

Old Bridge 1985

Memo to ~~Neisser~~ U.L. V. Carter re: phasing requirements

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JMP

TO: Eric Neisser

From: Tom Hall

Re: Phasing Requirements

Date: 11/11/85

1. The points raised in your recent letter are valid. While O&Y has a preliminary subdivision ready to go, and does not wish to have the process of building housing and " setting the market" delayed while Old Bridge Township sets up its Affordable Housing Agency, O&Y is not planning on shirking its responsibilities and would, in fact, prefer a " pay as you go" system to building affordable housing.

2. O&Y would propose the following schedule:

a. As to the first subdivision-- which is now programmed at 890 units--the affordable housing obligation attached thereto could be deferred, at O&Y's option, for up to one year, or until such time as Old Bridge Township has established its Affordable Housing Agency and promulgated all necessary rules and regulations, which ever is later.

b. The 89 units attributable to the first subdivision will not have to be built as part of that first effort, but will have to be included in the Affordable Housing Plan for the entire development. This Affordable Housing Plan will be filed with the Township Planning Board as part of the application for approval of the second major subdivision to be submitted by O&Y.

c. If it is practical to include some or all of the 89 units attributable to the first subdivision in that project, and if the Township has established the Agency, O&Y will make every effort to build some or all of those units within the first subdivision.

d. If, in O&Y's judgement, it is impractical to build some or all of those 89 units within the first subdivision, then all subsequent subdivisions will be built with 15% lower income housing setaside until such time as the missing 89 units are made up.

e. O&Y would begin providing lower income housing no later than the issuance of the 200th certificate of occupancy for the second subdivision, and would provide lower income housing at increments of 200 market units thereafter. Thus, assuming that no lower income units were provided with the first subdivision, O&Y would build 200 units of the second subdivision and immediately thereafter provide 30 units of lower income housing (15% of 200); and be barred from receiving certificates of occupancy for any other market units (other than those in the first subdivision, referenced in 1, above, until the

lower income housing were provided.

f. Thus, the units would be provided as follows:

890 market units: 89 lower income housing units potentially built as part of that development, potentially deferred.

1st 200 market units of 2nd and all subsequent subdivisions:
20 lower income housing units if no deferral of 1st 89 units; 30 lower income housing units if some or all of those 89 units deferred.

2d 200 market units: 20 lower income housing units if all 89 lower income units made up; otherwise, 30 lower income housing units, and so forth until all 89 units are made up. Assuming total deferral of 89 units, buildout of lower income units would be as follows:

cumulative market (excluding 890 from first application)	cumulative lower income
200 market units	30 lower income units
400 market units	60 lower income units
600 market units	90 lower income units
800 market units	120 lower income units
1000 market units	150 lower income units
1200 market units	180 lower income units
1400 market units	210 lower income units
1600 market units	240 lower income units
1800 market units	269 lower income units (180 lower income units attributable to 1800 market units in subsequent subdivisions plus 89 attributable to first subdivision)

All subsequent subdivisions would continue to supply the units at the rate of 10% for each 200 units.

Nothing herein would prevent O&Y from supplying lower income units sooner. Similarly, if good planning or construction design indicates that minor deviations from this schedule should be permitted, the Planning Board could grant minor deviations--say, no more than one increment of lower income housing-- from the schedule.

3. We might all prefer some kind of annualized production schedule, but since it is not possible to predict what kind of actual building will take place on a year-by-year basis, it seems safer to tie the production of lower income housing to market units built and sold-- i.e., those with c.o.'s.