

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

**INDEPENDENCE TOWNSHIP
PLANNING BOARD**

**Adopted:
September 17, 2001**

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HOUSING PLAN ELEMENT

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 an 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 5. This Liberty House credit was unaccounted for and not part of the earlier 1988 Township Housing Plan Element and Fair Share Plan.

According to the Municipal Land Use Law and the Fair Housing Act of 1985, 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 requires the inclusion of at least the following items in the Housing Plan Element:

- a. *An inventory of the municipality's housing stock;*
- b. *A projection of the municipality's housing stock for the next six years;*
- c. *An analysis of the municipality's demographic characteristics;*
- 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.*

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. While the census data does not contain detailed characteristics yet, the 2,210 is estimated to be divided into the following:

**TABLE 1
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

In addition to the above numbers, the following new housing units are permitted:

¹ 2-4 family and mobile home.

**TABLE 2
ZONED BUT UNBUILT HOUSING STOCK
INDEPENDENCE TOWNSHIP - 2000**

<u>Housing Type</u>	<u>Number</u>	<u>Percent</u>
Single family detached ²	1,500	72.1
Single family attached:		
- Stonemill	230	11.1
Apartments:		
- Towpath	74	3.6
Senior housing:		
- Old Allamuchy Road	<u>275</u>	<u>13.2</u>
TOTAL	2,079	100.0

**TABLE 3
FUTURE HOUSING STOCK ASSUMING
FULL BUILD-OUT
INDEPENDENCE TOWNSHIP - 2010**

<u>Housing Type</u>	<u>Number</u>	<u>Percent</u>
Single family, detached	1,500	46.9
Single family, attached:		
- Oak Hill	570	
- Hills of Independence	124	
- Stonemill	<u>230</u>	
Subtotal	924	28.8
Apartments:		
- Towpath	310	
- Old Allamuchy Road	20	
- Others	<u>135</u>	
Subtotal	465	14.5
Senior Housing:		
- Liberty house	40	
- Old Allamuchy Road	<u>275</u>	
Subtotal	315	<u>9.8</u>
TOTAL	3,204	100.0

² Assumed to be built in the next 10 years.

TABLE 4
AGE OF HOUSING 1940 - 2000
INDEPENDENCE TOWNSHIP AND WARREN COUNTY

<u>Year Housing Unit Built</u>	<u>Independence</u>		<u>County of Warren</u>	
	<u>Number of Units</u>	<u>Percent</u>	<u>Number of Units</u>	<u>Percent</u>
1990 - 2000	635	28.8	4,568	11.1
1980 - 1990	573	25.9	6,250	15.2
1970 - 1990	360	16.3	6,464	15.7
1960 - 1969	167	7.6	4,854	11.8
1950 - 1959	110	4.9	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

NOTE: Figures may not add due to rounding.

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

As shown in Table 4, Independence Township possesses a relatively new housing stock. Of the housing units in place as of March 2000, 68 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 was 28.8% 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.

TABLE 5
HOUSING RENTAL AND VALUE DATA
INDEPENDENCE TOWNSHIP AND WARREN COUNTY, 1990

	<u>Warren County</u>	<u>Independence</u>
Owner Occupied Housing Units		
Median value	\$143,500	\$169,100
Mean value (all units)	152,951	180,342
Mean value (mortgaged units)	185,581	186,011
Mean value (unmortgaged units)	129,666	160,874
Occupied Rental Units		
Median Gross Rent	\$552	\$624

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

The 1990 Census data provided in Table 5 indicates that housing stock has relatively high purchase and rental values. As shown in Table 5, the 1990 mean or average value of owner occupied units in the Township was \$180,342 while the median value was \$169,100. Mortgaged units had a higher mean value at \$186,011 than unmortgaged units, at \$160,874. The gross median rental in Independence in 1990 was \$624 per month.

Housing costs in the Township are somewhat higher than they are at the County level. As indicated in Table 5, the mean value of all owner occupied units in the Township was 17.9% higher than the County and rents were 13.0% higher at the Township level.

**TABLE 6
OWNER OCCUPIED HOUSING VALUES BY VALUE COHORT
INDEPENDENCE TOWNSHIP, 1990**

<u>Housing Value</u>	<u>Number of Units</u>	<u>Percent</u>
Under \$100,000	32	3.5
\$100,000 - 150,000	270	30.0
\$150,000 - 200,000	359	39.9
\$200,000 - 249,999	140	15.5
\$250,000 or more	<u>99</u>	<u>11.0</u>
TOTAL	900	100.0

NOTE: Figures may not add due to rounding.

SOURCE: 1990 Census of Population and Housing.

The data in Tables 6 provides a more detailed look at housing prices in the Township. In 1990, one-third of all owner housing was valued under \$150,000 while another 40 percent was valued between \$150,000 and \$200,000. One in four units was valued over \$200,000.

Table 7 provides a similar cohort analysis for the rental market in Independence. As indicated, nearly six in ten units rented for between \$500 and \$700 monthly. One quarter of all rentals exceeding \$700 a month.

**TABLE 7
GROSS RENT BY RENT COHORT
INDEPENDENCE TOWNSHIP, 1990**

<u>Rent</u>	<u>Number of Units</u>	<u>Percent</u>
Under \$250	36	9.7
\$250 - \$499	21	5.7
\$500 - \$700	217	58.6
\$700 or more	<u>96</u>	<u>25.9</u>
TOTAL	370	100.0

NOTE: Figures may not add due to rounding.

SOURCE: 1990 Census of Population and Housing

In 2000, Independence had 64 vacant housing units in the Township's total inventory of 2,210 units. This vacancy rate of 2.9% is relatively low; a healthy housing market typically has a vacancy rate of under five percent. In comparison, the vacancy rate in 1990 was 9.1%.

Most of the Township's occupied housing units are owner-occupied. In 2000, 78.9% of occupied housing was owner-occupied and 21.1 percent is renter-occupied.

**TABLE 8
HOUSING UNITS BY SIZE
INDEPENDENCE TOWNSHIP, 1990**

<u>Housing Value</u>	<u>Number of Units</u>	<u>Percent</u>
1 - 3 rooms	186	11.8
4 rooms	192	12.2
5 rooms	299	19.0
6 rooms	262	16.6
7 rooms	165	10.5
8 rooms	249	15.8
9 or more rooms	<u>222</u>	<u>14.1</u>
TOTAL	1,575	100.0

Mean rooms per unit 6.2

NOTE: 1. Figures may not add due to rounding.
2. Room is generally defined by the census as space used for living purposes.

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

With respect to size, the local housing stock has an average unit size of 6.2 rooms per unit. Reflecting the mix and variety of housing types in the Borough, the unit size breakdown is fairly even.

Housing affordability to local lower income residents can be estimated using 1990 Census data and widely accepted affordability standards. Under these standards, local households earning less than \$19,964 in 1990 would be considered low income residents, while households earning between \$19,964 and \$31,943 would be classified as moderate income. These levels are based on

Warren County's 1990 median household income of \$39,929 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 median income. Using this standard, homes priced under \$49,910 in the Township would be available to low income residents, and homes priced under \$79,857 would be available to moderate income residents. According to the data in Table 6 and related Census data, no units are priced to be available to low income households. However, 26 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 under \$499 monthly, while moderate income households could afford units under \$799 monthly. In 1990, 57 rental units were available for low income households and up to 252 additional units were available for moderate income households.

Under these tests a total of 26 owner units and 309 rental units were available to the Township's low and moderate income residents in 1990. This represents a healthy 23% of the Township's occupied housing units in 1990.

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 1990.

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 low and moderate income households.

**TABLE 9
RESIDENTIAL BUILDING PERMIT SUMMARY
INDEPENDENCE TOWNSHIP, 1980 - 1999**

<u>Year</u>	<u>Total</u>	<u>Single Family</u>	<u>Multi-Family</u> ³
1980 - 1989	702	491	211
1990	70	70	0
1991	17	17	0
1992	57	57	0
1993	48	48	0
1994	71	71	0
1995	37	37	0
1996	57	57	0
1997	35	35	0
1998	47	47	0
1999	58	58	0
1990 - 1999	497	497	0
TOTAL	1,199	988	211

SOURCE: "Warren County Building Permit Data" Warren County Planning Department, May 23, 2000

As shown in Table 9, recent building permit data show a strong level of home construction in Independence. From 1980 through 1989, 702 housing units were authorized by permit, 491 of which were for single family homes and 211 for multifamily units. In 1990-1999, housing construction continued at a substantial pace with 497 total units built. This level of construction, from 1980 to 1999 equates to 60 units per year on average. The majority of these units are new single family attached (townhouse) housing at Oak Hill and Hills of Independence.

Somewhat lower levels of construction activity can be expected throughout the 2000 - 2010 decade. This assumption is based upon the recognition that while development pressures will continue to move westward in the state into Independence, Oak Hill and Hills of Independence are built out. Stonemill is an inclusionary housing project, while zoned for 230 units, all

³ Multi-family as defined by the Warren County Planning Department are apartments or 2, 3, 4, 5+ family units.

approvals granted in late 1980's have expired.

Municipal Demographic Characteristics

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

Independence's 2000 population of 5,603 was spread among 2,146 households for an average household size of 2.61 persons per household. In 1990, the Township had a population of 3,977 persons spread among 1,435 households for an average household size of 2.77.

**TABLE 10
SEX AND AGE DISTRIBUTION
INDEPENDENCE TOWNSHIP AND
WARREN COUNTY - 2000**

<u>Sex</u>	<u>Independence</u>		<u>Warren County</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	485	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

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 home buying 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 11
INCOME CHARACTERISTICS
INDEPENDENCE TOWNSHIP AND WARREN COUNTY, 1990**

<u>Income Category</u>	<u>Independence</u>	<u>Warren County</u>
Median Household Income	\$45,250	\$39,929
Median Family Income	\$51,714	\$45,770
Per Capita Income	\$18,825	\$16,716
Percent of Persons:		
Below Poverty Level	1.48	5.44
Percent of Families:		
Below Poverty Level	1.02	2.58

NOTE: Household is defined as an occupied housing unit. Family is defined as a group of related individuals living together in a housing unit.

SOURCE: 1990 Census of Population and Housing

The data in Table 11 shows that Independence Township's income levels are somewhat higher than those of the County. The Township's median household income in 1989 was \$45,250, 13% higher than Warren County as a whole. A similar relationship exists with family income levels, with the Independence median of \$51,714 exceeding the County level of \$45,770. It is also observed that the percent of persons and families below the poverty level in the Township is far less than county levels.

TABLE 12
HOUSEHOLD INCOME BY COHORT, 1989
INDEPENDENCE TOWNSHIP

<u>Annual Household Income</u>	<u>Number of Households</u>	<u>Percent</u>
Under \$25,000	325	22.6
\$25,000 to \$34,999	190	13.2
\$35,000 to \$44,999	198	13.8
\$45,000 to \$54,999	180	12.5
\$55,000 to \$74,999	267	18.6
\$75,000 to \$99,999	169	11.8
\$100,000 or more	<u>106</u>	<u>7.4</u>
TOTAL	1,435	100.0

NOTE: Figures may not add due to rounding.

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

Table 12 examines household income data by income cohort. From this perspective, the Township had just over one-third of its households earning less than \$35,000 in 1989 annual income, and approximately 45 percent earning between \$35,000 and \$75,000.

In summation, this demographic profile of the Township has identified the Independence population as being younger and more affluent than the County as a whole. Total population and household levels are increasing rapidly. Household size continues to decline.

Existing and Future Employment Characteristics

An analysis of existing and future employment characteristics is also required for a municipal housing element. This requirement is based on the direct relationship between employment growth and housing demand in a community.

An analysis of local covered employment trends is provided in Table 13. As shown in this table, employment in Independence has been relatively stable in recent years, ranging from 212 in 1980 to 207 in 1991. By 1992, however, employment had jumped to 375 jobs.

It is anticipated that future job growth will be relatively modest; employment expansion substantially above present levels is unlikely.

TABLE 13
COVERED EMPLOYMENT HISTORY
INDEPENDENCE TOWNSHIP'
1972 - 1992

<u>Year</u>	<u>Number of Units</u>	<u>Number Of Jobs</u>
1980	--	212
1981	19	233
1982	17	203
1983	17	220
1984	17	217
1985	17	249
1986	19	226
1987	21	241
1988	32	338
1989	32	281
1990	40	219
1991	45	207
1992	45	375

NOTE: Unit counts were not available prior to 1981.

SOURCE: New Jersey Covered Employment Trends, 1972 - New Jersey
 Department of Labor.

Fair Share Housing Need

Independence Township received substantive certification from N.J. Council On Affordable Housing (COAH) on October 17, 1988. It was determined that the Township had an obligation at that time of 27 units. The Township has satisfied that obligation in full with the Stonemill inclusionary housing rezoning and local approvals.

COAH now calculates the new Independence Township fair share housing need for 1993 - 1999 at a total need of 5 units, as shown in Table 14.

**TABLE 14
COAH FAIR SHARE HOUSING NEED 1993 - 1999
INDEPENDENCE TOWNSHIP**

	<u>Number of Units</u>
Deteriorated Units	48
Indigenous Need	37
Reallocated Present Need	9
Present Need 1993	46
Prospective Need 1993 - 1999	2
TOTAL NEED 1993 - 1999	48
Adjustments for: prior cycle (1987-1993)	
Prior Cycle Prospective Need	8
Demolitions	0
Filtering	-7
Conversions	-2
Rehabilitation	-2
Pre-credited Need	45
Reductions	0
Credits	-40
TOTAL CALCULATED NEED	5

SOURCE: Municipal Number Summary, New Jersey Council on Affordable Housing, 1993.

Fair Share Plan

This 5 unit indigenous need can be addressed in several ways: first, by requiring a development fee on all new construction which will be used for rehabilitation of local housing. This approach directly addresses the 5 unit indigenous need obligation as identified by COAH. The Township retains the PRD-IH inclusionary housing zone district (Stonemill) which is mandated to develop 27 low and moderate income housing units. The Township has already received credit by COAH of this 27 unit provision.

The Township proposes to modify the Planned Senior Citizen Residential Development zone (PSCRD) fronting Old Allamuchy Road to include 5 percent of all units to be for low and moderate income senior citizens as defined by the New Jersey Council On Affordable Housing.

Lastly, the zone ordinance and zone district map will be amended to create a new zone district describing the Liberty House property. Presently, the property accommodates 40 subsidized senior citizen households. The new zoning will allow it to expand to 48 units. This property is at the corner of Route 46 and Petersburg Road and can accommodate an additional building and parking.

P. David Zimmerman, AICP/PP
Township Planner

August 20, 2001

FAIR SHARE PLAN

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

**AN ORDINANCE TO AMEND AND SUPPLEMENT
THE LAND DEVELOPMENT ORDINANCE OF THE
TOWNSHIP OF INDEPENDENCE**

BE IT ORDAINED by the Township Committee of the Township of Independence, in the County of Warren, and State of New Jersey that the Land Development Ordinance of the township of Independence, New Jersey Ordinance section 116 et seq., be, and the same is hereby amended and supplemented so as to add the following provisions:

1. Section 116-99.4 REGULATIONS IN SCR SENIOR CITIZEN RESIDENTIAL ZONE
The purpose of the SCR zone is to recognize the 40 unit Liberty House (Lot 21.0, Block 4) senior citizen use and make this use as a permitted use and allow for modest expansion to 48 units. Occupants shall qualify as low and moderate income households consistent with standards established by the New Jersey Council On Affordable Housing ("COAH").
 - A. Permitted principal uses shall be as follows:
 - (1) Multi-family dwellings.
 - B. Permitted accessory uses shall be as follows:
 - (1) Private garages
 - (2) On-site parking
 - (3) Private recreation
 - C. Conditional uses shall be as follows:
 - (1) None
 - D. SCR development standards
 - (1) Minimum lot size is 5.0 acres
 - (2) There are public water and sewer facilities
 - (3) There is access to a collector type road
 - (4) Housing standards.
 - (a) The total number of housing units shall not exceed 48.
 - (b) Housing types shall be: apartment and/or townhouse.
 - (5) Standards for housing on the property

- (a) Minimum front yard setback: 50 ft.
- (b) Minimum side yard setback: 25 ft.
- (c) Minimum rear yard setback: 25 ft.
- (d) Maximum height: 30 ft. from finished grade to the eave of the roof structure.
- (e) Minimum distance between buildings: 1.5 building height.
- (f) Minimum distance of housing to common driveways and/or parking areas: 15 ft.

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.

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.

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

INDEPENDENCE TOWNSHIP COMMITTEE

Jodee Inscho, Clerk

By: _____
Chris Saville, Mayor

August 20, 2001

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

**AN ORDINANCE TO AMEND AND SUPPLEMENT
THE LAND DEVELOPMENT ORDINANCE OF THE
TOWNSHIP OF INDEPENDENCE**

BE IT ORDAINED by the Township Committee of the Township of Independence, in the County of Warren, and State of New Jersey that the Land Development Ordinance of the township of Independence, New Jersey Ordinance section 116 et seq., be, and the same is hereby amended and supplemented so as to add the following provisions:

1. Section 116-99.3 Regulations in PSCRD Planned Senior Citizen Residential Development Zone is amended to add:

D.(4)(c) Five percent (5%) of all units and/or beds but not less than 14 such units and/or beds shall be for low and moderate units and/or beds as governed by The New Jersey Council On Affordable Housing.

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.

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.

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

INDEPENDENCE TOWNSHIP COMMITTEE

Jodee Inscho, Clerk

By: _____
Chris Saville, Mayor

August 20, 2001

**INDEPENDENCE TOWNSHIP
COUNTY OF WARREN
ORDINANCE NO. 2000-**

**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-half 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 one 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 A2 and A3 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 or 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

Jodee Inscho, Clerk

By: _____
Chris Saville, Mayor

August 20, 2001