u>3.1</u>	<u>853</u>	<u>2.2</u>
Total	2,145	100.0	38,675	100.0

Independence

Median Income (1989): \$45,250

Median Income (1999): \$67,247

Warren

Median Income (1989): \$39,929

Median Income (1999): \$56,100

Table 10 shows incomes in Independence are higher than the County. In Independence, for example, 27.5 percent of households earned \$100,000 or more whereas 18.4 percent of County households fell into this same income category. Independence has less household or 28.8 percent earning less than \$50,000 whereas the County had significantly more or 43.3 percent.

TABLE 10
MONTHLY OWNER COSTS
AS A PERCENTAGE OF HOUSEHOLD INCOME IN 1999
FOR INDEPENDENCE TOWNSHIP AND WARREN COUNTY

	Independence		Warren	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less than 25 percent	894	61.7	14,425	58.1
25 - 29 percent	193	13.3	3,251	13.1
30 percent or more	361	25.0	7,004	28.2
Not computed	<u>0</u>	<u>0.0</u>	<u>140</u>	<u>0.6</u>
	1,448	100.0	24,820	100.0

Source: 2000 Census of Population And Housing

Independence has a slightly lower percent of homeowners whose owner costs are over 30 percent than the County. Typically, it is first time homeowners and the elderly that fall into this 30 percent or more cohort.

TABLE 11
GROSS RENT AS A PERCENTAGE OF
OF HOUSEHOLD INCOME IN 1999 FOR
INDEPENDENCE TOWNSHIP AND WARREN COUNTY

	Independence		Warren	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less than	209	47.4	4,984	48.7
25 percent	49	11.1	1,078	10.5
25 - 29 percent	165	37.4	3,677	36.0
30 percent or more	<u>18</u>	<u>4.1</u>	<u>486</u>	<u>4.8</u>
Total	441	100.0	10,225	100.0

Source: 2000 Census of Population and Housing

It is typically the elderly households that are paying over 30 percent of income for rent.

The following tables and information are required by COAH. MPO or Metropolitan Planning Organization in this case is the New Jersey Transportation Planning Authority (NJTPA). Certain tables are omitted as they are not relevant or tables have been combined.

**TABLE R-1
MPO RESIDENTIAL GROWTH PROJECTION**

1.	2015 Population 6,140	-	2005 Population 5,870	=	Population Change 270
2.	Population Change 270	÷	2000 Household Size 2.54	=	Household Growth + 106

**TABLE R-2
TEN YEAR HISTORIC TREND OF CERTIFICATES
OF OCCUPANCY AND DEMOLITION PERMITS**

	<u>CO's Issued</u>	<u>Demolition Permits</u>	<u>Net Change</u>
1995	-	-	-
1996	66	0	+ 66
1997	52	0	+ 52
1998	49	0	+ 49
1999	47	0	+ 47
2000	41	1	+ 40
2001	30	0	+ 30
2002	22	1	+ 21
2003	7	1	+ 6
2004	<u>11</u>	<u>0</u>	<u>+ 11</u>
Total	325	3	+ 322

Source: New Jersey DCA Division of Codes and Standards

The above figures include significant portions of attached housing built in Hills of Independence, 124 total units, and 570 total units in Oak Hill. Both projects are now fully built out.

**TABLE R-3
ANTICIPATED DEVELOPMENTS AND
NUMBER OF RESIDENTIAL UNITS BY YEAR THAT CO'S
ARE ANTICIPATED TO BE ISSUED**

Approved Development Applications	<u>'05</u>	<u>'06</u>	<u>'07</u>	<u>'08 - 13</u>	<u>Total</u>
Elcon*	-	32	-	-	32
KJW Estates	-	28	-	-	28
Masterworks	-	6	5	-	11
Kingston Hill	-	5	5	-	10
Gallagher (Major)	2	3	-	-	5
Gallagher (Minor)	-	2	-	-	2

* Subdivision is in the Highlands Preservation Area and as such it is assumed it will not be built.

**TABLE R-4
PROJECTED CO'S AND DEMOLITION PERMITS**

	<u>CO's Issued</u>	<u>Demolition Permits</u>	<u>Change</u>
2005	2	1	1
2006	44	1	+ 43
2007	10	1	9
2008	6	1	5
2009	6	1	5
2010	6	1	5
2011	6	1	5
2012	6	1	5
2013	<u>6</u>	<u>1</u>	<u>5</u>
Total	92	9	83

Source: Planning and engineering consultants projections.

**TABLE R-5
TOTAL NET RESIDENTIAL GROWTH**

- Township Projection: 83
- MPO Housing Unit Growth: 106

MPO Housing Unit Growth is greater than Township Net Residential Growth: Use 106 to calculate growth share.

**TABLE R-6
SECOND ROUND AFFORDABLE AND MARKET-RATE UNITS IN
INCLUSIONARY DEVELOPMENTS TO BE EXCLUDED FROM
GROWTH PROJECTION, BY THE YEAR THAT CO'S ARE TO BE ISSUED (IF ANY)**

None

**TABLE R-7
NET RESIDENTIAL GROWTH PROJECTIONS AFTER SUBTRACTING
SECOND ROUND AFFORDABLE AND INCLUSIONARY MARKET-RATE UNITS**

None

Calculate growth share obligation attributable to residential growth by dividing the total number of units by nine (9) to determine the **growth share obligation**.

$$106 \div 9 = 11.8 \text{ Affordable housing units}$$

NONRESIDENTIAL GROWTH SHARE

**TABLE NR-1
MPO NON-RESIDENTIAL GROWTH PROJECTION**

2015 MPO		2005 MPO		Employment
Employment	-	Employment	=	Change
700		680		20

$$20 \div 25 = 0.8 \text{ Affordable Housing Units}$$

Source: (MPO) NJTPA Revised Demographic and Employment Forecasts:
Household Forecast 5/23/05

**TABLE NR-2
TEN YEAR HISTORY TREND OF NON-RESIDENTIAL CERTIFICATES
OF OCCUPANCY AND DEMOLITIONS (in Square feet)**

	<u>1995</u> ³	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
CO's Issued B-Office	-	18,900	-	-	5,960	-	-	-	10,775	-
CO's Issued	-									
CO's Issued A3-Assemble	-	-	-	1,700	-	-	-	-	-	-
CO's Issued R-1 Hotel	-									
CO's Issued E-Schools	-	-	-	88,000	-	-	-	-	-	-
CO's Issued S-Storage	-	-	-	-	2,560	-	-	-	80,326	-
Demolitions None										

Source: New Jersey DCA Division of Codes and Standards

³ Data for 1995 not available

**TABLE NR-3
ACTUAL NON-RESIDENTIAL DEVELOPMENTS IN 2004**

None

**TABLE NR-5 AND NR-8
NON-RESIDENTIAL DEVELOPMENTS AND
ANTICIPATED DEVELOPMENTS 2005 - 2013
AND NET PROJECTED EMPLOYMENT GROWTH - JOBS**

Approval Development <u>Applications</u>	<u>'05</u>	<u>'06</u>	<u>'07</u>	<u>'08 - '13</u>	Total <u>Sq. Ft.</u>	<u>Jobs</u>
Feitell office	-	3,076	-	-	3,076	9.5
Quick Check	-	4,000	-	-	4,000	4.0
Other office	-	-	-	3,000	3,000	9.0
Other retail	-	-	-	4,000	4,000	4.0
Pio Costa Mall	-	-	20,000	-	20,000	20.0
Nortor Kennel	-	5,000	-	-	5,000	<u>5.0</u>
Total						51.5

Source: Township planner and engineer projections.

**TABLE NR-10
AFFORDABLE HOUSING UNIT
OBLIGATION GENERATED BY
NON-RESIDENTIAL DEVELOPMENT**

Total New Jobs (2005 - 2013)	Affordable Housing Units <u>Generated</u>
51.5 ÷ 25 =	2.1

The MPO non-residential growth projection of 0.8 is lower than the Township projection of 2.1: use 2.1.

**TABLE T-1:
SUMMARY OF GROWTH SHARE CALCULATIONS**

1. Residential Growth 2004 - 2013: units
Growth Share: $106 \div 9 = 11.8$
2. Non-Residential Growth: 2004 - 2013: 51.5
Growth Share: $51.5 \div 25 = 2.1$
3. Rehabilitation obligation: 9 units
4. Total new **growth share** low and moderate income housing units to be addressed by the Independence Fair Share Plan: $11.8 + 2.1 = 13.9$ or 14 housing units.
5. Review of the Township's Second Round petition for substantive certification by COAH (October 28, 2005) shows a re-calculated prior round obligation of eight new construction units.
6. Total Third Round Township obligation:
 - Rehabilitation: 9 units
 - Prior round: 8 units
 - Growth share: 14 units

HOUSING PLAN ELEMENT CONCLUSION

Independence Township will address the nine unit rehabilitation need by enacting a development fee ordinance. A prototype ordinance is included in this Plan. As is explained in the following Fair Share Plan, Independence seeks a "lack of land" and "lack of water and sewer" adjustment. As a consequence, the Township is not able to satisfy "prior round" nor "growth share" housing unit obligations thru inclusionary housing zoning.

Further, it is not anticipated that future growth will generate sufficient fees from the development fee ordinance to allow the Township to realistically address its housing needs thru other housing options.

FAIR SHARE PLAN

To address COAH's Second Round housing mandates (1987 - 1999) Independence Township created 2 inclusionary housing zones: PRD-1H (Planned Residential Development - Inclusionary Housing) which yields 240 total units of which 27 would be set-aside for low and moderate income houses and PSCRD (Planned Senior Citizen Development) which yields 275 maximum units of which 14 are set-aside for low and moderate income senior households. A third rezoning is proposed for Liberty House to expand to 48 from 40 low and moderate senior household units. All of these properties and zones are in the Hackettstown Municipal Utilities Authority (HMUA) service area for public water and public sewers. Recently, the HMUA has initiated a moratorium on new public water hook-ups. It is anticipated to be lifted July, 2006.

More importantly, all three of the above properties and zones are in the Highlands Preservation Area which precludes their development as zoned and proposed in the Independence Second Round Housing Plan Element And Fair Share Plan (September 17, 2001). Indeed, 6094 acres or 47.8 percent of the Township is in this area. With the minor exception of properties on the eastern side of Route 517, all of the Independence HMUA service area is in the Highlands Preservation Area. Land use analysis of this area shows it is fully developed for apartments (Towpath), townhouses (Oak Hill), single family homes, church and commercial uses. There is one and only one vacant parcel (lot 3, block 6.02) containing 12.28 acres that is in the HMUA service area and outside the Highlands Preservation Area. It is presently before the Planning Board for site plan approval for 28 age-restricted housing units. It has limited development potential due to steep slopes (over 15 percent) and wetlands.

As a consequence of the Highlands Preservation Area designation, it is concluded that it is not possible to consider any property in these three zones: PSCRD, PRD-IH and Liberty House as having a realistic opportunity for development. In COAH's recent review (October 28, 2005) of the Township's Second Round petition for substantive certification, it came to the same conclusion.

It is also recognized that 6,664 acres (52.2 percent) of the Township is Highlands Planning Area. All of that area is designated PA4B Rural/Environmentally Sensitive Planning Area or PA5 Environmentally Sensitive Planning Area by the New Jersey State Development And Redevelopment Plan (March 2001). These areas are not served by public water and public sewers. Further, private sewerage systems in PA4B and PA5 areas are not permitted by NJDEP rules and State policies. Thus, Independence has no land available with any realistic development opportunity for inclusionary housing zoning.

Independence requests a "lack of land" adjustment consistent with 5:93-4.2 Lack of Land and a "lack of water and sewer" adjustment consistent with 5:93-4.3 Lack of Water and Sewer.

PROTOTYPE IMPLEMENTATION ORDINANCE

PROTOTYPE IMPLEMENTATION ORDINANCE

**INDEPENDENCE TOWNSHIP
COUNTY OF WARREN
ORDINANCE NO. 2005**

**AN ORDINANCE ESTABLISHING
AFFORDABLE HOUSING DEVELOPMENT FEES
AND CREATING A NEW SECTION IN
INDEPENDENCE TOWNSHIP DEVELOPMENT
REGULATIONS ORDINANCE**

BE IT ORDAINED by the Township Committee of the Township of Independence in the County of Warren, State of New Jersey that the Land Development Regulations Ordinance of the Township of Independence is supplemented and amended by creating a new Section _____ which shall be entitled "Development Fees" and which shall read as follows:

SECTION 1. DEVELOPMENT FEES

1. **Purpose** - In Holmdel Builder's Ass'n. V. Holmdel Township, 121 N.J. 550 (1990), the New Jersey Supreme Court determined that mandatory development fees are authorized by the Fair Housing Act of 1985, N.J.S.A. 52:27D-301, et seq., and the State Constitution, subject to COAH rules. The purpose of this ordinance is to establish standards for the collection, maintenance and expenditure of development fees pursuant to COAH's rules. Fees collected pursuant to this ordinance shall be used for the sole purpose of providing low and moderate income housing. This ordinance shall be interpreted within the framework of COAH's rules on development fees.
2. **Residential Development Fees** - All residential development, shall pay a fee of one percent of equalized assessed value for any eligible residential development.
3. **Non-Residential Development Fees** - All non-residential development shall pay a fee of two percent of equalized assessed value for any eligible non-residential development.
4. **Eligible Development, Ineligible Development and Exemptions**
 - a. Developers of low and moderate income units and inclusionary housing units shall be exempt from paying development fees.
 - b. Developers that have received municipal approvals prior to the

effective date of this ordinance shall be exempt from paying a development fee unless the developer seeks a substantial change in the approval.

- c. Developers that expand an existing structure shall pay a development fee. The development fee shall be calculated based on the increase in the equalized assessed value of the improved structure.
- d. Developers of new structures that receive municipal approvals, shall pay a development fee. The development fee shall be calculated based on the percent of equalized assessed value of the development pursuant to Sections 1.2 and 1.3 of this ordinance.

5. Collection of Fees

- a. Developers shall pay fifty (50%) percent of the calculated development fee to the Township at the issuance of building permits. The development fee shall be estimated by the tax assessor prior to the issuance of building permits.
- b. Developers shall pay the remaining fee to the Township at the issuance of certificates of occupancy. At the issuance of certificates of occupancy, the tax assessor shall calculate the equalized assessed value and the appropriate development fee. The developer shall be responsible for paying the difference between the fee calculated at certificate of occupancy and the amount paid at building permit.

B. HOUSING TRUST FUND

There is hereby created an interest bearing Housing Trust Fund for the purpose of receiving development fees from residential and non-residential development. All development fees paid by developers pursuant to this ordinance shall be deposited in this fund.

C. USE OF FUNDS

- 1. Money deposited in a Housing Trust Fund may be used for any activity approved by COAH for addressing the Township's low and moderate income housing obligation. Such activities may include, but are not necessarily limited to: housing rehabilitation and administrative costs necessary to implement Independence Township's housing element. The expenditure of all money shall conform to a spending plan approved by COAH.
- 2. No more than twenty (20%) percent of the revenues shall be expended on administrative costs necessary to develop, revise or implement the housing

element. Examples of eligible administrative activities include: housing consultant services; personnel; consultant services; space costs; consumable supplies; and rental or purchase of equipment.

3. Development fee revenues shall not be expended to reimburse Independence Township for housing activities that preceded substantive certification.

D. EXPIRATION OF ORDINANCE

1. COAH dismisses or denies Independence Township petition for substantive certification;
2. COAH revokes substantive certification or its certification of this ordinance;
3. Substantive certification expires prior to Independence Township filing an adopted housing element with COAH, petitioning for substantive certification or receiving COAH's approval of this ordinance.

E. DEFINITIONS

"COAH" means the New Jersey Council on Affordable Housing.

"Developer" means the legal or beneficial owner or owners of a lot or of any land proposed to be included in a proposed development including the holder of an option or contract to purchase, or other person having an enforceable proprietary interest in such land.

"Development" means the division of a parcel of land into two or more parcels, the construction, reconstruction, conversion, structural alteration, relocation, or enlargement of any building or other structure, or of any mining, excavation or landfill, and any use of change in the use of any building or other structure, or land or extension of use of land, for which permission may be required pursuant to this act.

"Development fees" means money paid by an individual, person, partnership, association, company or corporation for the improvement of property.

"Equalized assessed value" means the value of a property determined by the municipal tax assessor through a process designed to ensure that all property in the municipality is assessed at the same assessment ratio or ratios required by law. Estimates at the time of building permit may be obtained by the tax assessor utilizing estimates for construction cost. Final equalized assessed value will be determined at project completion by the municipal tax assessor.

“Substantive certification” means a determination by COAH approving a municipality’s housing element and fair share plan in accordance with the provisions of the Fair Housing Act and the rules and criteria as set forth herein. A grant of substantive certification shall be valid for a period of six years in accordance with the terms and conditions contained therein.”

Section 2. Any and all other ordinances or parts thereof in conflict or inconsistent with any of the terms hereof are hereby repealed to such extent as they are so in conflict or inconsistent.

Section 3. In case any article, section or provision of this ordinance shall be held invalid in any court of competent jurisdiction, the same shall not affect any other article, section or provision of this ordinance except insofar as the article, section or provision so declared invalid shall be separable from the remainder or any portion thereof.

Section 4. This ordinance shall take effect immediately upon final passage and publication as required by law.

INDEPENDENCE TOWNSHIP COMMITTEE

By: _____

November, 2005