



HOUSING ELEMENT AND FAIR SHARE PLAN

TOWNSHIP OF GREENWICH | WARREN COUNTY, NEW JERSEY

MARCH 14, 2019



HOUSING ELEMENT AND FAIR SHARE PLAN

ADOPTED BY THE LAND USE BOARD MARCH 14, 2019

ENDORSED BY THE TOWNSHIP COMMITTEE MARCH 21, 2019

PREPARED BY:

A handwritten signature in black ink, appearing to read 'Elizabeth McManus', is written over a horizontal line.

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A SIGNED AND SEALED ORIGINAL IS ON FILE WITH THE TOWNSHIP CLERK



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INTRODUCTION & EXECUTIVE SUMMARY

Since the 1975 New Jersey Supreme Court decision known as “Mount Laurel I”, New Jersey municipalities have had a constitutional obligation to provide opportunities for creation of low and moderate housing units. This 1975 decision led to a body of case law, legislative changes and rulemaking by a state agency that, collectively, is now referred to as the “Mount Laurel doctrine”. Through these actions, New Jersey municipalities have been assigned a specific number of affordable housing units that must be created or planned for creation in order to have “satisfied” their constitutional obligation, commonly referred to as their affordable housing obligation. The purpose of this Housing Element and Fair Share Plan (hereinafter the “Plan”) is to present how the Township of Greenwich will satisfy its constitutional obligation.

Affordable housing in New Jersey is defined as housing units which are reserved for households with incomes not more than 80% of the regional median income. Each affordable unit, with limited exceptions, must remain reserved for low and moderate income households for 30 years and it is typically enforced by a 30 year deed restriction. Each affordable unit is eligible for one “credit” against the obligation and certain units are eligible for “bonus credits”, which provide more than one credit per unit. In addition to providing the minimum number of credits, municipalities must ensure diversity in the level of affordability – meaning very low, low and moderate income units – and diversity in the size of affordable units – meaning one, two and three bedroom units.

Participation in this process, and therefore satisfaction of the affordable housing obligation, can be achieved voluntarily or involuntarily. However, voluntary compliance is heavily incentivized. Municipalities that do not successfully participate may be vulnerable to “builder’s remedy” litigation. A builder’s remedy is a litigation tool that grants a developer the right to develop what is typically a multi-family project on land that was not zoned to permit the use or the residential density desired by the developer, provided a “substantial” percentage of the units are reserved for low and moderate income households. Greenwich seeks to avoid this possibility and has already taken substantial steps to do so.

This Plan supersedes all previously adopted housing plans. It has been prepared pursuant to a 2019 Settlement Agreement between the Township of Greenwich and Fair Share Housing Center (hereinafter “FSHC”) that set forth the Township’s affordable housing obligation and a preliminary plan for how it would be satisfied. FSHC is an interested party in the Township’s Declaratory Judgment filed in Superior Court on July 2, 2015 as permitted by the March 10, 2015 NJ Supreme Court decision known as “Mount Laurel IV.” This Supreme Court decision rendered COAH “moribund” and created a transitional process for municipalities to seek compliance in the State’s trial courts, as opposed to the Council on Affordable Housing (“COAH”) to determine their affordable housing obligation and to seek approval of its Plan to satisfy that obligation. This Plan will serve as the foundation for the Township’s application to Superior Court for that approval, referred to as a Judgment of Compliance and Order of Repose.

The 2019 Settlement Agreement between the Township and FSHC, more specifically, is the “Third Amended Settlement Agreement”. The Township originally executed a Settlement Agreement with FSHC in September 2018. However, the Township subsequently negotiated with developers that led to this



alternative compliance plan. The “First Amended Settlement Agreement” and “Second Amended Settlement Agreement”, executed in July 2018 and October 2018, respectively, provided extensions in time for the Township to continue negotiations with developers in hopes of securing an alternative compliance plan. The 2018 Settlement Agreement set forth that all new affordable housing would occur on the Dumont Road site with construction of up to 144 units on the site. The alternative compliance plan set forth in the 2019 Settlement Agreement and this Housing Plan provides for approximately half of the new affordable housing to occur on the Dumont Road. Site and the remaining half on the Furhman site.

As detailed in this Housing Plan, the Township – like all New Jersey municipalities – has three components of its affordable housing obligation. Each component of the obligation is identified below.

- **Rehabilitation Obligation: 8 units**
The rehabilitation obligation can be defined as an estimate of the number of deteriorated housing units existing in Greenwich that are occupied by low- and moderate-income households.
- **Prior Round Obligation: 41 units**
The Prior Round obligation can be defined as the cumulative 1987 through 1999 new construction affordable housing obligation.
- **Third Round Obligation: 204 units**
The Third Round obligation can be defined as the cumulative 1999 through 2025 new construction affordable housing obligation.

This Plan satisfies its affordable housing obligation using the following mechanisms:

- **Rehabilitation Obligation:** The Township will participate in the Warren County Housing Rehabilitation Program.
- **Prior Round Obligation:** Forty-one (41) of 70 affordable units in the Greenwich Chase development will satisfy this obligation.
- **Third Round Obligation:** This obligation will be satisfied with the remaining 29 units at the Greenwich Chase development, an existing ARC Warren County, 66 units at the Dumont Road site, 64 units at the Furhman Site, and bonus credits.

Adoption of this Housing Element and Fair Share Plan and complete implementation of the mechanisms described above to meet the affordable housing obligation will yield a Judgment of Compliance and Order of Repose from Superior Court and protect the Township from builder’s remedy litigation through July 2025, the maximum time available.

AFFORDABLE HOUSING IN NEW JERSEY

In its landmark 1975 decision, now referred to as “Mount Laurel I”, the NJ Supreme Court ruled that developing municipalities have a constitutional obligation to provide variety and choice of housing types affordable to low and moderate income households. In its 1983 “Mount Laurel II” decision, the NJ



Supreme Court extended the regional fair share obligation to all municipalities with any “growth area” as designated in the State Development Guide Plan (NJDC 1978) and determined that each municipality would have to establish its fair share obligation and provide zoning mechanisms to create a realistic opportunity for fulfillment of the fair share obligation. Mount Laurel II also gave developers, under appropriate circumstances, the opportunity to secure a builder’s remedy. A builder’s remedy is a litigation tool that grants a developer the right to develop what is typically a multi-family project on land that was not zoned to permit the use or the residential density desired by the developer, provided a “substantial” percentage of the units are reserved for low and moderate income households. Greenwich seeks to avoid this possibility and has already taken substantial steps to do so.

In 1985, the Legislature enacted the Fair Housing Act in response to Mount Laurel II. The Fair Housing Act created the Council on Affordable Housing (hereinafter “COAH”) and an administrative alternative to compliance in a court proceeding. The Legislature conferred “primary jurisdiction” on COAH and charged COAH with promulgating regulations to establish housing regions, to estimate the state’s low- and moderate-income housing needs, set criteria and guidelines for municipalities to determine and satisfy their affordable housing obligation, and to create a process for the review and approval of appropriate housing elements and fair share plans. Approval of a municipal housing element and fair share plan by COAH is referred to as “substantive certification” and it provides protection from exclusionary zoning litigation during the time period which the housing element and fair share plan addresses (i.e. the round).

Activity From 1987 - 1993

COAH created the criteria and guidelines for municipalities to determine and address their respective affordable housing obligation. COAH originally established a formula for determining municipal affordable housing obligation for the six-year period between 1987 and 1993 (N.J.A.C. 5:92-1 et seq.), which became known as the “First Round.” These rules established the first round rehabilitation obligation (also referred to as the “present need”) and the first round new construction obligation.

The First Round formula was superseded by COAH regulations in 1994 (N.J.A.C. 5:93-1.1 et seq.). The 1994 regulations recalculated a portion of the first round 1987-1993 affordable housing obligations for each municipality and computed the additional municipal affordable housing need from 1993 to 1999 using 1990 U.S. Census data. The regulations COAH adopted in 1994 to identify a municipality’s “cumulative” obligations for the First and Second Rounds are known as “the Second Round” regulations. Under regulations adopted for the Third Round, the obligation of municipalities to create new affordable housing for the First and Second Rounds is referred to as the “Prior Round” obligation. This Plan refers to the new construction obligation for the First and Second housing cycles as the “Prior Round” obligation.

Activity From 1999 - 2011

On December 20, 2004, COAH’s first version of the Third Round rules became effective some five years after the end of the Second Round in 1999. At that time, the Third Round was defined as the time period from 1999 to 2014 but condensed into an affordable housing delivery period from January 1, 2004 through



January 1, 2014. The Third Round rules marked a significant departure from the methods utilized in COAH's Prior Round. Previously, COAH assigned an affordable housing obligation as an absolute number to each municipality. These Third Round rules implemented a "growth share" approach that linked the production of affordable housing to residential and non-residential development within a municipality.

However, on January 25, 2007, the New Jersey Appellate Court decision, *In re Adoption of N.J.A.C. 5:94 and 5:95*, 390 N.J. Super. 1, invalidated key elements of the first version of the Third Round rules, including the growth share approach. The Court ordered COAH to propose and adopt amendments to its rules within six months to address the deficiencies identified by the Court. COAH missed this deadline but did issue revised rules effective on June 2, 2008 (as well as a further rule revision effective on October 20, 2008). COAH largely retained the growth share approach, but implemented several changes intended to create compliance with the 2007 Appellate Court decision. Additionally, the Third Round was expanded from 2014 to 2018.

Just as various parties challenged COAH's initial Third Round regulations, parties challenged COAH's 2008 revised Third Round rules. On October 8, 2010, the Appellate Division issued its decision, *In re Adoption of N.J.A.C. 5:96 and 5:97*, 416 N.J. Super. 462, with respect to the challenge to the second iteration of COAH's third round regulations. The Appellate Division upheld the COAH Prior Round regulations that assigned rehabilitation and Prior Round numbers to each municipality but invalidated the regulations by which the agency assigned housing obligations in the Third Round. Specifically, the Appellate Division ruled that COAH could not allocate obligations through a "growth share" formula. Instead, COAH was directed to use similar methods that had been previously used in the First and Second rounds. The Court gave COAH five months to address its ruling and provide guidance on some aspects of municipal compliance.

In addition to the State agency activity and judicial decisions, the New Jersey Legislature has amended the Fair Housing Act in recent years. On July 17, 2008, Governor Corzine signed P.L. 2008, c. 46 (referred to as the "Roberts Bill", or "A500"), which amended the Fair Housing Act. Key provisions of the legislation included the following:

- It established a statewide 2.5% nonresidential development fee instead of requiring nonresidential developers to provide affordable housing;
- It eliminated new regional contribution agreements (hereinafter "RCAs") as a compliance technique available to municipalities whereby a municipality could transfer up to 50% of its fair share to a so called "receiving" municipality;
- It added a requirement that 13% of all affordable housing units and 13% of all similar units funded by the state's Balanced Housing Program and its Affordable Housing Trust Fund be restricted to very low-income households (30% or less of median income); and
- It added a requirement that municipalities had to commit to spend development fees within four (4) years of the date of collection after its enactment, which commenced on the four-year anniversary of the law (July 17, 2012).

These amendments to the Fair Housing Act are not promulgated in any valid COAH regulations. However, the requirement to expend development fees within four-years of their collection was determined in a



Middlesex County Superior Court case to instead have the first four-year period to begin upon a Judgment of Repose, or upon a finding by the Court that the municipality is determined to be non-compliant (IMO of the Adoption of the Monroe Township Housing Element and Fair Share Plan and Implementing Ordinances). Superior Courts around the State have been guided by this decision.

Activity from 2011 to the Present

COAH sought a stay from the NJ Supreme Court of the March 8, 2011 deadline that the Appellate Division imposed in its October 2010 decision for the agency to issue new Third Round housing rules. The NJ Supreme Court granted COAH's application for a stay and granted petitions and cross-petitions to all of the various challenges to the Appellate Division's 2010 decision. The NJ Supreme Court heard oral argument on the various petitions and cross-petitions on November 14, 2012.

On September 26, 2013, the NJ Supreme Court upheld the Appellate Court decision in *In re Adoption of N.J.A.C. 5:96 and 5:97 by New Jersey Council On Affordable Housing*, 215 N.J. 578 (2013), and ordered COAH to prepare the necessary rules. Subsequent delays in COAH's rule preparation and ensuing litigation led to the NJ Supreme Court, on March 14, 2014, setting forth a schedule for adoption.

Although ordered by the NJ Supreme Court to adopt revised new rules on or before October 22, 2014, COAH deadlocked 3-3 at its October 20th meeting and failed to adopt the draft rules it had issued on April 30, 2014. In response, FSHC filed a motion in aid of litigant's rights with the NJ Supreme Court, and oral argument on that motion was heard on January 6, 2015.

On March 10, 2015, the NJ Supreme Court issued a ruling on the Motion In Aid of Litigant's Rights (*In re Adoption of N.J.A.C. 5:96 & 5:97, 221 NJ 1, aka "Mount Laurel IV"*). This long-awaited decision provides a new direction for how New Jersey municipalities are to comply with the constitutional requirement to provide their fair share of affordable housing. The Court transferred responsibility to review and approve housing elements and fair share plans from COAH to designated Mount Laurel trial judges. The implication of this is that municipalities may no longer wait for COAH to adopt Third Round rules before preparing new Third Round housing elements and fair share plans and municipalities must now apply to the Courts, instead of COAH, if they wish to be protected from exclusionary zoning lawsuits. These trial judges, with the assistance of an appointed Special Master to the Court, review municipal plans much in the same manner as COAH previously did.

While the NJ Supreme Court's decision set a process in motion for towns to address their Third Round obligations, it did not assign those obligations. Instead, that must be done by the trial courts. However, the NJ Supreme Court did direct that the method of determining municipal affordable housing obligations were to be "similar to" the methodologies used in the First and Second Round rules. Additionally, the Court stated that municipalities should rely on COAH's Second Round rules (N.J.A.C. 5:93) and certain components of COAH's 2008 regulations that were specifically upheld (including but not limited to Redevelopment Bonuses), as well as the Fair Housing Act (N.J.S.A. 52:27D – 301 et seq.), in their preparation of Third Round housing elements and fair share plans. This plan is prepared in response to and in compliance with the March 10, 2015 NJ Supreme Court decision.



FSHC, the only public interest advocacy organization in New Jersey devoted exclusively to promoting the production of housing affordable to low and moderate income households, was permitted to serve as an interested party in every municipal Declaratory Judgment Action. In this role the organization calculated municipal affordable housing obligations and offered to settle with municipalities. Such settlements addressed the municipal affordable housing obligation, compliance mechanisms and other terms intended to promote affordable housing production. Most municipalities that filed a Declaratory Judgment Action have found settlement with FSHC to be in their interest. The alternative to settlement with FSHC is conducting a trial in Superior Court to determine the municipal affordable housing obligation.

On January 17, 2017, the NJ Supreme Court rendered a decision, In Re Declaratory Judgment Actions Filed By Various Municipalities, 227 N.J. 508 (2017), that found that the “gap period,” defined as 1999-2015, generates an affordable housing obligation. This obligation requires an expanded definition of the municipal Present Need obligation to include low- and moderate-income households formed during the gap period; however, this component of the obligation is a new-construction obligation rather than a rehabilitation obligation.

Accordingly, the municipal affordable housing obligation is now composed of the following 4 parts:

- Present Need (rehabilitation),
- Prior Round (1987-1999, new construction),
- Gap Present Need (Third Round, 1999-2015, new construction), and
- Prospective Need (Third Round, 2015 to 2025, new construction).

While the structure of the obligation established through the Township’s Settlement Agreement with FSHC is different from the findings of this recent Supreme Court decision (i.e. no redefined Present Need (1999-2015) and a Prospective Need specific to 2015-2025), the Township’s obligation therein reflects that which was calculated for the entire third round period (1999-2025).

The Compliance Process

With the Supreme Court’s direction that such responsibility must transfer from COAH to Superior Court Trial Judges, municipalities may no longer seek substantive certification. Instead, municipalities now seek a Judgment of Compliance and an Order of Repose from Superior Court or the judicial equivalent of substantive certification. Doing so first requires that a Declaratory Judgment Action be filed in Superior Court.

The majority of municipalities who filed a Declaratory Judgment Action, including Greenwich, settled with FSHC. This means a Settlement Agreement, agreed to by both parties, sets forth the affordable housing obligation, compliance mechanisms and other terms intended to promote affordable housing production. This Settlement Agreement must be approved by Superior Court at a “Fairness Hearing” where the



Settlement Agreement is evaluated to determine if it is fair to the interests of low and moderate income households¹.

Once determined to be “fair” via the issuance of a Court Order, a municipality must adopt and endorse a housing element and fair share plan that reflects the terms of the Settlement Agreement. This housing plan must be subsequently submitted to Superior Court for its review and approval. Should the Court find the plan acceptable, the municipality will receive a Judgment of Compliance and an Order of Repose and immunity from builder’s remedy litigation for the remaining portion of the third round, which ends on July 1, 2025. This is similar to COAH’s substantive certification. To maintain the validity of the Order, the municipality is required to conduct the necessary continued implementation and monitoring.

Aiding in the Judge’s evaluation of the Settlement Agreement is a Special Master appointed by the Judge. This person serves at the direction of the Judge, including preparation of reports at each step in the process, and may serve as a mediator between the municipality, FSHC and/or other intervenors.

AFFORDABILITY REQUIREMENTS

Affordable housing is defined under New Jersey’s Fair Housing Act as a dwelling, either for sale or rent, that is within the financial means of households of low- or moderate-income, as is measured within each housing region. Greenwich is in COAH’s Region 2, which includes Essex, Morris, Union and Warren counties. Moderate-income households are those with annual incomes greater than 50%, but less than 80% of the regional median income. Low-income households are those with annual incomes that are 50% or less than the regional median income. Very low-income households are a subset of “low-income” households and are defined as those with incomes 30% or less than the regional median income.

The Uniform Housing Affordability Controls (hereinafter “UHAC”) at N.J.A.C. 5:80-26.3(d) and (e) requires that the maximum rent for a qualified unit be affordable to households with incomes 60% or less than the median income for the region. The average rent must be affordable to households with incomes no greater than 52% of the median income. The maximum sale prices for affordable units must be affordable to households with incomes 70% or less than the median income. The average sale price must be affordable to a household with an income of 55% or less than the median income.

The regional median income is defined by COAH using the federal income limits established by Department of Housing and Urban Development (hereinafter “HUD”) on an annual basis. In the spring of each year, HUD releases updated regional income limits, which COAH reallocates to its regions. It is from these income limits that the rents and sale prices for affordable units are derived. However, COAH has not published updated income limits or rent increases since 2014.

¹ These settlement agreements are evaluated according to guidelines established by the Court in two principal cases: Morris County Fair Housing Council v. Boonton Twp. 197 N.J. Super. 359, 369-71 (Law Div. 1984) and East/West Venture v. Township of Fort Lee 286 N.J. Super. 311 (App. Div. 1996). T



On December 16, 2016, Judge Douglas K. Wolfson entered a Consent Order in the case entitled In the Matter of the Township of East Brunswick for a Judgment of Compliance of its Third Round Housing Element and Fair Share Plan that approved the Township of East Brunswick’s methodology for updating its income limits, which adhered to COAH’s Prior Round methodologies. Included in this Consent Order are updated 2016 regional income limits for all COAH regions calculated using HUD’s determination of the median income for fiscal year 2016 and the methodology outlined above. These income limits for Region 4 will be utilized by Greenwich until the Courts formally approve updated income limits for the later years. See the following tables for 2018 income limits for Region 2.

2018 Income Limits for Region 2					
Household Income Levels	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5-Person Household
Moderate	\$53,404	\$61,033	\$68,662	\$76,291	\$82,395
Low	\$33,377	\$38,146	\$42,914	\$47,682	\$51,497
Very Low	\$20,026	\$22,887	\$25,748	\$28,609	\$30,898

Source: 2018 Income Limits prepared by Affordable Housing Professionals of New Jersey.

The following tables provide illustrative sale prices and gross rents for 2018. The sample rents and sale prices are illustrative and are gross figures, which do not account for the specified utility allowances for rental units or for specific mortgage rates, taxes, etc. for sales units. As a note, rents have increased by a collective 5.1% in 2015, 2016 and 2017 and by 2.2% in 2018.

Illustrative 2018 Affordable Gross Rents for Region 2			
Household Income Levels (% of Median Income)	1-Bedroom Unit Rent	2-Bedroom Unit Rent	3-Bedroom Unit Rent
Moderate	\$1,141	\$1,368	\$1,582
Low	\$950	\$1,141	\$1,318
Very Low	\$570	\$685	\$791

Source: 2018 Affordable Housing Pricing Calculator: General Affordable Housing Rental Rate Calculators for New Construction prepared by Affordable Housing Professionals of New Jersey.



Illustrative 2018 Affordable Sales Prices for Region 2			
Household Income Levels (% of Median Income)	1 Bedroom Unit Price	2 Bedroom Unit Price	3 Bedroom Unit Price
Moderate	\$154,076	\$184,891	\$213,652
Low	\$116,723	\$140,069	\$161,857
Very Low	\$70,035	\$84,041	\$97,115

Source: 2018 Affordable Housing Pricing Calculator: General Affordable Housing Unit Sales Price Calculators for New Construction prepared by Affordable Housing Professionals of New Jersey.

AFFORDABLE HOUSING IN GREENWICH

The Township received First Round substantive certification on June 13, 1990 and Second Round substantive certification on April 1, 1998. The Township received an extension of their Second Round substantive certification from COAH on April 13, 2005.

Greenwich Township adopted a Third Round housing element and fair share plan in November 2005 (“2005 Plan”) that responded to COAH’s 2004 Third Round rules (N.J.A.C. 5:94 and 5:95). This 2005 Plan was the subject of a petition to COAH for Third Round substantive certification. COAH did not act on the 2005 petition prior to the 2007 Appellate Court decision overturning the validity of the 2004 Rules in In re Adoption of N.J.A.C. 5:94 and 5:95, 390 N.J. Super. 1 (App. Div. 2007).

COAH granted an extension from the December 2008 deadline to submit revised third round plans to all municipalities who entered the Highlands Council Plan Conformance process, including Greenwich. On May 25, 2010 the Township adopted an Amended Third Round Housing Element and Fair Share Plan and, on June 8, 2010, the Township petitioned COAH for Third Round substantive certification. Similar to the 2005 plan, COAH did not act on the 2010 petition prior to the 2013 Supreme Court decision overturning the validity of the 2008 Rules in In re Adoption Of N.J.A.C. 5:96 and 5:97 By New Jersey Council On Affordable Housing, 390 N.J. Super. 1 (App. Div.).

Immediately upon the April 2014 release of COAH’s draft substantive and procedural rules, N.J.A.C. 5:99 and N.J.A.C. 5:98 respectively, the Township began planning for how best to provide its fair share of affordable housing. To comply with the March 10, 2015 Mt. Laurel IV decision, Greenwich petitioned the Superior Court on July 2, 2015 for a Declaratory Judgment and temporary immunity from builder’s remedy suits. This action entered the Township into the process of determining its affordable housing obligation and how it would be satisfied. Additionally, the Township later received immunity from builder’s remedy litigation while doing so.

To avoid a lengthy trial on the Township’s affordable housing obligation and, potentially, a second trial on how that obligation would be satisfied, Greenwich and FSHC came to terms in a September 27, 2017



Settlement Agreement that set forth the Township's affordable Housing obligation and preliminary compliance plan. This Settlement Agreement was approved by the Hon. Thomas C. Miller, P.J. Civ. on December 22, 2017. Implementation of this Settlement Agreement began with adoption of a Third Round Housing Element and Fair Share Plan on April 11, 2018 and endorsement by the Township Committee on April 19, 2018. This Settlement Agreement and subsequent Housing Plan set forth that all new construction of affordable housing, for up to 144 units, would take occur on the Dumont Road site.

As a result of concern about the compliance plan's concentration of affordable rental units, cost, and other concerns, the Parties amended the Settlement Agreement on July 17, 2018 and again on October 9, 2018 to allow the Township additional time to consider options for relocating some of the units proposed at the Dumont Road site elsewhere in the Township or changing the mix of sales and rentals on the site. During this time, the Township conducted extensive negotiations with developers who indicated an interest in constructing affordable housing in other areas of the Township.

The Township's current Settlement Agreement with FSHC was executed on January 25, 2019. The preliminary compliance set forth in this agreement provides for approximately half of the new affordable housing to occur on the Dumont Road. Site and the remaining half on the Furhman site.

CONSIDERATION OF LAND MOST APPROPRIATE FOR AFFORDABLE HOUSING

As part of this Plan, the Township considered land that is appropriate for the construction of low- and moderate-income housing. As part of this housing element, Greenwich Township considered land in the Highlands Planning Area and with the understanding that affordable housing sites require densities that must be serviced by public water and sewer, the Township prioritized lands which are not only in the Highlands Planning Area but also have such services.

The Township will satisfy affordable housing obligation through a municipally sponsored developments on the Dumont Road site (Block 26, Lot 2) and the Furhman site (Block 40, Lot 1.01), as well as affordable units that currently exist. The Township has also identified the Old Greenwich School as a site appropriate for redevelopment to generate affordable housing but the Old Greenwich School site is not necessary for the Township to provide for its affordable housing obligation.

The Township believes that the mechanisms proposed in this Housing Plan represent the best options for affordable housing in Greenwich. The mechanisms satisfy the Township's affordable housing obligation as established through the 2019 Settlement Agreement. Notwithstanding, one site was offered for the construction of affordable housing – the Dowel site (Block 36, Lots 2 and 3). More specifically, the site was offered as an industrial development with a 100% municipal affordable housing project. This site is not necessary for the Township to meet its affordable housing obligation.

While the Township recognizes that developers may, in the future, present sites that possess characteristics that could lend themselves to affordable housing development, additional sites are not needed to satisfy the obligation at this time. Additionally, the Township may consider appropriate sites or projects in the future for an inclusionary or 100% affordable housing project.



GREENWICH'S AFFORDABLE HOUSING OBLIGATION

Since the January 2017 New Jersey Supreme Court ruling on the “gap period”, housing plans must address four main components of a municipality’s affordable housing obligation. These include the Rehabilitation Obligation to improve substandard housing occupied by low and moderate income households, the Prior Round for new construction from 1987 to 1999, the Gap Period Present Need for new construction from 1999 to 2015, and the Prospective Need, or the Third Round’s future new construction demand from 2015 to -2025. In this housing plan, the Gap Period Present Need and Prospective Need will be collectively referred to as the Third Round Obligation.

Rehabilitation Obligation

The rehabilitation obligation can be defined as an estimate of the number of deteriorated housing units existing in Greenwich that are occupied by low- and moderate-income households. The Settlement Agreement with FSHC establishes the Township’s rehabilitation obligation as 8 units. The basis for this obligation is FSHC’s July 2015 calculations, which used the most recent decennial census year, 2010, as the point in time in determining the number of deteriorated housing units.

Prior Round Obligation

The Prior Round obligation can be defined as the cumulative 1987 through 1999 new construction affordable housing obligation. This time period corresponds to the First and Second Rounds of affordable housing. The Settlement Agreement with FSHC establishes the Township’s Prior Round obligation as 41 units. The Settlement Agreement adheres to the Prior Round obligations, as calculated in 1993-1994, and published by COAH in 2008.

Third Round Obligation

The future demand for affordable housing includes the portion of the Third Round (1999- 2015) that has already passed – referred to as Gap Period Present Need, as well as a 10-year projection into the future (2015-2025) – referred to as the Prospective Need. As established by the Township’s 2016 Settlement Agreement with FSHC, Greenwich’s total Third Round obligation (1999-2025) is 204 units.



SATISFACTION OF THE AFFORDABLE HOUSING OBLIGATION

The Township is addressing its affordable housing obligation through a variety of mechanisms that include existing affordable units as well as new construction at 100% affordable housing sites.

Satisfaction of the Rehabilitation Obligation

Greenwich's rehabilitation obligation is 8 units. The Township will address this obligation through participation in the Warren County Housing Rehabilitation Program ("WCHRP"), which provides funds to income-eligible homeowners to repair major systems in their home in exchange for 15-year (for loans) or 99-year (for grants) affordability controls. The Settlement Agreement with FSHC permits the Township to discontinue its participation in the WCHRP program, for any reason and at any point during the Third Round, and instead satisfy the present need with surplus units from the Third Round. The Settlement Agreement sets forth that, due to the small present need obligation and the satisfaction of the remainder of the Township's obligation largely or entirely with rental units, there is not a need for the Township to establish a rental rehabilitation program and the Township may satisfy its entire present need through the WCHRP and/or surplus Third Round units. This is sufficient to satisfy the Township's present need obligation of 8 units. The current manual for the WCHRP program can be found in the Appendices.

Satisfaction of the Prior Round Obligation

The Township is addressing its Prior Round obligation with 41 of the 70 affordable units at the existing Greenwich Chase inclusionary residential development. The remaining 29 units at Greenwich Chase will be applied toward the Third Round obligation.

Greenwich Chase

This site satisfies the entirety of the Prior Round obligation. This site, Block 23, Lots 1, 36 and 40, is an inclusionary development along County Routes 519 and 638 that consists of 570 housing units, including 70 affordable family sale units in two-unit dwellings. The site is in the Township's PDZ Planned Development Zone. The development received General Development Plan approval in 1990 from the Greenwich Township Planning Board and project construction was completed in 2000. Thirty-year affordability controls were put in place as early as 1999 and as late as 2001. The affordable units are administered by Housing Affordability Service. The development is currently served by public water and public sewer. The site is in the Highlands Planning Area, Existing Community Zone.

The Township will use 41 of the 70 units at this site to address its 41-unit Prior Round obligation and will reserve the remaining 29 units for the Third Round.



Satisfaction of the 41-unit Prior Round Obligation			
Program	Units	Bonus Credits	Total Credits
Greenwich Chase	41	0	41
Total			41

In addition to meeting the total 41 unit RDP, the Township must also meet a rental obligation of not less than 25% and maximum senior units of not more than 25%. As per the Township’s 1998 Prior Round Substantive Certification, this project satisfies the entirety of the prior round obligation, including the rental obligation. Page 4, paragraph VII of COAH’s 1997 Compliance Report states, “Greenwich Township has a rental component of zero.” Thusly, COAH permitted the Township to address its full Prior Round obligation with for-sale family units at Greenwich Chase.

Satisfaction of the Third Round Obligation

The Township is addressing its Third Round obligation with the remaining 29 units at Greenwich Chase, as well as special needs and two 100% affordable housing sites.

Greenwich Chase

The 29 of 70 units which not utilized in the Prior Round are applied to the Third Round. As discussed earlier in this Housing Plan, the site is Block 23, Lots 1, 36 and 40. The site is an inclusionary development along County Routes 519 and 638 that consists of 570 housing units, including 70 affordable family sale units in two-unit dwellings.

Dumont Road Site

The Dumont Road site is planned for 66 family affordable rental units. It was previously planned as an up to 121-unit municipally sponsored 100% affordable family rental development. Paragraph 8 of the 2017 Settlement Agreement with FSHC states that “the final number of units created on [the] Block 26, Lot 2 and ... Greenwich School sites may vary in order to best advance the projects, as determined by the Township and the selected developer(s),” as long as no fewer than 204 units and credits are provided to address the Third Round obligation. The most recent amendment to the Settlement Agreement states 66 family affordable rental units will be constructed on the site.

The site, Block 26, Lot 2, is a Township-owned lot at the corner of Dumont Street and Greenwich Street and is currently used for agriculture. The 14-acre lot is adjacent to both an established neighborhood and the Township’s primary commercial district. North and northwest of the site are single family homes in the Township’s Planned Development Zones and south and west of the site are retail and office buildings



in the Township's B-2 Business zone. East of the site is farmland in the Office Park / Limited Research zone. The multi-family housing proposed for this lot will serve as a transition between the single family homes to the north and the nonresidential uses to the south.

The site has over 1,000 feet of road frontage along Dumont Road and over 300 feet of frontage on Greenwich Street. The site is fully developable as it is generally flat and was previously cleared for agricultural use with the exception of vegetation along the neighboring single family homes. There are no surface water bodies or wetlands on the site and it is not located within the flood hazard area. Furthermore, the site contains no and is not in proximity to any historic structures.

The site was previously rezoned to the MF-1 district which permits 71 affordable units, not more or less. As such, the zoning for this site will need to be adjusted to permit 66 affordable units to be developed.

As required by in N.J.A.C. 5:93-5.3, affordable housing sites shall be approvable, developable, and suitable, as defined in N.J.A.C. 5:93-1.3., for the production of low and moderate income housing. As demonstrated below, Block 26, Lot 2 meets these criteria.

- The site has a clear title and is free of encumbrances which preclude development of affordable housing. The site has a clear title and no legal encumbrances which would preclude its development as an affordable housing project. It is currently owned by Greenwich Township.
- The site is adjacent to compatible land uses and has access to appropriate streets. The site has over 1,000 feet of frontage on Dumont Road and over 300 feet of frontage on Greenwich Street. Additionally, as stated above, the site is adjacent to both a residential neighborhood and commercial center.
- Adequate sewer and water capacity is available. Water service will be provided water by Aqua New Jersey. Pursuant to the Township's approved Wastewater Management Plan, the site is located in the Township's sewer service area (Phillipsburg STP). Development of the site with 71 units requires sewer capacity of roughly 16,300 g.p.d.; the Township has adequate sewer capacity to serve the site. Pursuant to the Township code (§21-12), the Township may "repurchase and recover any portion of an unused sewer allocation shall exist regardless of whether the person or entity from whom the sewer allocation is being repurchased and recovered consents to the same". The Township instituted the repurchase process in December 2014 following a report by Township's special sewer engineer that there is sufficient sewer capacity for the proposed repurchase of a sewer allocation of 25,000 g.p.d. This repurchased sewer service capacity will be allocated to the units on the site.
- The site can be developed in accordance with R.S.I.S. Development of the site will be consistent with the Residential Site Improvement Standards, N.J.A.C. 5:21-1 et seq.

Development of the site is consistent with the State Development and Redevelopment Plan (hereinafter the "State Plan") and the rules and regulations of all agencies with jurisdiction over the site.

- The site is located in a "Smart Growth Planning Area". The adopted 2001 State Plan and the Preliminary State Plan both designate the site in the Suburban Planning Area, Planning Area 2.



- The site is located in the Highlands Planning Area in the Environmentally Constrained Subzone of the Conservation Area. The Township is not currently a conforming Highlands municipality, and therefore is not required to adhere to the Highlands Regional Master Plan for lands in the Planning Area.
- The site will comply with all applicable environmental regulations. The site contains no steep slopes, wetlands, stream corridors or flood hazard area.
- The site will not impact any historic or architecturally important sites and districts. The site is not located in or proximate to an historic district.

In addition to site suitability, the affordable housing project will meet the applicable requirements for 100% affordable housing projects in the substantive rules, as well as the Uniform Housing Affordability Control rules (UHAC) (N.J.A.C. 5:80-26.1 et seq.). See below as well as supplementary documentation in support of this site in the Appendices.

- **Developer Selection.** The Township issued an RFQ for development of the site by qualified affordable housing developers. On December 20, 2018 the Township selected Ingerman to construct, own and manage the 66 affordable units on the site.
- **Administrative Entity.** The Township anticipates that the affordable housing developer will administer and affirmatively market the units at the site, income qualify applicants, place minimum 30-year affordability controls on the units and provide long term administration of the units in accordance with COAH's rules at N.J.A.C. 5:93 et seq. and UHAC per N.J.A.C. 5:80-26.
- **Low/Moderate Income Split.** Pursuant to the Settlement Agreement, the site shall include at least 9 very-low income units, at least 24 low income units and no more than 33 moderate income units. The Township will spend its affordable housing trust funds (affordability assistance) to create a number of very-low income units at this site equal to at least 13% of all affordable units addressing its Third Round Obligation. In the event that the actual number of affordable units constructed is an odd number, the units will always be split in favor of the low-income unit share per N.J.A.C. 5:93-7.2 and the UHAC at N.J.A.C. 5:80-26.
- **Affirmative Marketing.** The affordable units will be affirmatively marketed in accordance with COAH's rules at N.J.A.C. 5:93 et seq. and N.J.A.C. 5:80-26.
- **Controls on Affordability.** The affordable units will have minimum 30-year affordability controls in accordance with COAH's rules and UHAC regulations.
- **Bedroom Distribution.** The Township's affordable housing developer will follow the UHAC requirements regarding bedroom distribution for the affordable housing development on the site.
- **Funding.** The Township anticipates that the developer will apply for various funding sources, including Federal Low-income Housing Tax Credits. A shortfall of funds will be addressed through the use of outside funding sources, including the municipal Affordable Housing Trust fund and other sources of municipal revenues to the extent necessary.
- **Construction Schedule.** A construction schedule has been developed for the site that notes each step in the development process, including preparation of the site plan, receiving municipal approvals,



submission of funding applications and beginning construction. The Township's affordable housing developer will be responsible for monitoring the construction and development activity.

Furhman Site

The Furhman Road site is planned for 64 family affordable rental units. The site, Block 40, Lot 1.01, is a 5 acre lot at the corner of Route 173 and Voorhees Road and is currently undeveloped. The lot is largely surrounded by undeveloped land and is adjacent to an existing car dealership. Further west of the site are retail and office uses along Route 22 and further east of the site are single family homes along and proximate to Route 173.

The site has 300 feet of frontage on Route 173 and over 400 feet of frontage Voorhees Road. The site is fully developable as it is generally flat and was previously cleared for agricultural. There are no surface water bodies or wetlands on the site and it is not located within the flood hazard area. Furthermore, the site contains no and is not in proximity to any historic structures. The site is in the RCD Resource Conservation District.

As required by in N.J.A.C. 5:93-5.3, affordable housing sites shall be approvable, developable, and suitable, as defined in N.J.A.C. 5:93-1.3., for the production of low and moderate income housing. As demonstrated below, Block 40, Lot 1.01 meets these criteria.

- The site has a clear title and is free of encumbrances which preclude development of affordable housing. The site has a clear title and no legal encumbrances which would preclude its development as an affordable housing project.
- The site is adjacent to compatible land uses and has access to appropriate streets. The site has 300 feet of frontage on Route 173 and over 400 feet of frontage Voorhees Road. Additionally, as stated above, the site lot is largely surrounded by undeveloped land and is adjacent to an existing car dealership. Further west of the site are retail and office uses along Route 22 and further east of the site are single family homes along and proximate to Route 173.
- Adequate sewer and water capacity is available. Water service will be provided water by Aqua New Jersey. The site is not currently served by public sewer. However, the Township will work with the developer and NJDEP to ensure the site is placed in a sewer service area and has adequate capacity. The Township's 2019 Settlement Agreement with FSHC recognizes that the developer and/or Township will be required to work with the property owner of the adjacent site (Block 36, Lot 2) to utilize the sewer line located on that property for the purpose of developing this site. The Township has adequate sewer capacity to serve the site.
- The site can be developed in accordance with R.S.I.S. Development of the site will be consistent with the Residential Site Improvement Standards, N.J.A.C. 5:21-1 et seq.

Development of the site is consistent with the State Development and Redevelopment Plan (hereinafter the "State Plan") and the rules and regulations of all agencies with jurisdiction over the site.



- Pursuant to the adopted 2001 State Plan, the site is located in the Rural Planning Area, PA-4. While the site is not located a “Smart Growth Planning Area”, its is located within the Highlands Planning Area, will be served by public water and sewer, and is proximate to the Route 22 corridor which provides retail shopping, services, job opportunities, and public transit.
- The site is located in the Highlands Planning Area in the Environmentally Constrained Subzone of the Conservation Area. The Township is not currently a conforming Highlands municipality, and therefore is not required to adhere to the Highlands Regional Master Plan for lands in the Planning Area.
- The site will comply with all applicable environmental regulations. The site contains no steep slopes, wetlands, stream corridors or flood hazard area that would preclude development of 64 affordable units.
- The site will not impact any historic or architecturally important sites and districts. The site is not located in or proximate to an historic district that would preclude development of 64 affordable units.

In addition to site suitability, the affordable housing project will meet the applicable requirements for 100% affordable housing projects in the substantive rules, as well as the Uniform Housing Affordability Control rules (UHAC) (N.J.A.C. 5:80-26.1 et seq.). See below as well as supplementary documentation in support of this site in the Appendices.

- **Developer Selection.** The Township issued an RFQ for development of the site by qualified affordable housing developers. In February 2019 the Township selected JERC Partner LIX, LLC to construct, own and manage the 64 affordable units on the site.
- **Administrative Entity.** The Township anticipates that the affordable housing developer will administer and affirmatively market the units at the site, income qualify applicants, place minimum 30-year affordability controls on the units and provide long term administration of the units in accordance with COAH’s rules at N.J.A.C. 5:93 et seq. and UHAC per N.J.A.C. 5:80-26.
- **Low/Moderate Income Split.** Pursuant to the Settlement Agreement, the site shall include at least 9 very-low income units, at least 23 low income units and no more than 32 moderate income units. The Township will spend its affordable housing trust funds (affordability assistance) to create a number of very-low income units at this site equal to at least 13% of all affordable units addressing its Third Round Obligation. In the event that the actual number of affordable units constructed is an odd number, the units will always be split in favor of the low-income unit share per N.J.A.C. 5:93-7.2 and the UHAC at N.J.A.C. 5:80-26.
- **Affirmative Marketing.** The affordable units will be affirmatively marketed in accordance with COAH’s rules at N.J.A.C. 5:93 et seq. and N.J.A.C. 5:80-26.
- **Controls on Affordability.** The affordable units will have minimum 30-year affordability controls in accordance with COAH’s rules and UHAC regulations.
- **Bedroom Distribution.** The Township’s affordable housing developer will follow the UHAC requirements regarding bedroom distribution for the affordable housing development on the site.



- **Funding.** The Township anticipates that the developer will apply for various funding sources, including Federal Low-income Housing Tax Credits. A shortfall of funds will be addressed through the use of outside funding sources, including the municipal Affordable Housing Trust fund and other sources of municipal revenues to the extent necessary.
- **Construction Schedule.** A construction schedule has been developed for the site that notes each step in the development process, including preparation of the site plan, receiving municipal approvals, submission of funding applications and beginning construction. The Township's affordable housing developer will be responsible for monitoring the construction and development activity.

ARC of Warren County

The three (3) bedroom Arc Group Home is located at Block 43, Lot 2. It has been operational since 1999/2000, with 20-year affordability controls established in an agreement with the Department of Human Services Division of Developmental Disability ("DDD"), which is expected to be renewed at the end of the 20 years, effectively extending the controls to 40 years. ARC is licensed to provide services to three (3) persons with intellectual and developmental disabilities at this house, and each person has his or her own bedroom. Documentation for this site can be found in the Appendices.

Greenwich School

The Township may also rehabilitate the Old Greenwich School site for the production of up to 10 affordable units, which may be family, senior, or special needs units. No credit is currently proposed for the site. The property is 0.523 acres, containing the existing school building and a parking area, with no environmental constraints. The Township has been in ongoing discussions with a potential developer regarding the feasibility of redeveloping/rehabilitating the existing school building for affordable housing. The site was declared an area in Need of Rehabilitation in 2018.

As the Township is currently exploring the feasibility of rehabilitating the site for multi-family affordable housing, it is not in a position to prepare requests for proposals, funding pro-forma, or a construction schedule. If and such time that the Township determines the site can or will generate affordable units, it will submit to these documents to the Court in accordance with the Settlement Agreement with FSHC and COAH's rules. Creation of affordable housing on this site may reduce the affordable units constructed on the municipally sponsored site, provided the Township meets the third round obligation.

The affordable housing developer will administer and affirmatively market the units at the site, income qualify applicants, place minimum 30-year affordability controls on the units and provide long term administration of the units in accordance with COAH's rules at N.J.A.C. 5:93 et seq. and UHAC per N.J.A.C. 5:80-26. The affordable units will be affirmatively marketed in accordance with COAH's rules at N.J.A.C. 5:93 et seq. and N.J.A.C. 5:80-26. The selected affordable housing developer will follow the UHAC requirements regarding bedroom distribution for the affordable housing development on the site. As required by in N.J.A.C. 5:93-5.3, affordable housing sites shall be approvable, developable, and suitable,



as defined in N.J.A.C. 5:93-1.3., for the production of low and moderate income housing. As demonstrated below, Block 23, Lot 12 meets these criteria.

- The site has a clear title and is free of encumbrances which preclude development of affordable housing. The site has a clear title and no legal encumbrances which would preclude its development as an affordable housing project. It is currently owned by Greenwich Township.
- The site is adjacent to compatible land uses and has access to appropriate streets. The site has 80 feet of frontage on North Main Street. There are one-to-four unit residential uses to the north and east, and agricultural uses to the west and south of the site.
- Adequate sewer and water capacity is available. Water service will be provided water by Aqua New Jersey. Pursuant to the Township's approved Wastewater Management Plan, the site is located in the Township's sewer service area (Phillipsburg STP). However, because the site is not currently connected to or able to be connected to sewer infrastructure at this time, the Township anticipates, based on soil testing results and communications with NJDEP officials, that the site will be able to run on a septic system designed for 2,000 gallons per day.
- The site can be developed in accordance with R.S.I.S. Development of the site will be consistent with the Residential Site Improvement Standards, N.J.A.C. 5:21-1 et seq.

Development of the site is consistent with the State Development and Redevelopment Plan (hereinafter the "State Plan") and the rules and regulations of all agencies with jurisdiction over the site.

- The site is located in a "Smart Growth Planning Area". The adopted 2001 State Plan and the Preliminary State Plan both designate the site in the Rural Environmentally Sensitive Planning Area, Planning Area 4B.
- The development is not within jurisdiction of a Regional Planning Agency or CAFRA. The site is located in the Highlands Planning Area in the Conservation Zone. The Township is not currently a conforming Highlands municipality, and therefore is not required to adhere to the Highlands Regional Master Plan for lands in the Planning Area.
- The site will comply with all applicable environmental regulations. The site is within 300 feet of one or more streams, but contains no steep slopes, wetlands, stream corridors or flood hazard area.
- The site will not impact any historic or architecturally important sites and districts. The site is located in the Stewartville Historic District, which is not a registered Historic District. However, the proposed development of the site would not substantially alter the exterior of the building.



Summary

The Township is addressing its Third Round obligation with a mix of inclusionary housing, special needs and two 100% affordable housing sites.

Satisfaction of the 204-unit Third Round Obligation			
Program	Units	Bonus Credits	Total Credits
Greenwich Chase	29	0	29
Dumont Road	66	48	114
Furhman	64	0	64
ARC of Warren County	3	3	6
Greenwich School	0	0	0
Total			213
Surplus			9

The Township will carry 9 credits over for use against the Fourth Round obligation. In addition to meeting the total 204 unit obligation, the township must also meet a rental obligation, maximum senior units, family obligation, and the very low income obligation.

Minimum Rental = 51 units

$.25 \text{ (obligation)} = 51 \text{ units} \quad | \quad .25 (204) = 51 \text{ units}$

This obligation is satisfied with the Dumont Road, Furhman and ARC of Warren County sites.

Maximum Senior = 51 units

$.25 \text{ (obligation)} = 51 \text{ units} \quad | \quad .25 (204) = 51 \text{ units}$

The Township is not proposing senior units.

Minimum Family = 102 units

$.50 \text{ (obligation)} = 102 \text{ units} \quad | \quad .50 (204) = 102 \text{ units}$

This obligation is satisfied with the Dumont Road and Furhman sites.



Minimum Family Rental: 51 units

.50 (rental obligation) = 51 units | .50 (102) = 51 units

This obligation is satisfied with the Dumont Road and Furhman sites.

Maximum Very Low Income = 17 units

.13 (units created or approved on or after July 1, 2008) = 2 units | .13 (130) = 16.9, rounded up to 17 units

This obligation is satisfied with the Dumont Road and Furhman sites.

AFFORDABLE HOUSING ADMINISTRATION & AFFIRMATIVE MARKETING

Greenwich adopted an Affordable Housing Ordinance in accordance with COAH’s substantive rules and UHAC. The Affordable Housing Ordinance will govern the establishment of affordable units in the Township as well as regulating the occupancy of such units. The Township’s Affordable Housing Ordinance covers the phasing of affordable units, the low/moderate income split, bedroom distribution, occupancy standards, affordability controls, establishing rents and prices, affirmative marketing, income qualification, etc.

The Township has established the position of the Municipal Housing Liaison and has appointed a staff member to the position. However, the Township relies on an affordable housing administrator, currently the Community Grants, Planning and Housing (CGP&H), Inc., to conduct the administration and affirmative marketing of its affordable housing sites. However, it is expected that the developers of the Dumont Road and Furhman sites will administer their own units as both are experienced affordable housing administrators. The affirmative marketing plans are designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to the affordable units located in the Township. Additionally, the affirmative marketing plan is intended to target those potentially eligible persons who are least likely to apply for affordable units and who reside in the Township’s housing region, Region 2, consisting of Essex, Morris, Union and Warren counties.

The affirmative marketing plans include regulations for qualification of income eligibility, price and rent restrictions, bedroom distribution, affordability control periods, and unit marketing in accordance to N.J.A.C. 5:80-26.1 et seq. All newly created affordable units will comply with the 30-year affordability control required by UHAC, N.J.A.C. 5:80-26.5 and 5:80-26.11. This plan must be adhered to by all private, non-profit, and municipal developers of affordable housing units and must cover the period of deed restriction or affordability controls on each affordable unit.



AFFORDABLE HOUSING TRUST FUND

Greenwich first adopted a development fee ordinance on September 3, 1996; however, the ordinance did not receive COAH's approval. In March 2005 Greenwich Township submitted a copy of a revised development fee ordinance; COAH approved this ordinance in July 2005. The Township once again adopted an updated Development Fee Ordinance in 2008, amended once in 2014, which permitted the Township to collect residential development fees equal to 1% of the equalized assessed value of new residential construction and nonresidential development fees equal to 2% of the equalized assessed value of new nonresidential construction. In conjunction with its endorsement of this Housing Element and Fair Share Plan, the Township Committee has adopted a new, combined Fair Share Affordable Housing Ordinance and Development Fee Ordinance which replaces the current ordinance, such that it permits collection of residential development fees equal to 1.5% of the equalized assessed value of new residential construction and nonresidential development fees equal to 2.5% of the equalized assessed value of new nonresidential construction, in accordance with the "Roberts Bill", P.L. 2008 c.46. A new spending plan has been prepared consistent with this Plan (see the appendices). The Spending Plan, which discusses anticipated revenues, collection of revenues, and the use of revenues, was prepared in accordance with COAH's applicable substantive rules. All collected revenues will be placed in the Township's Affordable Housing Trust fund and will be dispensed for the use of eligible affordable housing activities including, but not limited to:

- Rehabilitation program;
- New construction of affordable housing units and related development costs;
- Extensions or improvements of roads and infrastructure directly serving affordable housing development sites;
- Acquisition and/or improvement of land to be used for affordable housing;
- Purchase of affordable housing units for the purpose of maintaining or implementing affordability controls,
- Maintenance and repair of affordable housing units;
- Repayment of municipal bonds issued to finance low- and moderate-income housing activity; and
- Any other activity as specified in the approved spending plan.

However, the Township is required to fund eligible programs in a Court-approved Housing Element and Fair Share Plan, as well as provide affordability assistance.

At least 30% of collected development fees, excluding expenditures made since July 17, 2008, when affordability assistance became a statutory requirement in the Fair Housing Act, shall be used to provide affordability assistance to low- and moderate-income households in affordable units included in a municipal Fair Share Plan. At least one-third (1/3) of the affordability assistance must be expended on very-low income units. Additionally, no more than 20% of the revenues collected from development fees each year, shall be expended on administration, including, but not limited to, salaries and benefits for



municipal employees or consultant fees necessary to prepare or implement a rehabilitation program, a new construction program, a housing element and fair share plan, and/or an affirmative marketing program.

COST GENERATION

Greenwich Township's Land Development Ordinance has been reviewed to eliminate unnecessary cost generating standards; it provides for expediting the review of development applications containing affordable housing. Such expedition may consist of, but is not limited to, scheduling of pre-application conferences and special monthly public hearings. Furthermore, development applications containing affordable housing shall be reviewed for consistency with the Land Development Ordinance, Residential Site Improvement Standards (N.J.A.C. 5:21-1 et seq.) and the mandate of the FHA regarding unnecessary cost generating features. Greenwich shall comply with COAH's requirements for unnecessary cost generating requirements, N.J.A.C. 5:93-10.1, procedures for development applications containing affordable housing, N.J.A.C. 5:93-10.4, and requirements for special studies and escrow accounts where an application contains affordable housing.