

MASTER PLAN HOUSING ELEMENT
AND FAIR SHARE PLAN

Little Egg Harbor Township
Ocean County, New Jersey

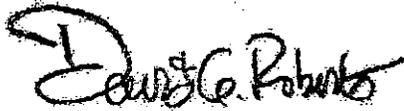
Prepared for:

Mayor and Committee
And
Little Egg Harbor Township Planning Board
Township of Little Egg Harbor

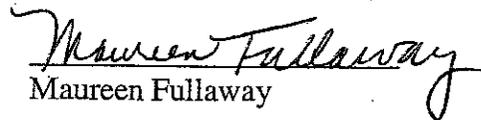
Prepared By:

Schoor DePalma, Inc.
200 State Highway 9
P.O. Box 900
Manalapan, New Jersey 07726-0900

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David Roberts, P.P., AICP
New Jersey License No. 01714



Maureen Fullaway

Adopted by the Little Egg Harbor Township Planning Board on

Adopted by the Little Egg Harbor Township Committee on

The original of the document was signed and sealed in accordance with the statute and is on file with the Clerk of the Township of Little Egg Harbor.

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1.0 Introduction

The Fair Housing Act (*N.J.S.A. 52:27D-301 et seq.*), enacted by the New Jersey State Legislature in 1985, created the Council on Affordable Housing (COAH) within the New Jersey Department of Community Affairs. COAH is responsible for determining each municipality's allocation of low and moderate-income housing, establishing guidelines for implementing the Fair Housing Act and evaluating proposed municipal compliance strategies.

The Council on Affordable Housing divided the state into six housing regions and established a formula that assigns each municipality a "fair share" of its region's need for affordable housing. Little Egg Harbor is located within the East Central COAH region, which includes the counties of Ocean, Monmouth and Mercer.

COAH's initial formula was developed for a six-year period, from 1987 through mid-1993 (*N.J.A.C. 5:91-1 et seq.*). That formula was superseded by 1994 COAH regulations (*N.J.A.C. 5:93-1.1 et seq.*) which recalculated a portion of the 1987-1993 fair share obligation for each municipality and computed the additional municipal housing need through 1999. On December 20, 2004, COAH adopted its Third Round Rules, which apply a "Growth Share" methodology to determine the amount of affordable housing a municipality must provide during the ten year period of 2004 to 2014 (*N.J.A.C. 5:94-1 et seq.*). This Housing Element has been prepared in accordance with the Third Round substantive and procedural regulations of the Council on Affordable Housing.

Once the Housing Element is adopted, the municipality has the option to file the Element and a Fair Share Plan with COAH and also to request COAH's review and approval, called "substantive certification." The Fair Share Plan is a document that contains proposed implementing ordinances and administrative procedures designed to provide the opportunity for affordable housing construction and rehabilitation in the municipality. The COAH filing and substantive certification provide municipalities with a measure of legal protection from suits alleging that their land use regulations are invalid or unconstitutional because of a failure to provide sufficient opportunity for affordable housing development.

2.0 The Growth Share Methodology

The Council on Affordable Housing's (COAH's) adopted Third Round "growth share" procedures mark a significant departure from COAH's prior two rounds of affordable housing methodology. The Third Round methodology implements a growth share approach that will link the production of affordable housing with future residential and non-residential development and growth in a municipality. For the Third Round growth share component, COAH has adopted ratios that require one affordable unit for every 8 market rate housing units and one affordable unit for every 25 jobs developed. This is the key change from the methodology COAH used in the first and second rounds.

COAH adopted the new Third Round Rules and Methodology, effective as of December 20, 2004. The complete Third Round methodology includes a *rehabilitation share*, a remaining obligation from COAH's two *prior rounds* and the future *growth share*. A municipality's Fair Share Plan must address its (1) rehabilitation share, (2) any remaining prior round obligation and (3) projected growth share.

COAH's regulations provide the means for a municipality to determine and address its new affordable housing obligation. COAH's new rules supply two of the three-part number for each municipality - the rehabilitation share and the remaining obligation from prior rounds.

The Rehabilitation Share is the number of existing substandard housing units in a municipality that are occupied by low or moderate income households, as determined by COAH. The third round rehabilitation share for Little Egg Harbor Township is 0-units.

The Prior Round Obligation is a municipality's adjusted Second Round new construction component brought forward to the Third Round. For Little Egg Harbor Township, the recalculated prior round obligation is 195-units.

The Growth Share Obligation is the affordable housing need generated from both residential and non-residential development as shown by certificates of occupancy issued, or expected to be issued, between January 1, 2004 and January 1, 2014. Key elements of the Growth Share Methodology are:

1. For residential development, the affordable housing ratio is 1 affordable unit for every 8 market rate residential units;
2. For non-residential development, the affordable housing ratio is 1 affordable unit for every 25 new jobs developed as expressed in new square footage of non-residential space constructed. As an example, the affordable housing generated by non-residential development ranges from one affordable unit required for every 8,333 square feet of office space; for every 25,000 square feet of retail space and 125,000 square feet of warehouse space.

As calculated in Section 9.0 of this report, Little Egg Harbor 's Growth Share is 275-units.

3.0 The Housing Plan Element

In accordance with the Municipal Land Use Law (N.J.S.A. 40:55d-1, et. seq.), a municipal Master Plan must include a Housing Plan Element as a prerequisite for the adoption of zoning ordinance provisions within the municipality. Pursuant to Section 10 of P.L. 1985, C. 222 (C:52:27D-310) a municipality's housing element shall be designed to achieve the goal and access to affordable housing to meet present and prospective housing needs, with particular attention to low and moderate income housing. The Housing Element must contain at least the following:

1. An inventory of the municipality's housing stock by age, condition, purchase or rental value, occupancy characteristics, and type, including the number of units affordable to low and moderate income households and substandard housing capable of being rehabilitated;
2. A projection of the municipality's housing stock, including the probable future construction of low and moderate income housing , for the next six (6) years, taking into account , but not necessarily limited to, construction permits issued, approvals of applications for development, and probable residential development trends;
3. An analysis of the municipality's demographic characteristics, including, but not necessarily limited to, household size, income level, and age;

4. An analysis of the existing and probable future employment characteristics of the municipality;

5. A determination of the municipality's present and prospective fair share of low and moderate income housing and its capacity to accommodate its present and prospective housing needs, including its fair share of low and moderate income housing;

6. A consideration of the lands most appropriate for construction of low and moderate income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low and moderate income housing, including a consideration of lands of developers who have expressed a commitment to provide low and moderate income housing;

7. A map of all sites designated by the municipality for the production of low and moderate income housing and a listing of each site that includes its owner, acreage, lot and block;

8. The location and capacities of existing and proposed water and sewer lines and facilities relevant to the designated sites;

9. Copies of necessary applications for sewer service and proposed water quality management plans submitted pursuant to Sections 201 and 208 of the Federal Clean Water Act, 33 USC S11251, et. seq.;

10. A copy of the most recently adopted Master Plan and, where required, the immediately preceding adopted Master Plan;

11. For each designated site, a copy of the New Jersey Freshwater Wetlands maps where available;
12. A copy of appropriate United States Geological Survey Topographic Quadrangles for designated sites; and
13. Any other documentation pertaining to the review of the Housing Element as may be required by COAH.

4.0 Housing Plan Preparation for COAH

Along with the other requirements of the Municipal Land Use Law, COAH will require that the Housing Element include a series of analyses and projections such as:

1. Utilization of the *population, household and employment* projection for the Year 2015 from the State Plan (or Metropolitan Planning Organization (MPO) if the State Plan is not yet adopted).

- Municipal growth projections that are consistent with the State Plan or MPO will have a presumption of validity in any petition before COAH.
- If the growth projections are not consistent with the State Plan or MPO, COAH may reject the petition unless the municipality demonstrates the validity of the analysis and the Office of Smart Growth Executive Director recommends the municipality's alternate projections.

2. Analysis of future housing and jobs based on research including current development approvals and historic trends in construction in the municipality.

3. Analysis of a municipality's zoning to show that there is adequate capacity for the Township to accommodate its growth projections.

5.0 Housing Characteristics

Number of Housing Units and Number of Units in Structure:

The number of housing units in the Township has increased steadily since 1939. The most units were built between the 1980 to 1989 period, wherein 2,058 units, or 26.2 percent of the housing stock, were constructed. The median year of construction is 1978. Since the time of the last decennial Census in March-April 2000, 980 building permits were issued for single-family dwellings in the Township, bringing the total number of dwelling units in the Township to 8,917.

The majority of housing units (85.8 percent) in the Township are single-family detached units. There are lesser amounts of townhouse, apartment-style and mobile home units. In addition to the existing housing units in the Township, a significant number of new residential lots have been approved by the Planning Board. None of the approved subdivisions have included allotments for affordable housing.

Table 1:
Number of Housing Units and Number of Units in Structure

<u>Built</u>	<u>Housing Units by Age</u>	
	<u>Total Units</u>	<u>Percent</u>
1990 to March 2000	1,147	17.8
1980 to 1989	2,058	26.2
1970 to 1979	1,974	24.8
1960 to 1969	1,938	24.3
1950 to 1959	328	4.1
1940 to 1949	23	0.3
<u>1939 or earlier</u>	<u>199</u>	<u>2.5</u>
Total	7,937	100.0

Median year structure built 1978

Source: US Bureau of the Census.

Table 2
Residential Building Permits Issued, April 2000 through July 2002

<u>Single-Family</u> <u>Units</u>	<u>Two-Family</u> <u>Units</u>
980	0

Source: NJ Construction Reporter.

Table 3
Housing Units by Number of Units in Structure

<u>Number of Units</u>	<u>Owner-Occupied</u>	<u>Rental</u>	<u>Vacant</u>	<u>Total</u>	<u>%</u>
1, Detached	4,661	605	1,544	6,810	85.8
1, Attached	297	191	105	593	7.5
2	0	72	12	84	1.1
3 or 4	17	38	0	55	0.7
5 to 9	21	53	72	146	1.8
10 or more	5	215	19	239	3.0
Mobile Home/Trailer/Other	<u>10</u>	<u>0</u>	<u>0</u>	<u>10</u>	<u>0.1</u>
Total	5,011	1,174	1,752	7,937	100.0

Source: US Bureau of the Census.

Housing Quality Indicators and Value

In the case of Little Egg Harbor, few units can be considered substandard or deficient. Housing quality sufficiency is generally evaluated by several indicators, as follows:

- Age. Units built before 1940 are considered to have a significant age factor. Only 2.5 percent of the Township's housing stock was built before 1940.
- Overcrowding. Units containing more than 1.0 persons per room are considered to be overcrowded. A small percentage (1.1 percent) of the units in the Township can be considered crowded.
- Plumbing facilities. Units lacking complete plumbing for exclusive use are considered deficient. No units in the Township lack complete plumbing.

- Kitchen facilities. Units lacking a sink with piped water, a stove and a refrigerator are considered deficient. A very small percentage (0.2 percent) of units lack complete kitchen facilities.
- Heating facilities. Units lacking central heat are considered deficient. Approximately 2.9 percent of units in the Township lack central heat. The majority of these units are most likely summer units that are not occupied on a full-time basis.

Additionally, the number of rooms in a unit and the unit's value are also indicators of quality. The majority of dwellings (34.2 percent) contain 5 more rooms. The mean number of rooms is 5.4. Less than 4 percent of dwellings contain 3 or fewer rooms.

Overall, housing is relatively affordable in the Township. The median value of owner-occupied housing is \$98,800, with half the units valued at less than \$98,800, and half valued at more. The majority (21.9 percent) of owner-occupied units are valued at between \$100,000 and \$124,999. Median contract rent is \$658, with the highest percentage of units (45.1 percent) rented at between \$600 and \$699 per month.

Table 4

Housing Quality Indicators and Value
Quality Indicators, Occupied Housing Stock, 2000

	<u>Number</u> <u>of Units</u>	<u>Percent</u> <u>of Total</u> <u>Units</u>
Total housing units	7,937	100.0
Built before 1940	199	2.5
Overcrowded	90	1.1
Lacking complete plumbing	0	0
Lacking complete kitchen facilities	15	0.2
Lacking central heating	229	2.9

Table 5
Housing Units by Number of Rooms, 2000

Rooms	<u>Number</u> <u>of Units</u>	<u>Percentage</u> <u>of Total</u>
1	16	0.2
2	28	0.3
3	250	3.1
4	1,188	15.0
5	2,708	34.2
6	1,586	20.0
7+	2,161	27.2
Total	7,937	100.0
Mean number of rooms	5.4	

Table 6
Housing Values, 2000

<u>Owner-Occupied Units</u>	<u>Number</u>	<u>Percentage</u>
Less than \$70,000	451	9.0
\$70,000 to \$79,999	662	13.2
\$80,000 to \$89,999	695	13.9
\$90,000 to \$99,999	798	16.0
\$100,000 to \$124,999	1,096	21.9
\$125,000 to \$149,999	578	11.6
\$150,000 to \$174,999	323	6.4
\$175,000 to \$199,999	146	2.9
\$200,000 to \$299,999	203	4.0
\$300,000 to \$499,999	59	1.1
\$500,000 or more	0	0.0
Total	5,011	100.0
2000 Median Value	\$98,800	

Table 7
Contract Rent, 2000

<u>Renter-Occupied</u> <u>Units</u>	<u>Number</u>	<u>Percentage</u>
Less than \$500	126	10.8
\$500 to \$599	171	14.7
\$600 to \$699	526	45.1
\$700 to \$799	238	20.5
\$800 to \$899	63	5.4
\$900 to \$999	5	0.4
\$1,000 to \$1,499	14	1.2
\$1,500 or more	0	0
No contract rent	22	1.9
Total	1,165	100.0
Median Contract Rent	\$658	

Source: United States Bureau of the Census.

Housing Occupancy Characteristics

The majority (77.9 percent) of units in the Township are occupied. Approximately 22 percent of housing units are vacant. Of the vacant units, the majority (77.6 percent) are considered seasonal or recreational. The rental vacancy rate is a typical 5 percent, and the homeowner vacancy rate is a low 2.7 percent.

At the time of the 2000 Census, a significant 81.0 percent of the occupied units were owner-occupied and the remaining 19 percent were occupied by renters.

Table 8:
Housing Occupancy Characteristics, 2000

Housing Occupancy		
	#	%
Occupied Housing Units	6,179	77.9
Vacant Housing Units	1,752	22.1
Non-seasonal	392	22.4
<u>Seasonal/Recreational</u>	<u>1,360</u>	<u>77.6</u>
TOTAL	7,931	100.0
Homeowner Vacancy Rate		2.7%
Rental Vacancy Rate		5.0%

Table 9
Housing Tenure

	#	%
Occupied Housing Units	6,179	100.0
Owner-Occupied	5,002	81.0
Renter-Occupied	1,177	19.0

Source: United States Bureau of the Census.

5.0 DEMOGRAPHIC CHARACTERISTICS

The population of the Township has increased steadily since 1930, with the most dramatic increase between 1960 and 1970 wherein the population increased by 251 percent. In April of 2000, Little Egg Harbor Township had a total population of 15,945 persons, which represents a 20 percent increase from the 1990 population of 13,333. As can be seen in the table below, the majority of the population (56.2 percent) are working-aged. The second largest age cohort is school-aged residents (20.3 percent), followed by retirement-aged residents (17.7

percent). The median age in the Township is 39.9 years, which is lower than the County (41.0 years) and the State (36.7 years) median ages.

Table 10
Population Characteristics

Population Trends, 1930 to 2000

<u>Year</u>	<u>Population</u>	<u># Change</u>	<u>% Change</u>
1930	547	--	--
1940	577	30	5
1950	644	67	12
1960	847	203	32
1970	2,972	2,125	251
1980	8,483	5,511	185
1990	13,333	4,850	57
2000	15,945	2,612	20

Table 11
Population by Age in 2000

<u>Age Cohort</u>	<u>#</u>	<u>%</u>
Under 5 Years	931	5.8
5 to 19 Years	3,237	20.3
20 to 64 Years	8,956	56.2
<u>65 Years and</u>	<u>2,821</u>	<u>17.7</u>
<u>Over</u>		
TOTAL	15,945	100.0

Table 12
Median Age of Population in 2000

<u>Median Age</u>	
Little Egg Harbor Township	39.9
Ocean County	41.0
State of New Jersey	36.7

Source: United States Bureau of the Census.

Household Characteristics

The majority of households in the Township (71.9 percent) are considered family households. The remaining 28.1 percent of households are considered "non-family," that is, they consist of individual or unrelated householders. There are a total of 6,179 households in the Township, and the majority (37.5 percent) are two-person households. The average household size is 2.55 persons.

Housing tenure does not seem to be correlated to household size, as the split between ownership and rentership is consistently 80/20. However, the lowest ownership rates occur in 3-person households. In terms of age and tenure, the majority of all households in each age cohort reside in owner-occupied dwellings. This is most likely in part due to a smaller percentage of units that are available for rent rather than for sale.

In terms of income, the majority of the households in the Township (23.8 percent) earn less than \$24,999 annually. This is consistent with County percentage of 25.1. The next largest percentage of households in the Township (13.6 percent) earn between \$75,000 and \$99,000 annually. This is also consistent with the County percentage of 12.5. Median income in the Township is \$45,628, and per capita income is \$20,619. These figures are comparable to those of the County at \$46,443 and \$23,054, respectively. Approximately 4.1 percent of the households in the Township receive Supplemental Security Income from the federal government, and 1.7 percent receive public assistance income. These percentages are consistent with those of the County at 2.9 percent and 1.9 percent, respectively. Approximately 6.5 percent of the population and 5.2 percent of all households live below the poverty level.

**Table 13:
 Household Characteristics**

Households by Type and Household Size, 2000

	<u>#</u>	<u>%</u>
Family Households	4,442	71.9
<u>Non-Family Households</u>	<u>1,737</u>	<u>28.1</u>
TOTAL	6,179	100.0

**Table 14
 Household Size, 2000**

	<u>Households</u>	<u>Percent</u>
1-Person	1,389	22.5
2-Person	2,320	37.5
3-Person	983	15.9
4-Person	902	14.6
5-Person	419	6.8
6-Person	104	1.7
7 or more Person	62	1.0
Average Household Size	2.55	

**Table 15
 Tenure by Household Size, 2000**

	<u>Owner-Occupied</u>		<u>Renter-Occupied</u>	
	<u>#</u>	<u>%</u>	<u>#</u>	<u>%</u>
<u>Total Occupied Housing Units</u>				
1-person households	1,075	77.4	314	22.6
2-person households	1,991	85.8	329	14.2
3-person households	743	75.6	240	24.4
4-person households	730	80.9	172	19.1
5-person	330	78.8	89	21.2

households				
6-person	83	79.8	21	20.2
households				
7+ person	50	80.6	12	19.4
households				
Total	5,002	81.0	1,177	19.0

Table 16
Tenure by Age of Householder, 2000

<u>Age of</u> <u>Householder</u>	<u>Total</u>	<u>Owner-Occupied</u>		<u>Renter-Occupied</u>	
		<u>#</u>	<u>%</u>	<u>#</u>	<u>%</u>
15 to 24	157	51	32.5	106	67.1
25 to 34	770	484	62.9	286	37.1
35 to 44	1,369	1,083	79.1	286	20.9
45 to 54	1,155	969	83.9	186	16.1
55 to 64	1,000	882	88.2	118	11.8
65 to 74	971	868	89.4	103	10.6
75 to 84	637	568	89.2	69	10.8
85 and over	120	97	80.8	23	19.2

Table 17
Household Income
Township and County, 2000

	<u>Township</u>		<u>County</u>
	<u>Households</u>	<u>Percent</u>	<u>Percent</u>
\$0 to \$24,999	1,459	23.8	25.1
\$25,000 to \$29,999	357	5.8	6.0
\$30,000 to \$34,999	388	6.3	6.0
\$35,000 to \$39,999	402	6.5	5.9
\$40,000 to \$44,999	408	6.6	5.6
\$45,000 to \$49,999	392	6.4	5.0
\$50,000 to \$59,999	633	10.3	9.1
\$60,000 to \$74,999	767	12.5	11.6
\$75,000 to \$99,999	834	13.6	12.5
\$100,000 to \$199,999	433	7.1	11.5
\$200,000 or more	67	1.1	1.6
Total	6,140	100.0	100.0
Median Income	\$45,628		\$46,443
Per Capita Income	\$20,619		\$23,054

Table 18
Population Receiving Income Subsidies

	Township	% in Township	% in County
With Supplemental Security Income	251	4.1	2.9
Mean Supplemental Security Income	\$7,737	--	\$7,118
With public assistance income	107	1.7	1.9
Mean public assistance income	\$4,227	--	\$3,619

Table 19
Distribution of Persons and Households Below Poverty Level, 2000

Persons		Households	
#	%	#	%
1,028	6.5	321	5.2

Source: United States Bureau of the Census.

6.0 EMPLOYMENT CHARACTERISTICS

The US Census reports that 7,111 persons over the age of 16 in Little Egg Harbor Township were employed in 2000, out of a civilian labor force of 7,505 persons. The majority of people were employed in sales and office occupations, followed by management, professional and related occupations and service occupations. The majority of these jobs appears to be either part-time in nature or located outside of the Township, as the 1998 covered employment count for the Township was 1,222. It is not anticipated that job creation in the Township will increase significantly over the next six years as the Township has not historically been an employment center.

Table 20
Employment Characteristics, 2000

	Number	Percent
EMPLOYMENT STATUS		
Population 16 years and over	12,538	100.0
In labor force	7,505	59.9
Civilian labor force	7,505	59.9
Employed	7,111	56.7
Unemployed	394	3.1
Percent of civilian labor force	5.2	—
Armed Forces	0	0.0
Not in labor force	5,033	40.1
OCCUPATION		
Employed civilian population 16 years and over	7,111	100.0
Management, professional, and related occupations	1,875	26.4
Service occupations	1,571	22.1
Sales and office occupations	1,985	27.9
Farming, fishing, and forestry occupations	26	0.4
Construction, extraction, and maintenance occupations	943	13.3
Production, transportation, and material moving occupations	711	10.0
INDUSTRY		
Agriculture, forestry, fishing and hunting, and mining	66	0.9
Construction	542	7.6
Manufacturing	378	5.3
Wholesale trade	223	3.1
Retail trade	971	13.7
Transportation and warehousing, and utilities	460	6.5
Information	199	2.8
Finance, insurance, real estate, and rental and leasing	329	4.6
Professional, scientific, management, administrative, and waste management services	471	6.6
Educational, health and social services	1,395	19.6
Arts, entertainment, recreation, accommodation and food services	1,259	17.7
Other services (except public administration)	432	6.1
Public administration	386	5.4
CLASS OF WORKER		
Private wage and salary workers	5,594	78.7
Government workers	1,077	15.1
Self-employed workers in own not incorporated business	432	6.1
Unpaid family workers	8	0.1
MEDIAN EARNINGS		
Male full-time, year-round workers	\$39,668	—
Female full-time, year-round workers	\$29,576	—

Source: United States Bureau of the Census.

Table 21
Jobs in Township Covered by Unemployment Insurance, 1998

	<u>Average</u> <u>Number</u>
Private sector	595
Government	627
Total	1,222

Source: New Jersey Department of Labor.

7.0 NJTPA POPULATION AND EMPLOYMENT PROJECTIONS:

The New Jersey Transportation Planning Authority (NJTPA) has completed employment and population projections for 2005 – 2015 for Little Egg Harbor Township. The population of the Township is expected to increase by 1,220 households. COAH assumes that of the 1,220 housing units built to accommodate these new households, one in eight will be affordable. To calculate growth share, COAH divides the number of new housing units by 9 to account for the affordable unit. Therefore the projected growth share corresponding to the 1,220 new housing units is 136 affordable units.

NJTPA projects that the number of jobs in Little Egg Harbor Township will increase by 330. COAH rules require one affordable unit for every 25 new jobs developed. Therefore the NJTPA forecasts that Little Egg Harbor Township's job growth will require the provision of 13 affordable housing units.

To summarize, Growth Share projections based on the NJTPA estimates equal 136 units from residential growth + 13 units from non-residential growth = 149 affordable units.

The NJTPA projections are estimates that represent to COAH the minimal amount of residential and non-residential growth that will occur in the municipality between 2005 and 2015. These projections must be compared with estimates prepared by the municipality using data and projections based on Certificates of Occupancy issued, or expected to be issued, between 2004 and 2014.

Municipal growth projections that are consistent with those of the NJTPA will have a presumption of validity in any petition before COAH. If the growth projections are not consistent with those of the NJTPA, COAH may reject the petition unless the municipality demonstrates the validity of the analysis and the Office of Smart Growth Executive Director recommends the municipality's alternate projections.

8.0 MUNICIPAL POPULATION AND EMPLOYMENT PROJECTIONS

The NJTPA population and employment projections must be compared to population and employment projections compiled by the municipality. This analysis requires the following data: 1) a detailed review of the history of Certificate of Occupancy (C.O.'s) and demolitions from 1995 to 2003; 2) data on actual C.O.'s and demolitions that occurred in 2004 and 2005; 3) data on approved development applications, pending development applications, anticipated development applications and demolitions between 2005 and 2014. Non-residential C.O.'s and demolitions must be presented by "use group." The tables below present the required data.

Table 12
Historic Trend of Residential Certificates of Occupancy
And Demolition Permits
Little Egg Harbor Township, Ocean County

	'95	'96	'97	'98	'99	'00	'01	'02	'03	'04/05
CO's issued		112	48	184	130	162	311	543	387	554
Demolitions		0	0	6	10	9	7	13	8	18
Net		112	48	178	120	153	304	530	379	536

*data for 1995 is not available

Annual records show that the township issued forty-eight (48) Certificates of Occupancy in 1997. Since then the number of Certificates of Occupancy have increased every year. The number of demolition permits has remained low with an average of only 8 residential demolitions per year.

Table 13
Anticipated Developments and Number of Residential Units
Based on CO's Minus Demolitions (2005 - 2014)

	Total 2005 - 2014
Approved Development Applications:	
2004/05: Certificates of Occupancy	554
2004/05: Open Building Permits	504
Pending Development Applications:	
Currently Before the Planning Board	969
Demolitions	
2004/05 Demolitions	(18)
Net Projected Residential Growth	2009

COAH rules at N.J.A.C. 5:94-2.4(a)(4) allow a municipality to subtract affordable units from net residential growth and to exclude market rate units in an inclusionary development that were part of a certified second round plan. COAH assumes that market-rate units are generated at a rate of four times the number of affordable units generated on any particular site. Since Little Egg Harbor Township's Second Round Plan did not include any inclusionary development, no units are eligible for exclusion.

The Township's final net residential growth is 2,009 units. COAH's growth share rules require one affordable unit to be built for every 8 market rate units. As shown in Table 14, the growth share generated by these 2,009 market rate residential units is therefore 251.13 affordable units, which must be provided by 2014.

**Table 14
 Residential Growth Share Obligation**

	Total
Final Net Residential	2,009
Residential Growth Share Obligation (Divide by 8)	$2,009/8 = 251.13$ affordable units

* Two (2) affordable units based on actual CO's and Demolitions and seven (7) based on anticipated CO's and Demolitions by 2014.

COAH's Growth Share Methodology has both residential and non-residential components. The tables below show data required to calculate the Township's non-residential growth share component.

**Table 15
 Historic Trend of Non-Residential Certificates of Occupancy
 And Demolition Permits by Square Feet
 Little Egg Harbor Township, Ocean County**

	'96	'97	'98	'99	'00	'01	'02	'03	'04/05	'06-
	Sq	Sq	Sq Ft	2014*						

	Ft	Ft								
CO's Issued B-Office	0	0	0	15,961	0	5,703	17,354	14,047	34,620	63,268
CO'S Issued M-Retail	0	0	10,752	0	0	0	0	0	0	83,660
CO's Issued I- Institutional	0	0	0	0	0	0	0	0	0	89,000
CO's Issued S-Storage	0	0	0	12,200	20,400	17,100	0	0	0	248,555
CO's Issued E- Educational	0	0	0	5,065	0	29,200	0	0	0	4,000
CO's I-Industrial	0	0	53,124	0	0	0	7,459	6,055	0	0
CO's A-Assembly	0	0	0	0	640	17,821	0	3,910	0	0
Demolitions	0	0	1	0	1	0	1	0	1	0

*The category '06-2014 represents applications pending before the planning board or possible future applications.

The data from 1995 to 2003 is presented to demonstrate trends only. Net C.O.'s issued during these years do not generate a growth share. However, net C.O.'s for 2004, 2005 and beyond will generate a growth share.

An analysis of C.O.'s and demolitions shows that in 2004/05, 34,620 square feet of office space was built and no demolitions occurred in the Township. COAH rules estimate that office space generates 3 jobs for every 1,000 sq. ft. of growth. Therefore, the new office space generated 103.86 jobs. [34,620 sq ft/1000 sq ft = 34.62 sq. ft x 3 jobs = 103.86 jobs]

The Township estimates that another 63,220 sq. ft. of office space will be built in the Township by 2014. This new space will generate 189.66 jobs. [63,220 sq. ft. /1000 sq. ft = 63.22 sq. ft. x 3 jobs = 189.66 jobs].

The Township estimates that 83,660 sq. ft. of retail space will be built in the Township by 2014. This new space will generate 83.66 jobs. [83,660 sq. ft. /1000 sq. ft. = 83.66 sq. ft. x 1 job = 83.66 jobs]

An application for an 89,000 sq. ft. assisted living facility is pending before the planning board. This addition will generate 178 jobs. [89,000 sq. ft./1000 sq. ft. = 89 x 2 jobs = 178.00 jobs]

The Township estimates that 248,555 of storage space will be built in the Township by 2014. This will generate 49.71 jobs. [248,555 sq. ft./1,000 sq. ft. = 248.55 x .2 jobs = 49.71 jobs]

The Township will build an additional 4,000 sq. ft of educational space by 2014. This will generate 4 jobs. [4,000 sq. ft./1,000 sq. ft. = 4 x 1 = 4 jobs]

Table 16
Total Net Non-Residential Growth in Jobs (Sum of Actual and Projected Growth)
January 1, 2004 to January 1, 2014

Net ACTUAL Non-Residential Growth 2004-2005 (in jobs)	+	Net PROJECTED Non-Residential Growth to 2014 (in jobs)	=	Total Net Non-Residential Growth (in Jobs)	Growth Share Obligation (Jobs/25)
103.86 = 4.15 affordable units	+	505.03 jobs = 20.20 affordable units		608.89	24.35 affordable units

Little Egg Harbor's total Growth Share is calculated by adding its residential and non-residential growth share components as presented above. The Table below shows the total housing obligation generated by residential and non-residential development between 2004 and 2014.

Table 17
GROWTH SHARE TABLE
Total Projected Affordable Housing Obligation Generated by
Residential and Non-Residential Development 2004-2014

	Total Growth Share Obligation
Residential	251.13
Non-Residential	24.35
Total	275.48 rounded down to 275

The Township's projection of 275 affordable units is more than the 149-unit projection estimated by the NJTPA. Since the municipal growth projections are more than those of the NJTPA, the Township will use its own projections. By doing so, COAH will grant the Township's growth projections a presumption of validity. To rebut the presumption of validity, objectors shall have the burden of

proof to demonstrate by clear and convincing evidence that the municipal growth projections are invalid and will not result in a realistic opportunity for the provision of low and moderate income housing within the housing region.

9.0 LITTLE EGG HARBOR 'S AFFORDABLE HOUSING OBLIGATION

COAH's Third Round methodology includes a *rehabilitation share*, a recalculated obligation from COAH's two *prior rounds*, and the future *growth share*. Little Egg Harbor 's Third Round Obligation can be summarized as follows:

The Rehabilitation Share	0	(See appendix C at N.J.A.C. 5:94. et seq)
Prior Round Recalculated	195	(See appendix C at N.J.A.C. 5:94. et seq
Growth Share	275	(See Section 8.0 of this report)

10.0 LITTLE EGG HARBOR 'S THIRD ROUND COMPLIANCE PLAN

The Rehabilitation Share: 0 units

COAH has established that there are no substandard housing units occupied by low and moderate-income households in Little Egg Harbor Township.

Prior Round Recalculated Component: 195 units

Little Egg Harbor 's prior round obligation (1987-1999), as recalculated by COAH, is 195 units. The formulas for the Prior Round Recalculated component of the Third Round Plan are essentially the same as that of the second round. The only difference is "recalculated need plus the rehabilitation share" replaces "precredited need" in the formulas. Second round rules at N.J.A.C. 5:93, *et seq.* apply to this component of the Third Round Plan.

The formulas for the Prior Round Recalculated component are as follows:

- Maximum Regional Contribution Agreement = $.5 [(recalculated\ need + rehabilitation\ share) - prior\ cycle\ credits - 20\% \text{ cap} - 1,000\ unit\ cap - rehabilitation\ credits] - any\ units\ transferred\ through\ a\ previous\ RCA = .5 [(195 + 0) - 50 - 0 - 0 - 0] - 0 = .5 (145) = 72.50$ rounded down to 72 per the Fair Housing Act.
- Minimum Rental Obligation = $.25 (recalculated\ need + rehabilitation\ share) - prior\ cycle\ credits - 20\% \text{ cap} - 1000\ unit\ cap - rehabilitation\ share = .25 [(195 + 0) - 50 - 0 - 0 - 0] = .25 (145) = 36.25$ rounded down to 36 rental units.

For the Second Round:

- A rental unit available to the general public receives one rental bonus;
 - An age-restricted unit receives a .33 rental bonus, but no more than 50 percent of the rental obligation shall receive a bonus for age-restricted units; and
 - No rental bonus is granted in excess of the rental obligation
- Maximum Number of Age Restricted units = $.25 [(recalculated\ need + rehabilitation\ share) - prior\ cycle\ credits - rehabilitation\ credits - 20\% \text{ cap} - 1,000\ unit\ cap] - age-restricted\ units\ addressing\ 1987-1993\ housing\ obligation = .25 [(195 + 0) - 50 - 0 - 0 - 0] - 0 = .25(145) = 36.25$ rounded down to 36 age-restricted unit.

Satisfying the Prior Round Recalculated Component:

Little Egg Harbor will satisfy its 195-unit Prior Round Recalculated as follows:

Prior Cycle Credits (Units Created Between April 1, 1980 and December 15, 1986)

The Township is requesting 50 affordable housing credits for the age-restricted Park Plaza Apartment complex located at 105 Mathistown Road (Block 285, Lot 13) that, according to Township records, received its Certificate of Occupancy on March 28, 1984 (see Appendix A). This complex is restricted to income-eligible senior citizens. Construction of this complex was financed with a federal Section 221 (Section 221 (d)(3) and (4) of the National Housing Act), 40-year mortgage

which restricts occupancy to low- and moderate-income households. According to HUD's records, the first mortgage payment was made on September 1, 1984, and the mortgage will mature in 2024. This complex is also currently under contract with HUD for 50 Section 8 vouchers that are used for all of the complex's units. The complex's current Section 8 contract with HUD was begun on March 28, 1984 and will expire on March 27, 2004. The Section 8 contracts generally run in 5-year increments and are renewable. See Appendix A for HUD database information. **[50 prior cycle credits]**

New Construction (Units Created 1987-Present)

The Township is requesting affordable housing credits for the following units that were first occupied since 1987:

Harbor House

According to Township records, Harbor House (Block 285, Lot 5) received its Certificates of Occupancy in Spring 1990 (see Appendix A). Harbor House offers 36 affordable family-rental units to income-eligible households, and is not restricted to occupation by either seniors or the disabled. The construction of Harbor House was financed through the U.S. Department of Agriculture's Farm Home Program, which offered low- or no-interest mortgages with terms of 50 years to housing developments serving very low- to moderate-income households. According to the USDA (see letter dated September 17, 2002 in Appendix A), the Harbor House's USDA mortgage is dated January 26, 1990, and therefore matures in 2040. Affordability controls will be in place until 2040. As a family rental project, all 36 units are eligible for one-for-one bonus credits. **[36 rental credits + 36 rental bonuses]**

Royal Timbers

Royal Timbers (Block 285, Lot 11) is a 104-unit apartment complex that is located on Center Street. The first Certificate of Occupancy for the Royal Timbers complex was issued on July 1, 1997, and the final Certificate of Occupancy was issued on October 30, 1998 (see Appendix A). The construction of Royal Timbers was financed via a Low Income Housing Tax Credit (LIHTC) that was delivered through the New Jersey Housing and Mortgage Finance Agency (HMFA). The LIHTC requires 15-year low- to moderate-income affordability controls that are generally carried for a total of 30 years. All 104 units in Royal Timbers are restricted to households at or below 60 percent of the median Ocean County income level. The complex is not age-restricted. As a family rental project, all 104 units are potentially eligible for one-for-one bonus credits, but the Township has already maximized the number of rental bonuses to which it is entitled for this portion of its plan. **[104 rental credits]**

Rehabilitation

For the Third Round, COAH has reduced Little Egg Harbor's rehabilitation obligation to zero (0). However, the Township participates in Ocean County's housing rehabilitation program, which offers substantial residential rehabilitation to eligible homeowners in the County on a first-come, first-served basis.

Summary

Based on the foregoing, and as illustrated in the table below, the Township has totally satisfied the recalculated component of its Third Round obligation with 226 credits. In fact, the Township has an excess of 31 credits that will be carried forward to partially satisfy its growth share obligation.

Future Growth Share

Little Egg Harbor has calculated its future growth share to be 275 affordable units. This growth share estimate is greater than the growth share projection put forth by the New Jersey Transportation Planning Authority (NJTPA).

COAH's Future Growth Share formulas and rules are different from those which apply to the Recalculated Prior Round presented previously in this report. The formulas for the Future Growth Share component of the Third Round are as follows:

- RCA maximum = $.50$ (growth share obligation) = $.50$ (275) = 137.5 units rounded down to 137 per the Fair Housing Act.
 - Not more than 50% of the units transferred may be met with age-restricted units in the receiving municipality's project plan
- Rental obligation = $.25$ (growth share obligation) = $.25$ (275) = 68.75 rounded up to 69.
 - Rental bonuses only apply to rental units that exceed the rental obligation.
 - Age-restricted rental units are not eligible for rental bonuses to address the third round growth share.
 - Not more than 50 percent of the third round rental obligation may be met with age-restricted units.
- Age-restricted cap = $.50$ (growth share obligation) = $.50$ (275) = 137.5 rounded down to 137 units.
 - Up to 50% of the growth share obligation addressed within your municipality may be met with age-restricted housing. If a township chooses to enter an RCA, then the number of RCA units must be subtracted from the growth share number before the maximum number of age-restricted units is calculated. [Example: 227 growth share - 137 RCA's = 90 x .50 = 45 maximum age-restricted]

Satisfying the Growth Share Component

Little Egg Harbor's Growth Share Component of 275 units will be met as follows:

EXCESS UNITS

Little Egg Harbor will use 31 excess units from the recalculated second round component to partially satisfy the 275 unit growth share component of its Third Round Plan. [31 credits]

MUNICIPALLY OWNED LAND

Little Egg Harbor will work with a non-profit or for-profit developer to build a 100 percent age-restricted affordable rental project on a five acre parcel in its town center. The site is identified on the tax map as Block 287, Lot 4, and it has access to public sewer and water. The site will be rezoned to allow for the construction of affordable rentals at 20 u/ac yielding 100 age-restricted affordable rental units. This project will also satisfy the Township's rental obligation. [100 age-restricted rentals]

Growth Share Ordinance

The Township will adopt a Growth Share Ordinance that will require a 14% residential setaside equivalent to one affordable unit for every seven market rate units developed and one affordable unit for every 25 new jobs developed in the municipality.

Once adopted, any future growth in market rate residential units or growth in non-residential square footage that generates a future growth share will be automatically satisfied by the developer or will be satisfied by a non-profit developer funded by *in lieu* contributions. The 14% setaside will also satisfy the remaining 144 unit affordable housing obligation that Little Egg Harbor has accrued since January 1, 2004. [144 credits plus future growth share]

FAIR SHARE PLAN

Appendix 1

Resolutions

Planning Board Resolution
Adopting the Housing Element and Fair Share Plan

WHEREAS, the Planning Board of Little Egg Harbor, Ocean County, State of New Jersey, adopted its current Master Plan pursuant to N.J.S.A. 40:55D-28 on _____; and

WHEREAS, the Master Plan includes a Housing Element pursuant to N.J.S.A. 40:55D-28b(3); and

WHEREAS, N.J.A.C. 5:94-2.2(a) requires the adoption of the Housing Element by the Planning Board and endorsement by the Governing Body; and

WHEREAS, N.J.A.C. 5:94-4.1(a) requires the preparation of a Fair Share Plan in accordance with the Housing Element of the Master Plan; and

WHEREAS, N.J.A.C. 5:94-4.1(b) requires the adoption of the Fair Share Plan by the Planning Board and endorsement by the Governing Body; and

WHEREAS, upon notice duly provided pursuant to N.J.S.A. 40:55D-13, the Planning Board of Little Egg Harbor held a public hearing(s) on the Housing Element and Fair Share Plan on _____; and

WHEREAS, the Planning Board has determined that the Housing Element and Fair Share Plan are consistent with the goals and objectives of the Little Egg Harbor _____ Master Plan and that adoption and implementation of the Housing Element and Fair Share Plan are in the public interest and protect public health and safety and promote the general welfare.

NOW THEREFORE BE IT RESOLVED by the Planning Board of Little Egg Harbor, Ocean County, State of New Jersey, that the Planning Board hereby adopts the _____ 2005 Housing Element and Fair Share Plan.

Chairman of Planning Board

I hereby certify that this is a true copy of the resolution adopting the Housing Element and Fair Share Plan of Little Egg Harbor, Ocean County, on _____.

Planning Board Secretary

**Governing Body Resolution Petitioning with an
Adopted Housing Element and Fair Share Plan**

WHEREAS, the Planning Board of Little Egg Harbor, Ocean County, State of New Jersey, adopted the Housing Element of the Master Plan on _____; and

WHEREAS, a true copy of the resolution of the Planning Board adopting the Housing Element is attached pursuant to N.J.A.C. 5:95-2.2(a)2; and

WHEREAS, the Planning Board adopted the Fair Share Plan on _____;
and

WHEREAS, a true copy of the resolution of the Planning Board adopting the Fair Share Plan is attached pursuant to N.J.A.C. 5:95-2.2(a)2.

NOW THEREFORE BE IT RESOLVED that the Governing Body of Little Egg Harbor, Ocean County, State of New Jersey, hereby endorses the Housing Element and Fair Share Plan as adopted by the Little Egg Harbor Planning Board; and

BE IT FURTHER RESOLVED that the Governing Body of Little Egg Harbor pursuant to the provisions of N.J.S.A. 52:27D-301 et seq. and N.J.A.C. 5:95-3.2, submits this petition for substantive certification of the Housing Element and Fair Share Plan to the Council on Affordable Housing for review and certification; and

BE IT FURTHER RESOLVED that all owners of sites in the Housing Element and Fair Share Plan have received notice of the petition; and

BE IT FURTHER RESOLVED that notice of this Petition for Substantive Certification shall be published in a newspaper of countywide circulation pursuant to N.J.A.C. 5:95-3.5 within seven (7) days of issuance of the notification letter from the Council On Affordable Housing's Executive Director indicating that the submission is complete and that a copy of this resolution, the adopted Housing Element and Fair Share Plan and all supporting documentation shall be made available for public inspection at the Little Egg Harbor Municipal Clerk's office located at 665 Radio Road, during the hours of 8:30 a.m. and 4:30 p.m. on Monday through Friday for a period of forty-five (45) days following the date of publication of the legal notice pursuant to N.J.A.C. 5:95-3.5.

Municipal Clerk: _____ Date: _____

RESOLUTION OF GOVERNING BODY OF INTENT TO BOND FOR SHORTFALL

WHEREAS, Little Egg Harbor in Ocean County has petitioned the Council On Affordable Housing (COAH) for substantive certification of its adopted housing element and fair share plan; and

WHEREAS, COAH has determined that Little Egg Harbor must allocate funds for the (strategy unknown at this time); and

WHEREAS, Little Egg Harbor anticipates that funding will come from the following sources to satisfy said obligation: its affordable housing trust fund; and

WHEREAS, in the event that the above funding sources prove inadequate to meet Little Egg Harbor's funding obligation, Little Egg Harbor shall provide sufficient funding to address any shortfalls.

NOW THEREFORE BE IT RESOLVED by the governing body of Little Egg Harbor, Ocean County, State of New Jersey, that the governing body does hereby agree to fund any shortfall in its affordable housing program that may arise whether due to inadequate funding from other sources or for any other reason; and

BE IT FURTHER RESOLVED that said shortfall shall be funded by bonding if there are no other resources.

Adopted: _____

Certified by: _____

Appendix 2
B. Implementing Ordinances

Model Provisions for a Fair Share Ordinance
Council On Affordable Housing (COAH)
Little Egg Harbor Township
Ocean County

Ordinance Number _____

AN ORDINANCE TO AMEND THE CODE OF LITTLE EGG HARBOR CHAPTER _____ IN ORDER TO ADDRESS REQUIREMENTS OF THE COUNCIL ON AFFORDABLE HOUSING (COAH) RELATED TO LITTLE EGG HARBOR'S THIRD ROUND SUBSTANTIVE CERTIFICATION OF ITS HOUSING ELEMENT AND FAIR SHARE PLAN.

BE IT ORDAINED by the Mayor and Committee of Little Egg Harbor Township, Ocean County that Chapter, _____ entitled Affordable Housing Provisions of the general ordinances/ zoning ordinances of Little Egg Harbor is hereby amended to address Little Egg Harbor's constitutional obligation to provide for its fair share of low- and moderate-income housing, consistent with the provisions of N.J.A.C. 5:95 et. seq. and N.J.A.C. 5:80-26.1 as effective on December 20, 2004, and pursuant to the New Jersey Fair Housing Act of 1985.

The Little Egg Harbor Planning Board adopted the Housing Element pursuant to the MLUL at N.J.S.A. 40:55D-1 et seq. on October 12, 2005. A Fair Share Plan was prepared by Schoor Depalma that is consistent with this Housing Element and which was adopted by the Planning Board on _____ 2005 and endorsed by the Governing Body on _____ 2005. This Fair Share Plan describes the methods by which Little Egg Harbor will address its Fair Share obligation as determined by the Housing Element. This ordinance implements and incorporates that Fair Share Plan and addresses the requirements of N.J.A.C. 5:94 et. seq. Little Egg Harbor annually files a monitoring report with the Committee delineating the status of its certified plan and this report is available to the public at the municipal building of Little Egg Harbor and from the Council On Affordable Housing at P.O. Box 813, Trenton, New Jersey 08625-0813.

Section 1. Municipal Fair Share Obligation

The fair share obligation in Little Egg Harbor consists of a zero (0) unit rehabilitation obligation, a one hundred ninety-five (195) unit prior round obligation, and a growth share obligation of 275 units that represents one (1) affordable unit for every eight (8) market rate residential units receiving a certificate of occupancy subsequent to January 1, 2004 plus one affordable housing unit for every twenty-five (25) jobs created through the expansion or creation of non-residential development in accordance with the schedule determined by the New Jersey Council On Affordable Housing (COAH).

Section 2. Definitions

Section b. entitled "Definitions and Rules of General Applicability" is hereby amended and defines the following terms:

"Administrative agent" means the entity responsible for administering the affordability controls of this ordinance with respect to specific restricted units, as designated pursuant to N.J.A.C. 5:80-26.14.

"Affordability average" means an average of the percentage of median income at which restricted units in an affordable development are affordable to low- and moderate-income households.

"Affordable" means, in the case of an ownership unit, that the sales price for the unit conforms to the standards set forth in N.J.A.C. 5:80-26.6 and, in the case of a rental unit, that the rent for the unit conforms to the standards set forth in N.J.A.C. 5:80-26.12.

"Affordable development" means a housing development all or a portion of which consists of restricted units.

"Agency" means the New Jersey Housing and Mortgage Finance Agency established by P.L. 1983, c. 530 (N.J.S.A. 55:14K-1 et seq.) and in, but not of, the DCA.

"Age-restricted unit" means a housing unit designed to meet the needs of, and exclusively for, the residents of an age-restricted segment of the population where the head of the household is a minimum age of either 62 years, or 55 years and meets the provisions of the 42 U.S.C. §§3601 et seq., except that due to death, a remaining spouse of less than 55 years of age shall be permitted to continue to reside.

"Assisted living residence" means a facility licensed by the New Jersey Department of Health and Senior Services to provide apartment-style housing and congregate dining and to assure that assisted living services are available when needed for four or more adult persons unrelated to the proprietor and offer, at a minimum, one unfurnished room, a private bathroom, a kitchenette and a lockable door on the unit entrance.

"Balanced Housing" means the Neighborhood Preservation Balanced Housing Program of the DCA as set forth at N.J.S.A. 52:27D-320 and N.J.A.C. 5:43.

"Certified household" means a household that has been certified by an administrative agent as a low-income household or moderate-income household.

"COAH" means the Council On Affordable Housing in, but not of, the DCA, established under the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301 et seq.).

"DCA" means the State of New Jersey Department of Community Affairs.

"Fair Share Round" means any one of three (3) periods in time during which the Committee established municipal obligations to provide affordable housing and the first

round was from 1987-1993 and the second round was from 1993-1997 and the third round is for 1999-2014.

“HAS” means the Housing Affordability Service, formerly known as the “Affordable Housing Management Service,” in the Department of Community Affairs, Division of Housing.

“Low-income household” means a household with a total gross annual household income equal to fifty (50%) percent or less of the median income.

“Low-income unit” means a restricted unit that is affordable to a low-income household.

“Median income” means the median income by household size for an applicable county, as adopted annually by COAH.

“Moderate-income household” means a household with a total gross annual household income in excess of fifty (50%) percent but less than eighty (80%) percent of the median income.

“Moderate-income unit” means a restricted unit that is affordable to a moderate-income household.

“MONI” means the Agency’s Market Oriented Neighborhood Investment Program, as it may be authorized from time to time by the Agency.

“95/5 unit” means a restricted ownership unit that is part of a housing element that received substantive certification from COAH pursuant to N.J.A.C. 5:93, before October 1, 2001.

“Non-exempt sale” means any sale or transfer of ownership other than the transfer of ownership between husband and wife; the transfer of ownership between former spouses ordered as a result of a judicial decree of divorce or judicial separation, but not including sales to third parties; the transfer of ownership between family members as a result of inheritance; the transfer of ownership through an executor’s deed to a class A beneficiary; and the transfer of ownership by court order.

“Random selection process” means a process by which currently income-eligible households are selected for placement in affordable housing units such that no preference is given to one (1) applicant over another except for purposes of matching household income and size with an appropriately priced and sized affordable unit (e.g., by lottery).

“Regional asset limit” means the maximum housing value affordable to a four-person household with an income at or above eighty (80%) percent of the regional median as defined by the Committees annually adopted income limits.

"Rent" means the gross monthly cost of a rental unit to the tenant, including the rent paid to the landlord, as well as an allowance for tenant-paid utilities computed in accordance with allowances published by DCA for its Section 8 program. In assisted living residences, rent does not include charges for food and services.

"Restricted unit" means a dwelling unit, whether a rental unit or ownership unit, that is subject to the affordability controls of N.J.A.C. 5:80-26.1, but does not include a market-rate unit financed under UHORP or MONI.

"UHORP" means the Agency's Urban Homeownership Recovery Program.

The following general guidelines apply to ALL DEVELOPMENTS that contain proposed low-and moderate-income units, as listed below, and any future developments that may occur.

Section 3. Rehabilitation

The rehabilitation program

1. Little Egg Harbor's rehabilitation program is designed to renovate deficient housing units occupied by low and moderate-income households and after rehabilitation, these units will comply with the New Jersey State Housing Code pursuant to N.J.A.C. 5:28.
2. Little Egg Harbor has designated Ocean County Housing Rehabilitation Program as the administrator of the rehabilitation program.
3. Both renter occupied and owner occupied units are eligible for rehabilitation funds.
4. Both renter occupied and owner occupied units must remain affordable to low and moderate-income households for a period of ten (10) years and for owner occupied units this control period will be enforced with lien and for renter occupied units the control period will be enforce with a deed restriction and a lien.
5. Little Egg Harbor will dedicate a minimum of \$10,000 for units rehabilitated through this program.
6. Little Egg Harbor abides by a rehabilitation manual for this rehabilitation program, which is available for inspection at the County Administration Building.

Section 4. Zoning

Little Egg Harbor has adopted a Growth Share Ordinance [Optional – As these zones do not allow for an increase in the density to accommodate affordable housing and require a maximum of 1 of every 8 market rate residential units or one unit for every 25 jobs created to be affordable to low- and moderate-income households, the zoning is exempt from the State Development and Redevelopment Plan provisions of N.J.A.C. 5:94-4.5(a)1 and 2, which notes that land in State Planning Areas One and Two, and in

designated Centers, are the preferred location for the creation of affordable housing units.]

This ordinance provides for a set-aside of affordable housing (one (1) affordable unit for every eight (8) market rate units). Any payments in lieu of development will be used within Little Egg Harbor for the creation of affordable housing units.

In zones where affordable housing units must be built, as opposed to where there is an option to pay for units instead of building, the following schedule shall be followed:

<u>Percentage of Market-Rate Units Completed</u>	<u>Minimum Percentage (%) of Low- and Moderate-Income Units Completed</u>
25	0
25+1	10
50	50
75	75
90	100

Section 5. New Construction

A. Bedroom Distribution of affordable housing units:

1. The fair share obligation shall be divided equally between low- and moderate-income households.
2. In each affordable development, at least fifty (50%) percent of the restricted units within each bedroom distribution shall be low-income units.
3. Affordable developments that are not age-restricted shall be structured in conjunction with realistic market demands such that:
 - a. The combined number of efficiency and one (1) bedroom units is no greater than twenty (20%) percent of the total low- and moderate-income units;
 - b. At least thirty (30%) percent of all low- and moderate-income units are two (2) bedroom units;
 - c. At least twenty (20%) percent of all low- and moderate-income units are three (3) bedroom units; and
 - d. The remainder may be allocated at the discretion of the developer;
 - e. Age-restricted low- and moderate-income units may utilize a modified bedroom distribution and at a minimum, the number of bedrooms shall equal the number of age-restricted low- and moderate-income units within the affordable development.

B. Accessible Townhouse Units

No accessible townhomes are planned

C. Design Standards

Affordable units shall be designed to include all amenities, facade treatments and living area found in comparable market-rate units located within the same development.

D. Maximum Rents and Sales Prices

1. Little Egg Harbor hereby establishes that the maximum rent for affordable units within each affordable development shall be affordable to households earning no more than sixty (60%) percent of median income and the average rent for low- and moderate-income units shall be affordable to households earning no more than fifty-two (52%) percent of median income.

2. The developers and/or municipal sponsors of restricted rental units shall establish at least one (1) rent for each bedroom type for both low-income and moderate-income units, provided that at least ten (10%) percent of all low- and moderate-income units shall be affordable to households earning no more than thirty-five (35%) percent of median income.

3. The maximum sales price of restricted ownership units within each affordable development shall be affordable to households earning no more than seventy (70%) percent of median income and each affordable development must achieve an affordability average of fifty (50%) percent for restricted ownership units and in achieving this affordability average, moderate-income ownership units must be available for at least three (3) different prices for each bedroom type, and low-income ownership units must be available for at least two (2) different prices for each bedroom type.

4. The provisions of this ordinance shall not apply to affordable developments financed under UHORP or MONI or to assisted living residences, which shall comply with applicable Agency policies, guidelines and regulations.

Section 6. Utilities

1. Affordable units shall utilize the same type of heating source as market units within the affordable development.

2. Those tenant-paid utilities that are included in the utility allowance shall be so stated in the lease and shall be consistent with the utility allowance approved by DCA for its Section 8 program.

Section 7. Occupancy Standards

Occupancy standards for affordable housing units are pursuant to N.J.A.C. 5:80-26.4.

Section 8. Control Periods for Ownership Units and Enforcement Mechanisms

Control periods for ownership units are pursuant to N.J.A.C. 5:80-26.5 and each restricted ownership unit shall remain subject to the requirements of this ordinance until Little Egg Harbor elects to release the unit from such requirements pursuant to action taken in compliance with N.J.A.C. 5:80-26.1 and prior to such an election, a restricted ownership unit must remain subject to the requirements of N.J.A.C. 5:80-26.1 for at least thirty (30) years.

1. At the time of the first sale of the unit, the purchaser shall execute and deliver to the administrative agent a recapture note obligating the purchaser (as well as the purchaser's heirs, successors and assigns) to repay, upon the first non-exempt sale after the unit's release from the requirements of this ordinance, an amount equal to the difference between the unit's non-restricted fair market value and its restricted price and the recapture note shall be secured by a recapture lien evidenced by a duly recorded mortgage on the unit.
2. All conveyances of restricted ownership units shall be made by deeds and restrictive covenants pursuant to N.J.A.C. 5:80-26.1 and each purchaser of a 95/5 unit, in addition, shall execute a note and mortgage, incorporated herein by reference.
3. The affordability controls set forth in this ordinance shall remain in effect despite the entry and enforcement of any judgment of foreclosure with respect to restricted ownership units.

Section 8. Price Restrictions for Ownership Units and Resale Prices

Price restrictions for ownership units are pursuant to N.J.A.C. 5:80-26.1, including;

1. The initial purchase price for a restricted ownership unit shall be approved by the administrative agent. The initial purchase price for all restricted ownership units except those financed under UHORP or MONI shall be calculated so that the monthly carrying costs of the unit, including principal and interest (based on a mortgage loan equal to 95 (95%) percent of the purchase price and the Federal Reserve HR15 rate of interest), taxes, homeowner and private mortgage insurance and condominium or homeowner association fees do not exceed twenty-eight (28%) percent of the eligible monthly income of an appropriate household size as determined under N.J.A.C. 5:80-26.4; provided, however, that the price shall be subject to the affordability average requirement of N.J.A.C. 5:80-26.3.
2. The initial purchase price of a restricted ownership unit financed under UHORP or MONI shall be calculated so that the monthly carrying costs of the

unit, including principal and interest (based on a mortgage loan equal to 95 percent of the purchase price and the Federal Reserve HR15 rate of interest), taxes, homeowner and private mortgage insurance and condominium or homeowner association fees do not exceed twenty-eight (28%) percent of the eligible monthly income of a household whose income does not exceed forty-five (45%) percent of median income, in the case of a low-income unit, or seventy-two (72%) percent of median income, in the case of a moderate-income unit, and that is of an appropriate household size as determined under N.J.A.C. 5:80-26.4.

3. The administrative agent shall approve all resale prices, in writing and in advance of the resale, to assure compliance with the foregoing standards.

4. The master deeds of affordable developments shall provide no distinction between the condominium or homeowner association fees and special assessments paid by low- and moderate-income purchasers and those paid by market purchasers, although condominium units subject to a municipal ordinance adopted before October 1, 2001, which provides for condominium or homeowner association fees and/or assessments different from those provided for in this subsection shall have such fees and assessments governed by said ordinance.

5. The owners of ownership units may apply to the administrative agent to increase the maximum sales price for the unit on the basis of capital improvements. Eligible capital improvements shall be those that render the unit suitable for a larger household or that add an additional bathroom.

Section 9. Buyer Income Eligibility

Buyer income eligibility for ownership units is pursuant to N.J.A.C. 5:80-26.1, such that low-income ownership units shall be reserved for households with a gross household income less than or equal to fifty (50%) percent of median income and moderate income ownership units shall be reserved for households with a gross household income less than eighty (80%) percent of median income.

1. The administrative agent shall certify a household as eligible for a restricted ownership unit when the household is a low-income household or a moderate-income household, as applicable to the unit, and the estimated monthly housing cost for the unit (including principal, interest, taxes, homeowner and private mortgage insurance and condominium or homeowner association fees as applicable) does not exceed thirty-three (33%) percent of the household's eligible monthly income.

2. A restricted ownership unit shall be required to obtain a Continuing Certificate of Occupancy or a certified statement from the municipal building inspector stating that the unit meets all code standards upon the first transfer of title that

follows the expiration of the applicable minimum control period provided under N.J.A.C. 5:80-26.5(a).

Section 10 Rental Units Control Period

Each restricted rental unit shall remain subject to the requirements of this ordinance until Little Egg Harbor elects to release the unit from such requirements, however, prior to such a municipal election, a restricted rental unit must remain subject to the requirements of this ordinance for a period of at least thirty (30) years.

1. Deeds of all real property that include restricted rental units shall contain deed restriction language. The deed restriction shall have priority over all mortgages on the property and the deed restriction shall be filed by the developer or seller with the records office of the County and a copy of the filed document shall be provided to the administrative agent within thirty (30) days of the receipt of a certificate of occupancy.
2. A restricted rental unit shall remain subject to the affordability controls of this ordinance, despite the occurrence of any of the following events:
 - a. sublease or assignment of the lease of the unit;
 - b. sale or other voluntary transfer of the ownership of the unit; and/or,
 - c. the entry and enforcement of any judgment of foreclosure.

Section 11 Price Restrictions for Rental Units and Rent Increase; leases

The initial rent for a restricted rental unit shall be approved by the administrative agent and shall be calculated so as not to exceed thirty (30%) percent of the eligible monthly income of the appropriate household size as determined under N.J.A.C. 5:80-26.4; provided, however, that the rent shall be subject to the affordability average requirement of N.J.A.C. 5:80-26.3.

1. Rents may be increased annually based on the Housing Consumer Price Index for the United States, and these figures are published annually by COAH. Rents may not be increased more than once a year.
2. A written lease is required for all restricted rental units, except for units in an assisted living residence, and tenants are responsible for security deposits and the full amount of the rent as stated on the lease.
3. No additional fees or charges may be added to the approved rent (except, in the case of units in an assisted living residence, for the customary charges for food and services) without the express written approval of the administrative agent. Application fees (including the charge for any credit check) may not exceed five

(5%) percent of the monthly rental of the applicable restricted unit and shall be payable to the administrative agent to be applied to the costs of administering the controls in this ordinance as applicable to the unit.

Section 12 Tenant income eligibility will be enforced pursuant to N.J.A.C. 5:80-26.1.

Section 13 Administrative agent for Little Egg Harbor's affordable housing units

The affordability controls set forth in this ordinance shall be administered and enforced by the administrative agent. The primary responsibility of the administrative agent shall be to ensure that the restricted units under administration are sold or rented, as applicable, only to low and moderate-income households.

1. The administrative agent shall create and shall publish in plain English, and in such other languages as may be appropriate to serving its client base, a written operating manual, as approved by COAH, setting forth procedures for administering such affordability controls, including procedures for long-term control of restricted units; for enforcing the covenants of N.J.A.C. 5:80-26.18 and for releasing restricted units promptly at the conclusion of applicable control periods. The administrative agent shall have authority to take all actions necessary and appropriate to carrying out its responsibilities hereunder. The operating manual shall have a separate and distinct chapter or section setting forth the process for identifying applicant households seeking certification to restricted units, for reviewing applicant household eligibility, and for certifying applicant households in accordance with the household certification and referral requirements set forth in N.J.A.C. 5:80-26.16
2. The administrative agent shall establish and maintain a ready database of applicant households as a referral source for certifications to restricted units, and shall establish written procedures to ensure that selection among applicant households be via the database, and in accordance with a uniformly applied random selection process and all applicable State and Federal laws relating to the confidentiality of applicant records.
3. The municipality in which restricted units are located shall select one or more administrative agents for those units. A municipality itself (through a designated municipal employee, department, board, agency or committee) may elect to serve as the administrative agent for some or all restricted units in the municipality, or the municipality may select HAS or an experienced private entity approved by the Division, the Agency or COAH to serve as administrative agent for some or all restricted units in the municipality. The foregoing approval by COAH or the Division is to be based on the private entity's demonstration of the ability to provide a continuing administrative responsibility for the length of the control period for the restricted units. The Agency shall select the administrative agents for restricted units receiving UHGRP or MONI funding.

4. The administrative agent shall have the authority to discharge and release any or all instruments, as set forth in the Appendices of this ordinance, filed of record to establish affordability controls.

Section 14 Affirmative Marketing

The affirmative marketing plan is a regional marketing strategy 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 housing units which are being marketed by a developer or sponsor of affordable housing. The affirmative marketing plan is also intended to target those potentially eligible persons who are least likely to apply for affordable units in that region. It is a continuing program that directs all marketing activities toward the COAH Housing Region in which the municipality is located and covers the period of deed restriction.

1. The administrative agent shall assure the affirmative marketing of affordable units.
2. If the municipality does not designate a municipal staff person, it shall contract with other experienced administrative agents approved by COAH to administer the affirmative marketing plan. Where the municipality contracts with another administrative agent to administer the affirmative marketing plan, the municipality shall appoint a housing officer who shall supervise the contracting administrative agent. In addition, where the contracting administrative agent is not responsible for the entire affirmative marketing plan, the municipality shall outline who or what municipal agent is responsible for the remaining portion of the affirmative marketing plan. The municipality has the ultimate responsibility for the proper administration of the affirmative marketing program, including initial sales and rentals and resales and re-rentals.
3. In implementing the affirmative marketing plan, administrative agents shall designate an experienced staff person approved by COAH to provide counseling services to low and moderate income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements, and landlord/tenant law.
4. The affirmative marketing plan shall describe the media to be used in advertising and publicizing the availability of housing. In developing the plan, the administrative agent shall consider the use of language translations.
5. The affirmative marketing process for available affordable units shall begin at least four (4) months prior to expected occupancy.

6. Applications for affordable housing shall be available in several locations, including, at a minimum, the county administrative building and/or the county library for each county within the housing region; the municipal administrative building(s) and the municipal library in the municipality in which the units are located; and the developer's sales office. Applications shall be mailed to prospective applicants upon request.

7. COAH shall review and assess the effectiveness of Little Egg Harbor's affirmative marketing program.

Section 15 Household certification and referral; related project information

No household may be referred to a restricted unit, or may receive a commitment with respect to a restricted unit, unless that household has received a signed and dated certification and has executed a certificate.

1. The sources of income considered by the administrative agent shall be the types of regular income reported to the Internal Revenue Service and which can be used for mortgage loan approval.
2. If the applicant household owns a primary residence with no mortgage on the property valued at or above the regional asset limit as published annually by COAH, a certificate of eligibility shall be denied unless the applicant's existing monthly housing costs exceed thirty-eight (38%) percent of the household's eligible monthly income.
3. The administrative agent shall employ a random selection process when referring households for certification to affordable units.

Section 16 Enforcement of Affordable Housing Regulations

By accepting State funds for affordable housing purposes, or by submitting to the jurisdiction of COAH, a municipality shall be deemed to have delegated to its administrative agent the day-to-day responsibility for implementing practices and procedures designed to ensure effective compliance with the controls set forth in this ordinance. The municipality, however, shall retain the ultimate responsibility for ensuring effective compliance with this ordinance.

Administrative agent practices and procedures shall include, but shall not necessarily be limited to, the following:

1. Securing from all developers and sponsors of restricted units, at the earliest point of contact in the processing of the project or development, written acknowledgement of the requirement that no restricted unit can be offered, or in

any other way committed, to any person, other than a household duly certified to the unit by the administrative agent.

2. Requiring that all certified applicants for restricted units execute a certificate substantially in the form, as applicable, of either the ownership or rental certificates.

3. The posting annually in all rental properties, including two-family homes, of a notice as to the maximum permitted rent together with the telephone number of the administrative agent where complaints of excess rent can be made.

4. If the unit is owner-occupied:

a. That the unit may be resold only to a household that has been approved in advance and in writing by the administrative agent.

b. That no sale of the unit shall be lawful, unless approved in advance and in writing by the administrative agent, and that no sale shall be for a consideration greater than regulated maximum permitted resale price, as determined by the administrative agent.

c. That no refinancing, equity loan, secured letter of credit, or any other mortgage obligation or other debt secured by the unit may be incurred except as approved in advance and in writing by the administrative agent, and that at no time will the administrative agent approve any debt, if incurring the debt would make the total of all such debt exceed ninety-five (95%) percent of the then applicable maximum permitted resale price.

d. That the owner of the unit shall at all times maintain the unit as his or her principal place of residence, which shall be defined as residing at the unit at least two hundred sixty (260) days out of each calendar year.

e. That, except as set forth in N.J.A.C. 5:80-26.18(c)4vii, at no time shall the owner of the unit lease or rent the unit to any person or persons, except on a short-term hardship basis, as approved in advance and in writing by the administrative agent.

f. That the maximum permitted rent chargeable to affordable tenants is as stated in the notice required to be posted in accordance with N.J.A.C. 5:80-26.18(d)3 of this ordinance, a copy of which shall be enclosed, and that copies of all leases for affordable rental units must be submitted annually to the administrative agent.

g. Banks and other lending institutions are prohibited from issuing any loan secured by owner-occupied real property subject to the affordability controls set forth in this ordinance, if such loan would be in excess of amounts permitted by

the restriction documents recorded in the deed or mortgage book in the county in which the property is located.

Section 17 Appeals

Appeals from all decisions of an administrative agent appointed pursuant to this ordinance shall be filed in writing with the Executive Director of the Agency.

Types of affordable housing programs are as follows:

1. Municipal Zoning
2. New Construction
3. Municipally Sponsored and 100 percent affordable programs
4. Regional Contribution Agreement
5. Alternative Living Arrangements
6. Accessory Apartments
7. Write Down Buy Down
8. Municipally Sponsored Rental Programs
9. ECHO units
10. Assisted Living Residences
11. Affordable Housing Partnership Programs
12. Expanded Crediting Opportunities

Date of Introduction and First Reading: _____

Date of Introduction and Second Reading: _____

I certify the foregoing Ordinance is a true and accurate copy of an Ordinance adopted by the Little Egg Harbor Township Committee on _____, 2005.

Township Clerk

TOWNSHIP OF LITTLE EGG HARBOR
ORDINANCE NO. 2005-
AN ORDINANCE OF THE TOWNSHIP OF LITTLE EGG HARBOR,
COUNTY OF OCEAN COUNTY AND STATE OF NEW JERSEY,
AMENDING THE LAND USE ORDINANCE OF THE TOWNSHIP
OF LITTLE EGG HARBOR FOR THE ESTABLISHMENT OF A NEW SECTION

ENTITLED "GROWTH SHARE
AFFORDABLE HOUSING PRODUCTION"

WHEREAS, the New Jersey Supreme Court and New Jersey Legislature have recognized and mandated in So. Burl. Co. NAACP v. Mount Laurel, 92 N.J. 158 (1983) ("Mount Laurel II") and the Fair Housing Act, N.J.S.A. 52:27D-301, et. seq. ("FHA") that every municipality in New Jersey has an affirmative obligation to facilitate the prompt provision of affordable housing; and

WHEREAS, the New Jersey Council On Affordable Housing ("COAH") is the State administrative agency created pursuant to the FHA vested with primary jurisdiction for the administration of affordable housing obligations in accordance with sound regional planning considerations in New Jersey; and

WHEREAS, COAH's third cycle Substantive Rules (N.J.A.C. 94-1, et. seq.) implement a "growth share" approach to affordable housing production which requires affordable housing to be produced in conjunction with market-priced residential and nonresidential growth and development within the Township; and

WHEREAS, the Township of Little Egg Harbor desires to implement the "growth share" policies promulgated and announced by COAH in its third cycle Substantive Rules in an effort to foster the production of affordable housing opportunities for qualified low and moderate income households through the third housing cycle which extends from 2000 to 2014; and

WHEREAS, the Township of Little Egg Harbor wishes to implement its affordable housing growth share policies consistent with the policies of the Highlands Water Protection and Planning Act and the State Plan and COAH's Rules;

NOW, THEREFORE, BE IT ORDAINED AND ESTABLISHED by the Township Committee of Little Egg Harbor, County of Ocean and State of New Jersey that Chapter _____ of the Code of the Township of Little Egg Harbor is hereby amended as follows:

SECTION 1. Chapter _____ is amended by the addition of a new Section _____ as follows:

D. Growth Share affordable housing production.

(1) Residential development requirements.

All new residential development in any zoning district shall be required to provide affordable housing at the ratio of one affordable unit for every eight (8) new market-rate residential units proposed. The provision of the affordable unit(s) required shall be through on-site construction, through the creation of affordable units off-site or through a payment in lieu of construction.

(2) Non-residential development requirements.

All new nonresidential development in any zoning district shall be required to provide affordable housing constructed at the ratio of one affordable unit for every twenty-five (25) new jobs created as a result of the proposed nonresidential development project. The calculation of the number of jobs created shall be in accordance with Appendix E of N.J.A.C. 5:94-1, et seq. entitled "UCC Use Groups for Projecting and Implementing Nonresidential Components of Growth Share". The provision of the affordable unit(s) required shall be through on-site construction, through the creation of affordable units off-site or through a payment in lieu of construction.

(3) Payments in lieu of construction.

(a) Payments in lieu of the construction of affordable housing shall be based upon a proportionate share of the total project cost. The actual payment in lieu of construction made by the developer may be negotiated with the Township considering the actual land cost of the site(s) identified for affordable housing construction within Little Egg Harbor Township or the substitution of land, site preparation and/or construction services for all or a portion of the monetary payment otherwise required.

(b) Regardless of the mechanism selected by the developer for satisfying the required number of affordable housing units, any development or portion thereof that generates a fraction of an affordable housing unit as all or a portion of the obligation shall under any circumstances be required to make a payment in lieu of construction for that fraction of a unit based on the pro-rated cost of constructing an affordable housing unit in Little Egg Harbor Township.

(4) Construction of affordable housing on site.

(a) As to affordable housing units constructed on site within a residential development:

[1] The affordable housing units may be provided within duplex buildings, triplex buildings or quadriplex buildings designed to resemble as nearly as possible the single-family homes otherwise being constructed within the development to accommodate the market units. Such buildings shall be deemed to be permitted uses in the underlying zone when created for the purpose of meeting the growth share obligation.

[2] No density bonus shall be granted for the construction of the affordable housing units on-site, but the affordable housing units themselves shall not be included in the calculation of density for the purposes of this Section.

[3] The lots within the development may be reduced in area and width to 80 percent of the area and width otherwise required in the applicable zone in order to accommodate the construction of the affordable housing units on one or more lots on the same tract. All required setbacks, building height and coverage limits for the zone shall be met on all lots, except that, for the purposes of accommodating patios and parking for the affordable units, the maximum lot coverage on any lot containing affordable units shall be _____ percent of the lot area.

[4] All affordable units shall comply with COAH's Rules pertaining to the phasing, integration, low/moderate income split, controls on affordability, bedroom distribution, affirmative marketing, heating source and administration of the affordable units, as set forth in N.J.A.C. 5:94-4.4 and elsewhere in the Rules.

(b) As to affordable housing units constructed on-site within a non-residential development:

[1] Affordable housing units may be constructed within or converted from space above the first floor level in non-residential buildings or may be constructed in a separate building or buildings on the same site as a permitted non-residential use or development, subject to site plan review by the Planning Board. Residential or mixed use buildings containing up to eight (8) affordable housing units each shall be considered to be permitted uses in all non-residential zoning districts in Little Egg Harbor Township, notwithstanding any other provision of the Zoning Ordinance to the contrary.

[2] All required setbacks, building height and coverage limits for the zone shall be met on nonresidential lots containing affordable housing units, except that, for the purposes of accommodating walkways and parking for the affordable units, the maximum lot coverage on any lot containing affordable units may be increased by up to _____ percent more than the coverage limit otherwise allowed on the lot.

[3] In computing the required parking for any mixed use development containing affordable housing units, consideration shall be given to shared parking opportunities.

[4] All affordable units shall comply with COAH's Rules pertaining to the phasing, integration, low/moderate income split, controls on affordability, bedroom distribution, affirmative marketing, heating source and administration of the affordable units, as set forth in N.J.A.C. 5:94-4.4 and elsewhere in the Rules.

(5) Creation of affordable housing units elsewhere within Little Egg Harbor Township.

(a) Developers electing to create affordable housing units elsewhere within Little Egg Harbor Township may do so (insert Planning Board's ideas for examplewithin existing buildings constructed prior to 1930 in the _____ zones of Little Egg Harbor Township or within existing buildings in the _____ zones of Little Egg Harbor Township,) as set forth and regulated herein.

(b) Within the _____ zones in Little Egg Harbor Township, the reconstruction and conversion of any dwelling from a single or two-family dwelling into a building containing up to _____ dwellings in which all such dwelling units are deed restricted for affordability to and occupancy by low and moderate income households shall be permitted as of right, subject to meeting all other requirements of this subsection (5), notwithstanding any other provision of this Ordinance to the contrary.

(c) No individual dwelling shall be smaller than 550 square feet.

(d) All affordable units shall comply with COAH's Rules pertaining to the phasing (with the market units being constructed elsewhere by the same developer), low/moderate income split, controls on affordability, bedroom distribution, affirmative marketing, heating source and administration of the affordable units, as set forth in N.J.A.C. 5:94-4.4 and elsewhere in the Rules.

(e) All required setbacks, building height and coverage limits for the zone shall be met on the lot, except that, for the purposes of accommodating patios (but not decks) and parking for the affordable units, the maximum lot coverage on any lot containing affordable units in the zone shall be _____ percent of the lot area and except further that existing setback deficiencies and other nonconformities of the lot and/or building may be continued without the need for additional variances.

(6) Other requirements.

(a) The use of any of the foregoing mechanisms for providing affordable housing within Little Egg Harbor Township shall be limited to the provision of non-age-restricted rental affordable housing units in compliance with all of COAH's Rules set forth at N.J.A.C. 5:94-1, et seq.

(b) The Planning Board shall have the jurisdiction to consider the grant of a waiver from the foregoing to permit age-restricted or for sale housing where the Board finds that granting such a waiver would be more appropriate to the context of the development or to the location and nature of the affordable housing unit(s) being created. The Planning Board shall consider the Township-wide impacts of such a deviation upon the adopted and COAH-certified Housing Element and Fair Share Plan before approving any such waiver.

(c) A proposed Affordable Housing Production Plan shall be submitted to the Planning Board at the time application is made for any development requiring growth-based affordable housing production pursuant to this Section. This Plan shall be a condition of the "completeness" determination. All Affordable Housing Production Plans shall be the subject of review by the Planning Board's Planner for consistency with COAH's Rules and with the Township's certified third round Housing Element and Fair Share Plan. Compliance with all of the terms of COAH's Rules and with the approved Affordable Housing Production Plan shall be a condition of development plan approval and may be covered by appropriate performance and maintenance guarantees as with any other required improvement.

(d) Where an odd number of low and moderate income housing units are required to be provided, the majority of the units shall be low income units. Where there are an insufficient number of affordable units provided to meet the bedroom distribution requirements of COAH's Rules, the first unit shall be a two bedroom unit, the second unit shall be a three bedroom unit and the third unit shall be a one-bedroom unit. Otherwise, the bedroom distribution shall be in strict accordance with COAH's Rules. It shall be the developer's responsibility, at its sole cost and expense, to contract with a COAH approved and Township designated experienced entity for the initial and ongoing administration of the controls on affordability so as to ensure full COAH compliance. The designated administrative entity shall, by February 1st of each year, and as needed throughout the year, file with the Township Clerk of the Township of Little Egg Harbor such certifications, reports and/or monitoring forms as maybe required by COAH to verify the continuing compliance of each affordable unit with COAH's Rules.

(e) Inclusionary residential developments shall be exempt from the requirements of this Section. Moreover, developments covered by this Section shall be exempt from the payment of Development Fees pursuant to any Development Fee Ordinance adopted by the Township.

SECTION 2. Severability.

If any paragraph, section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional by any Court or administrative agency of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining paragraphs or sections hereof.

SECTION 3. Inconsistency.

All ordinances or parts of ordinances inconsistent with this Ordinance are hereby repealed to the extent of such inconsistency.

SECTION 4. Effective Date.

This Ordinance shall take effect following final adoption and publication in accordance with applicable law.

Date of Introduction and First Reading: _____

Date of Second Reading and Adoption: _____

I certify that the foregoing Ordinance is a true and accurate copy of an Ordinance adopted by the Little Egg Harbor Township Committee on _____, 2005.

Little Egg Harbor Township Clerk

TOWNSHIP OF LITTLE EGG HARBOR
ORDINANCE NO. 2005-
AN ORDINANCE OF THE TOWNSHIP OF LITTLE EGG HARBOR,
COUNTY OF OCEAN COUNTY AND STATE OF NEW JERSEY,
AMENDING THE LAND USE ORDINANCE OF THE TOWNSHIP
OF LITTLE EGG HARBOR FOR THE ESTABLISHMENT OF A NEW SECTION

ENTITLED "AFFIRMATIVE MARKETING ORDINANCE"

Little Egg Harbor, Ocean County has a fair share obligation of one hundred ninety-five (195) recalculated prior round affordable units, zero (0) rehabilitation units and ?????? growth share units which will be satisfied through the construction of (**strategy not decided yet**). This Ordinance will apply to all new apartments that are built and any future development that contain proposed low and moderate income units that may occur:

The affirmative marketing plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of sex, age or number of children, to housing units which are being marketed by a developer/sponsor, municipality and/or designated administrative agency of affordable housing. The plan will address the requirements of N.J.A.C. 5:94 et.al. In addition, the plan prohibits discrimination in the sale, rental, financing or other services related to housing on the basis of race, color, sex, religion, handicap, age, familial status/size or national origin. Little Egg Harbor is in the housing region consisting of Ocean County, Ocean County, and Mercer Counties. The affirmative marketing program is a continuing program and will meet the following requirements:

- All newspaper articles, announcements and requests for applications for low and moderate income units will appear in the following daily newspapers/publications. (One regional newspaper is sufficient as long as the combined outreach efforts attract sufficient applicants.) Traditionally, municipalities place at least one (1) ad

in a regional newspaper, one (1) ad in a countywide newspaper and one (1) ad in a local newspaper.

- The following newspapers will be utilized:
 1. Atlantic City Press
 2. Tuckerton Beacon

The primary marketing will take the form of at least one press release sent to the above publications and a paid display advertisement in each of the above newspapers. Additional advertising and publicity will be on an "as needed" basis. The advertisement will include the:

- street address
- direction to housing units;
- number of bedrooms per unit;
- range of selling prices/rents;
- size of units;
- household income limits and
- location of applications including business hours and where/how applications may be obtained.

All newspaper articles, announcements and requests for applications for low and moderate income housing will appear in the following neighborhood-oriented weekly newspapers, religious publications or organizational newsletters within the region:

- Tuckerton Beacon

If applicable, the following regional radio and/or cable television station(s) will be used:

- 101.5 FM

The following is the location of applications, brochure(s), sign(s), and/or poster(s) used as part of the affirmative marketing program including specific employment centers within the region:

- Municipal Building
- Libraries in Ocean County, Monmouth and Mercer Counties

The following is a list of community organization(s) that will aid in the affirmative marketing program with particular emphasis on contacts that will reach out to groups that are least likely to apply for housing within the region:

- County Offices on Aging in Ocean County, Monmouth and Mercer Counties.

The following is a description of the random selection method that will be used to select occupants of low and moderate income housing: There will be a period in which to complete and submit applications. The names of households that have completed applications in that timeframe and who are income eligible will be randomly selected to see the apartments. The housing administrator will select the renter from the eligible list of applicants.

Little Egg Harbor is ultimately responsible for administering the affirmative marketing program. Little Egg Harbor will delegate this responsibility to a housing administrator which will income qualify low and moderate income households; place income eligible households in low and moderate income units upon initial occupancy; provide for the initial occupancy of low and moderate income units with income qualified households; continue to qualify households for reoccupancy of units as they become vacant during the period of affordability controls; assist with advertising and outreach to low and moderate income households if in contract; and enforce the terms of the deed restriction and mortgage loan as per the Uniform Housing Affordability Controls (UHAC). The Township will also designate a housing officer to act as liaison to the housing administrator. The housing administrator will provide counseling services to low and moderate income applicants on subjects such as budgeting, credit issues, mortgage qualification, responsibilities of homeownership, rental lease requirements and landlord/tenant law.

Applications will be mailed to prospective applicants upon request.

Households who live or work in the COAH-established housing region may be given preference to rental units constructed within that housing region. Applicants living outside the housing region will have an equal opportunity for units after regional applicants have been initially serviced. Little Egg Harbor intends to comply with UHAC.

Developers of low and moderate income housing units may assist in the marketing of the affordable units in their respective developments if so designated by Little Egg Harbor.

The marketing program will commence at least one hundred twenty (120) days before the issuance of either temporary or permanent certificates of occupancy. The marketing program will continue until all low and moderate income housing units are initially occupied and for as long as affordable units are deed restricted and occupancy or reoccupancy of units continues to be necessary.

Little Egg Harbor will comply with monitoring and reporting requirements as per N.J.A.C. 5:94-7.3.

Date of Introduction and First Reading: _____

Date of Introduction and Second Reading: _____

I certify the foregoing Ordinance is a true and accurate copy of an Ordinance adopted by the Little Egg Harbor Township Governing Body on _____, 2005.

Township Clerk