Fair Share housing allocation for 10 munis in Morris Cty

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A FAIR SHARE HOUSING ALLOCATION

FOR TEN MUNICIPALITIES IN MORRIS COUNTY

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I. INTRODUCTION

This report estimates the "fair share" allocations of present and projected regional low and moderate income housing which must be provided for by ten municipalities in Morris County.* It is designed to act as a blueprint for expanding inadequate housing opportunities for lower income households in the metropolitan region in which these ten communities are located.**

This fair share plan conforms to the definitions and methodological guidelines contained in the recent New Jersey Supreme Court Decision, So. Burlington N.A.A.C.P. et.al. v. Twp. of Mt. Laurel, 92 N.J. 158 (1983), referred to hereinafter as Mount Laurel II. This decision reaffirmed and refined the doctrine, first articulated by the Supreme Court in its 1975 decision in the same case, that municipalities like Mt. Laurel must "affirmatively afford" the opportunity for decent and adequate low and moderate income housing, "at least to the extent of the municipality's fair share of the present and prospective regional need therefor" 67 N.J. 151 (1975) at 174 (hereinafter referred to as Mount Laurel I).

The determination of municipal fair share allocations involves three basic steps:***

- identification of the relevant fair share housing region
- calculation of present and prospective housing needs of low and moderate income households in the region
- allocation of these needs to the municipalities within the region based upon predetermined criteria.

Each of these procedures has generated a wide variety of expert opinion as to the most valid statistical sources, methodologies, and assumptions to be used. In the end, a fair share determination

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is only a best estimate. Determination of housing needs and fair share allocations must, of necessity, rely on less than perfect data as well as an incomplete understanding of the innumerable variables affecting housing supply and demand and an imperfect ability to project future population and housing needs. Given these constraints, the following general principles and assumptions guided this formulation of fair share allocation numbers.

1. The data and estimating techniques used are designed to realistically quantify all major components of present and prospective low and moderate income housing need in accordance with Mount Laurel II mandates.

2. Given the current, nearly total absence of federal or state housing subsidies, it was assumed that the major technique available to satisfy identified low and moderate income housing needs will be construction of new units in developments permitted under "builder's remedies" or under incentive zoning provisions. Such projects must contain at least 20% low and moderate income units with the other 80% typically affordable only to middle and upper income households.

3. The assumptions and methods used are designed to reflect typical housing market dynamics with regard to such issues as price and price elasticity in relation to supply and demand, housing consumer expenditure patterns, downward and upward "filtering" of housing units, etc.

4. The methodology is intended to be readily comprehensible and reproducible using commonly available data.

II. DEFINITION OF REGION

A fair share allocation region is a geographic area within which low and moderate income housing need is quantified and distributed to municipalities in an equitable and rational manner.

A. CRITERIA FOR DEFINING A FAIR SHARE REGION

Five considerations are relevant in determining which communities should be lumped together in an attempt to expand housing opportunities for lower income households. These are discussed below.

1. HOUSING MARKET CONSIDERATIONS

When devising a fair share allocation for a particular municipality the relevant region must incorporate its larger housing market area within which low and moderate income households seeking shelter in that community would be expected to presently live or work. The Supreme Court's definition of region in Mount Laurel II, borrowed from their previous decision in Oakwood at Madison, Inc. v. Twp. of Madison, is

> that general area which constitutes, more or less, the housing market area of which the subject municipality is a part, and from which the prospective population of the municipality would substantially be drawn, in the absence of exclusionary zoning.*

The single most important determinant of residential location is accessibility to employment opportunities.** Thus, a market area definition of region would give substantial

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* 92 N.J. 158 at   , quoting 72 N.J. at 537.

** According to the Federal Housing Administration (FHA);

> The location of actual and prospective employment centers and the availability of transportation facilities of all types underlie the selection of general locational alternatives as places of residence for the working population.

See U.S. Department of Housing and Urban Development, FHA Economic and Market Analyses Division, FHA Techniques of Housing Market Analysis, Washington, D.C.: GPO, 1970, p. 12.

weight to the existing and prospective distribution of jobs in proximity to the subject municipality, particularly when viewed in light of present low and moderate income housing opportunities.

Since World War II employment growth has surged in New Jersey's outlying suburban counties, including Morris, and has lagged in the older, urban counties, such as Essex, Union and Hudson (see Table 1). Nevertheless, the available supply of low and moderate income housing is still mainly confined to older cities with declining employment opportunities, in large part because of exclusionary zoning practices in the areas with job growth. The Supreme Court's housing market definition of fair share region appears to require that suburban areas, with significant numbers of new jobs, include within their region adjacent urban areas with large numbers of low and moderate income workers who, either already work in the outlying growth area or would seek employment there were it not for the absence of suitably-located affordable housing.*

2. THE GOAL OF CONSISTENT REGIONAL DEFINITIONS

Another important criterion laid down by the Supreme Court for determining fair share regions is consistency between the delineations used in various cases. Towards that end the Mount Laurel II decision specifies that any future Mount Laurel litigation shall be assigned to three special judges, each of whom will hear all cases in a particular part of the State. The Supreme Court also granted presumptive validity to any determination of region by the Mount Laurel judges as applied to all municipalities included in that region. With this arrangement the court anticipated

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*   Making the expanding job opportunities of New Jersey's suburbs more accessible to the unemployed poor (who are overwhelmingly concentrated in the State's older cities) is one reason cited by the Supreme Court for its Mount Laurel II decision. See 92 N.J. 158 at   , for footnotes.

Table 1

CHANGE IN PRIVATE COVERED JOBS - ELEVEN NORTHERN NEW JERSEY COUNTIES, 1960 - 1980

County	Covered Jobs*			Change in Employment		Percent Change		
	1960**	1970***	1980	1960-1970**	1970-1980***	1960-1970**	1970-1980***	1960-1980
Bergen	170,765	267,628	340,296	96,863	72,668	+ 57%	+ 27%	+ 99%
Essex	305,903	326,151	308,195	20,248	-17,956	+ 7	- 6	- 1
Hudson	195,837	213,169	180,369	17,332	-32,800	+ 9	- 15	- 8
Hunterdon	8,346	12,991	18,845	4,645	5,854	+ 56	+ 45	+126
Middlesex	110,966	171,337	236,560	60,371	65,223	+ 54	+ 38	+113
Morris	49,527	86,378	149,902	36,851	63,524	+ 74	+ 74	+203
Passaic	125,973	155,021	157,976	29,048	2,955	+ 23	+ 2	+ 25
Somerset	31,218	46,498	79,324	15,280	32,826	+ 49	+ 71	+154
Sussex	6,797	11,184	17,448	4,387	6,264	+ 65	+ 56	+157
Union	154,741	217,425	229,614	62,684	12,189	+ 41	+ 6	+ 48
Warren	15,387	20,404	24,932	5,017	4,528	+ 33	+ 22	+ 62
Total (Area)	1,175,460	1,528,186	1,743,461	352,726	215,275	+ 30	+ 14	+ 48

* Excludes government jobs. By definition, refers to the number of workers eligible by law for New Jersey Unemployment Compensation. The covered statistics contained in these annual reports are for the third quarter of each year. The counts are obtained from employer reports for the payroll period which includes September 12th.

** Change in definition of covered jobs in 1969 resulted in a 6.5% statewide increase.

*** Change in definition in 1972 resulted in a 2.6% statewide increase.

SOURCE: Bureau of Operational Statistics and Reports; New Jersey Department of Labor and Industry, Covered Employment in New Jersey, 1969, 1979 and 1981 Editions.

"that after several cases have been tried before each judge,
a regional pattern for the area for which he or she is re-
sponsible will emerge".*

The goal of defining a consistent set of fair share regions
for all municipalities in New Jersey conflicts with a hous-
ing market definition of region under which each municipal-
ity's residential catchment area is defined by its accessi-
bility to employment (based on reasonable commuting times),
and thus is unique to that community's location and trans-
portation connections. Fair share regions drawn to be con-
sistent for many contiguous municipalities will generally
be larger than ones centered on individual municipalities.

The Supreme Court cautions against narrowly drawn fair share
regions in Mount Laurel II with the observation that "harm
to the objective of securing adequate opportunity for lower
income housing is less likely from imperfect allocation
models than from undue restriction of the pertinent region".**
Thus it appears that a municipality's housing market area
should only be regarded as a starting point in delineating
its fair share region, and other factors, which result in
considerable expansion and modification of these boundaries,
should be given greater weight, where appropriate.

3. SHARING OF HOUSING NEEDS

In addition to adhering to the explicit guidelines found
in the Mount Laurel II decision, fair share regions must
meet the implicit requirement that increased opportunities
for low and moderate income households can be realistically
provided within their respective borders. This criterion
is articulated in Justice Pashman's concurring opinion in
Mount Laurel I where he states that, among other things, a

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*   92 N.J. 158 at   .
**   92 N.J. 158 at   citing 72 N.J. 481 at 541.

fair share region is "the area in which the housing problem
can be solved".* On a practical level a fair share region
must include a reasonable balance between municipalities
with relatively large numbers of needed housing units and
little available vacant land on which to build them, such
as Essex and Hudson Counties, and areas containing ade-
quate land resources with which such needs can be shared,
such as suburban portions of Morris and Somerset Counties.
A region which is defined too narrowly and predominantly
consists of communities with either great housing need or
large land resources is inimical to the purpose of a fair
share allocation area, namely the sharing of such needs
and resources.

4.   DATA AVAILABILITY AND RELIABILITY

A more mundane determinant of fair share regions is the
availability of reliable data with which to determine pres-
ent housing need and estimate future needs. Future needs
must be derived from projections of population and house-
hold growth, which are generally unavailable for geographic
areas any smaller than counties. Population projections
at the municipal level, when attempted, are notoriously
unreliable.**

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*   67 N.J. 151 at   . The Mount Laurel II decision at   endorses
Justice Pashman's recommendations of factors to consider in defining
region. The Justice's other recommended factors were the area inclu-
ded in the interdependent residential housing market; the area en-
compassed by significant patterns of commutation; and the area served
by major public services and facilities.

**   The New Jersey Department of Community Affairs, in a working paper on
Housing Allocation Regions, cautioned against defining regions where
municipal projections would have to be relied upon, with the following
explanatory footnote:

    the New Jersey Department of Labor and Industry, which prepares
    such projections, has observed,"in the case of small geographical
    areas, such as municipalities, projections are subject to a very
    high degree of uncertainty". In explaining this, it was stated
    that population projections (and impliedly housing need projections)
    are affected by a myriad of social, economic and governmental fac-
    tors. This makes municipal projections extremely tenuous. (Cont'd.
    on following page)

The Supreme Court in Mount Laurel II explicitly rejects the
use of municipal population projections in calculating fair
share allocations because, the court believed, "one of the
factors necessarily involved in such municipal population
projections is the prior and probable future effect of the
municipality's exclusionary zoning".* The decision goes
on to explain,

> If, because of that exclusionary zoning, a suburban
> municipality with substantial developable land has
> a very, very small probable growth as shown by the
> most reliable population projections (resulting in
> part from its very small past growth caused by ex-
> clusionary zoning), it should not be allowed to
> evade its obligation by basing its fair share of
> the lower income housing need on that small projec-
> ted population growth.**

While the court is referring specifically to municipal fair
share allocations based solely on the subject municipality's
projected population growth, an equally invalid fair share
number would result from the use of a region for which only
municipal population projections are available. For this
reason, only regions consisting of one or more whole coun-
ties meet the criterion of having readily available and
reliable data upon which to base fair share allocations.***

(Cont'd.) (Quoted from: N.J. Department of Community Affairs, Division
    of State and Regional Planning, Housing Allocation Regions, Summer
    1976).

For a more detailed discussion, see Working Paper Number 2, "Provisional
Municipality Population Projections 1985", Office of Business Economics,
December 1975, pp. 3-4.

*   92 N.J. 158, at   .

**   Id at   .

*** With respect to regional population projections the Supreme Court
    observed:

> It may be that the overall population projections for the State of
> New Jersey and for its various regions are somewhat affected by the
> aggregate impact of exclusionary zoning - that is something for ex-
> perts to determine. Even so, when gross population projections are
> used for a region, it is more likely that the total lower income
> housing need will be included and much more likely that whatever
> lower housing income need is in fact included will be distributed
> fairly, not in accordance with prior patterns of exclusionary zon-
> ing but in accordance with suitability for such housing. 92 N.J.
> 158 at   .

5. RELATIONSHIP TO EXISTING PLANNING REGIONS

Morris County, in which the ten subject municipalities are located, is already recognized as an integral part of an officially-sanctioned "Tri-State" planning region, which incorporates all of the counties in New York, New Jersey and Connecticut with strong economic, transportation and social ties to New York City and each other. Nine counties in northern New Jersey are included: Bergen, Essex, Hudson, Middlesex, Monmouth, Morris, Passaic, Somerset and Union (see Map 1).

Since its creation by Interstate compact in 1971 the Tri-State Regional Planning Commission attempted to define and coordinate planning policies in this metropolitan region, including housing policies.* Its 1978 housing plan, People, Dwellings & Neighborhoods contained a regional allocation plan for lower-income households requiring assistance.
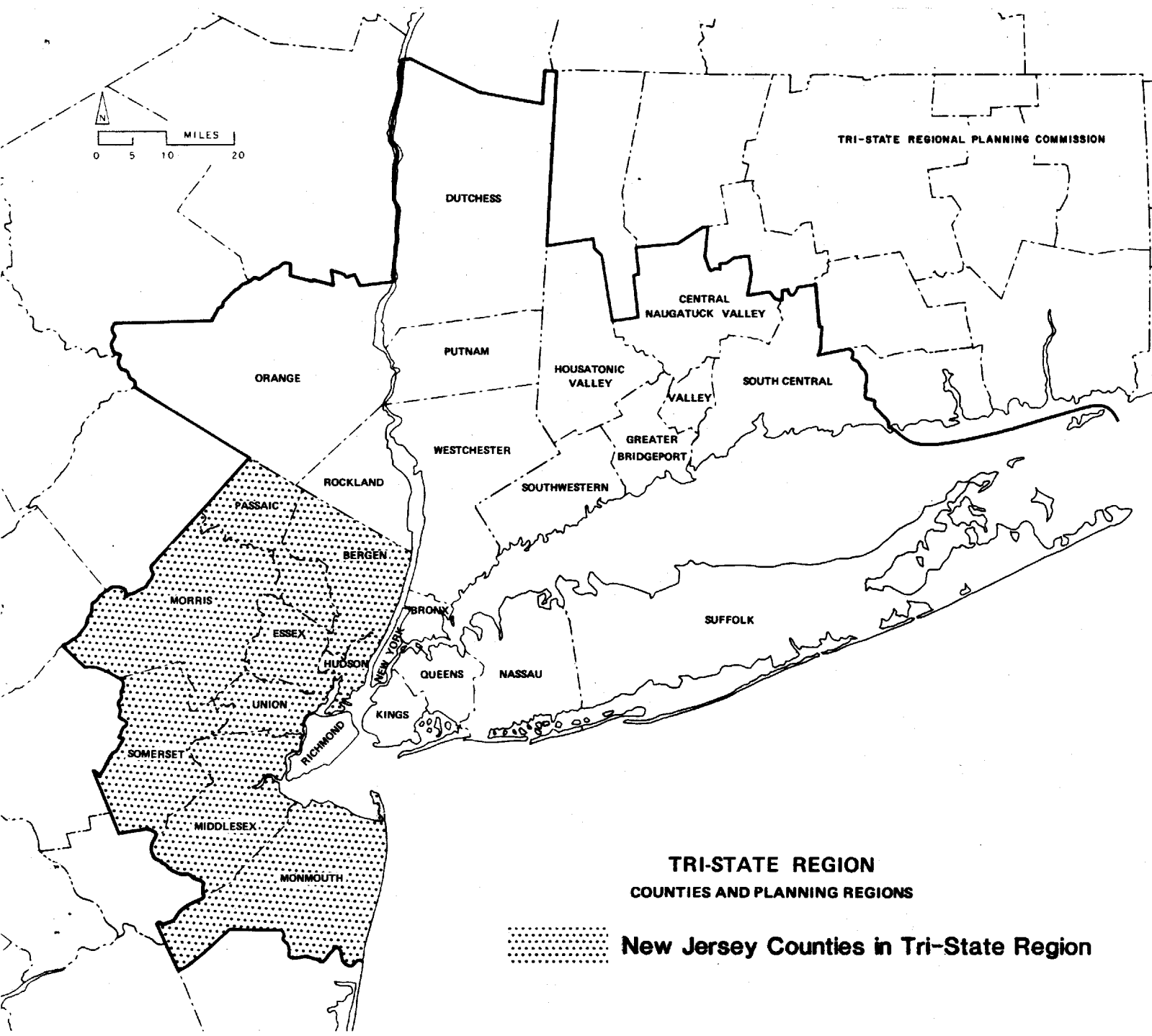
The Supreme Court in Mount Laurel I advised that, "...restriction within the boundaries of the state seems practical and advisable", when delineating fair share regions. If the New Jersey portion of the Tri-State metropolitan region is considered apart from New York and Connecticut, together these nine counties exhibit many of the characteristics needed for a workable allocation region, as well as strong transportation, economic and social ties.

An even broader definition of a metropolitan planning region is used by the non-profit Regional Plan Association (RPA) of New York. This influential planning advisory body defines the greater New York Region as encompassing 31 counties, including all 14 New Jersey counties north of Burlington (including Ocean).

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* The Tri-State Planning Commission succeeded the Tri-State Transportation Committee, which had undertaken regional planning studies since 1965. In early 1983 the Planning Commission was dissolved due to disagreements between New Jersey, New York and Connecticut concerning its funding and scope of activities.

MAP 1

THE TRI-STATE REGION
AS DEFINED BY TRI-STATE REGIONAL PLANNING COMMISSION

N

MILES

0   5   10   20

TRI-STATE REGIONAL PLANNING COMMISSION

DUTCHESS

CENTRAL
NAUGATUCK VALLEY

PUTNAM

HOUSATONIC
VALLEY

ORANGE

VALLEY   SOUTH CENTRAL

GREATER
BRIDGEPORT

WESTCHESTER

ROCKLAND   SOUTHWESTERN

PASSAIC

BERGEN

MORRIS   BRONX   SUFFOLK

ESSEX

HUDSON   NEW YORK

QUEENS   NASSAU

UNION   KINGS

RICHMOND

SOMERSET

MIDDLESEX

MONMOUTH

TRI-STATE REGION
COUNTIES AND PLANNING REGIONS

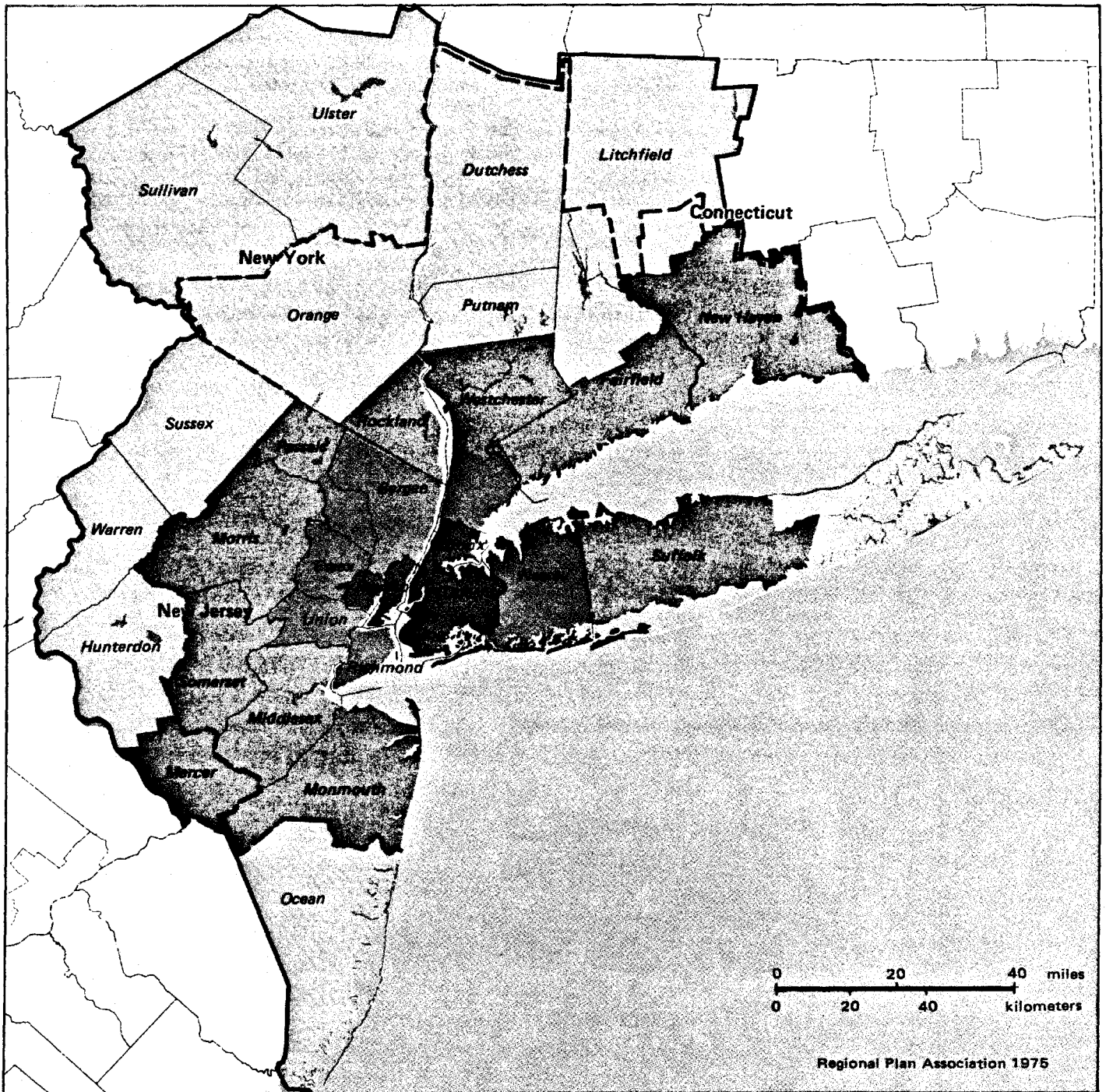New Jersey Counties in Tri-State Region

RPA has, however, broken this area down into four sub-regions defined mainly by their increasing distance from New York City and corresponding decline in intensity of development. In the New Jersey sector of the RPA metropolitan region these four "Rings of Development" are delineated as follows: a heavily urbanized "Core", containing all of Hudson County along with the City of Newark; a mostly high-density suburban "Inner Ring", consisting of Bergen, Essex, Union and southern Passaic; a moderate-density "Intermediate Ring", which includes Mercer, Middlesex, Monmouth, Morris, Somerset and northern Passaic; and a relatively low-density "Outer Ring", encompassing Hunterdon, Ocean, Sussex and Warren (see Map 2).

The New Jersey sector of the RPA planning region is clearly too large to serve as a viable fair share region, based on the market/accessibility criterion (encompassing, as it does, two-thirds of the counties in the state). However, its sub-regions provide a useful delineation of the areas with large housing needs and little available land (the Core and Inner Ring) as opposed to areas with relatively modest housing needs and ample land resources (the Intermediate and Outer Rings). In fact, these criteria were important determinants of RPA's definition of the various Rings of Development within the region.*

B. DELINEATION OF FAIR SHARE REGION FOR MORRIS COUNTY

Based on the above criteria it is apparent that Morris County is not an appropriate housing allocation area by itself. Such a region would violate the principle of sharing housing needs and resources and is also unrealistically restrictive based on housing market and job locations characteristics.

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* For a full discussion of the characteristics of RPA's rings, see Regional Plan Association,

MAP 2

Ulster

Litchfield

Sullivan

Dutchess

Connecticut

New York

New Haven

Orange

Putnam

Fairfield

Westchester

Sussex

Rockland

Warren

Morris

Suffolk

New Jersey

Union

Hunterdon

Richmond

Somerset

Middlesex

Mercer

Monmouth

Ocean

| 0 | | 20 | | 40 | miles |
| 0 | 20 | | 40 | | kilometers |

Regional Plan Association 1975

The Region's Rings of Development

- Core
- Inner Ring
- Intermediate Ring
- Outer Ring
- ——— RPA 31-county Region
- — — Tri-State Regional Planning Region

THE NEW YORK URBAN REGION

as defined by
Regional Plan Association

Morris County's strong transportation and economic links to
the rest of the northeastern New Jersey-New York metropolitan
region are evident from the fact that nearly 40% of Morris
County's employed residents work in other counties; 6% work
outside of New Jersey entirely.* Morris clearly serves as a
commuter suburb to other large employment centers in the
metropolitan region, while experiencing tremendous job growth
itself, which is attracting increasing numbers of commuters
from other New Jersey counties.

The five metropolitan counties in RPA's "Core" and "Inner Ring"
(Bergen, Essex, Hudson, Passaic and Union), to which Morris is
strongly linked by transportation, service and employment pat-
terns, all have unfavorable balances between housing need and
land resources. The three adjacent "Intermediate Ring" coun-
ties (Middlesex, Morris and Somerset) contain large quantities
of vacant land and relatively small numbers of households with
housing needs. When combined with the five resource-deficient
counties the result is an eight-county region in which an
equitable sharing of housing needs and land resources can occur.

Table 2 depicts the relative levels of housing needs and land
resources for counties in this eight-county region. Numbers
of low and moderate income households provide an indication of
financial need and numbers of physically-deficient and over-
crowded housing units serve as reliable indicators of physical
housing needs.** These are compared with the quantity of
vacant, developable land theoretically available for the con-
struction of new housing in each county.

The five heavily-developed counties with unfavorable balances
between housing needs and resources contain 82% of the low and
moderate income households in the region and 84% of the physi-
cally deficient and overcrowded units, but only 20% of the

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*   1980 U.S. Census of Population, STF 3, Profile V.
**   See Chapter V for a full discussion of present housing needs and
     their indicators.

Table 2

HOUSING NEED AND LAND RESOURCE

INDICATORS FOR EIGHT-COUNTY REGION

County	Low & Moderate Income Households 1979*		Physically Deficient & Overcrowded Housing Units 1980**		Vacant Developable Land (1975-76)**	
	No.	% of Region	No.	% of Region	Acres	% of Region
Counties with Unfavorable Balance Between Housing Need and Land Resources						
Bergen	93,178	15.3%	12,936	10.2%	14,715	5.8%
Essex	152,008	25.0%	34,752	27.3%	8,813	3.5%
Hudson	116,437	19.1%	31,658	24.9%	-0-	0.0%
Passaic	70,203	11.5%	16,888	13.3%	23,011	9.0%
Union	65,218	10.7%	10,853	8.5%	3,655	1.4%
Subtotal	497,044	81.6%	107,087	84.1%	50,194	19.7%
Counties with Favorable Balance Between Housing Need and Land Resources						
Middlesex	63,053	10.4%	10,029	7.9%	62,810	24.6%
Morris	31,590	5.2%	7,786	6.1%	95,482	37.4%
Somerset	17,317	2.8%	2,369	1.9%	46,483	18.2%
Subtotal	111,960	18.4%	20,184	15.9%	204,775	80.3%
Total for Region	609,004	100.0%	127,271	100.0%	254,969	100.0%

*The number of households earning less than 80% of the median household
   income for the region. The 1979 median household income for the
   eight-county region was approximately $20,474; 80% of the median was $16,379.

**See Table 10 for definitions.

***Vacant Developable Land is defined as all vacant land excluding land with
   greater than 12% slope, wetlands and publicly-owned land as well as land
   qualifying for farmland assessment.
   Percentages may not add up due to rounding.

SOURCES: Low & Moderate Income Households: 1980 U.S. Census of Population
          and Housing, Summary Tape File 3, Profile VII, Table 51.

          Physically Deficient & Overcrowded Units: 1980 U.S. Census of
          Population and Housing, Summary Tape File 3, Profile X,
          Table 15 & 17; Profile XII, Tables 35 & 38. See Table
          of this report for calculations.

          Vacant Developable Land: Division of State and Regional Planning,
          N.J. Department of Community Affairs, A Revised Statewide Housing
          Allocation Report for New Jersey, May 1978, Appendix D.

region's vacant developable land. Conversely, the less developed counties of Middlesex, Morris and Somerset include 18% of the low and moderate income households and 16% of the physically deficient and overcrowded dwelling units in the eight-county region, yet their vacant, developable land comprises approximately 80% of the region's total. Morris County contains 5% of the region's low and moderate income households, 6% of its physically deficient and overcrowded units and 37% of its vacant, developable acreage.

In addition to making possible the sharing of housing needs and reflecting recognized transportation, economic and social linkages within northeastern New Jersey, an inclusive eight-county region promotes the Supreme Court's goal of consistent and non-overlapping regional definitions. Any smaller allocation regions for this part of the state leave one or more counties without realistic partners with which they can share needs and resources.

The eight-county region is larger than most housing market areas. Because of this, not all parts of the region are within easy commuting distance of the ten subject Morris County municipalities. Nevertheless, most of the region is within a 30-minute drive from the Morris County border, and virtually all of it is no further than 45 minutes. In addition, the region incorporates interrelated areas of job growth and employment decline and thus takes into account the need to provide housing for low and moderate income workers who can be expected to migrate within northeastern New Jersey in response to shifting job opportunities.

In conclusion, with respect to the ten subject Morris County communities, a housing allocation region consisting of Bergen, Essex, Hudson, Middlesex, Morris, Passaic, Somerset and Union Counties is best suited to meet both the judicial and functional requirements inherent in the term "fair share region".

LOCATION OF TEN SUBJECT MUNICIPALITIES WITHIN THE EIGHT-COUNTY REGION

::::::::::: Subject Municipalities

————— Boundary of Eight-County Fair Share Region

To define such a region more narrowly in this instance would
be to disregard the Supreme Court's admonition that harm to
the objective of securing adequate opportunity for lower in-
come housing is less likely from imperfect allocation models
than from undue restriction of the pertinent region.*

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*   92 N.J. 158 at   citing 72 N.J. 481 at 541.

III. DETERMINATION OF PROSPECTIVE NEED

A. INTRODUCTION

In Mount Laurel I and II the Supreme Court set forth "a municipal obligation to provide a realistic opportunity for a fair share of the region's present and prospective low and moderate income housing need".* However, prospective need is only defined as "the number of units...needed for a reasonable period of time in the future".**

For the purpose of this fair share plan a seven-year period (1983 to 1990) appears to be most appropriate. While past allocation plans have often projected housing need for a twenty-year period, the reliability of such projections decreases rapidly with increasing time. It appears that a more sensible approach is to make shorter-term projections which are then updated as soon as new baseline data becomes available. In practical terms, the next opportunity to obtain a detailed picture of regional housing conditions and needs will be when the next Census is undertaken in 1990.

A seven-year time frame also makes sense as a reasonable planning horizon for municipalities seeking to adjust their land use regulations to provide for low and moderate income housing needs. The New Jersey Municipal Land Use Law mandates re-examination of each municipality's land development regulations at least every six years.*** A seven-year housing need projection leaves one year for municipalities to modify their development regulations to reflect this estimate, followed by six years prior to the next required periodic re-examination of such ordinances.

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*   92 N.J. 158 at   .

**   Id at   .

***   N.J.S.A. 40:55D-89.

The future need for low and moderate income housing is largely
determined by the rate at which new low and moderate income
households are formed or migrate to the region.* This, in
turn, is largely a function of population growth, although
many other variables, such as the age distribution of the popu-
lation, marriage and divorce rates, family composition, social
forces, employment patterns and the availability of housing
all contribute to determine the number of households. The
total population of the eight-county region fell by 195,000,
or 4%, between 1970 and 1980, yet the number of households
grew by 92,000, or more than 6%. Obviously, the average num-
ber of persons in each household must have declined, and it
did; from 3.14 in 1970 to 2.83 in 1980, a drop of nearly 10%.
Thus, it is the combination of projected population change
and household size which determines the number of housing
units needed in the future.

B. PROJECTED POPULATION CHANGE

Relatively sophisticated county population projections for 1990
have recently been prepared by the New Jersey Department of
Labor.** In addition to total numbers of persons expected to
reside in each county in 1990, estimates of the numbers of
persons by sex and age group have been calculated.

Separate sets of projections were generated by four different
models of future growth patterns. Two models (the ODEA Economic/
Demographic and ODEA Demographic Cohort) are "preferred" by the
Department of Labor as theoretically superior to the other two
"regression" models. Both ODEA models are "cohort-component
method" projections, however the Economic/Demographic model
differs from the Demographic Cohort method in that migration of

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*   The Census defines "household" as all the persons who occupy a hous-
ing unit". Thus, by definition, there is a one-to-one relationship
between the number of households and the number of housing units
needed.

** Office of Demographic and Economic Analysis, Division of Planning and
Research, N.J. Department of Labor, New Jersey Revised Total and Age
& Sex Population Projections (1985 to 2000), July, 1983.

persons 65 years of age and under is computed based upon projected labor market conditions rather than on the basis of migration trends during the previous decade.* As such, the Economic/Demographic model appears to be better suited to projecting future housing needs, since such needs are most strongly connected with future changes in employment locations and number of jobs.

Table 3 gives the projected 1990 population of each county within the region, as well as historical population and population change figures for 1960, 1970 and 1980. While the region's population grew by 540,000, or 13%, during the 1960s, significant population losses in all of the "Core" and "Inner Ring" counties between 1970 and 1980 resulted in a net decline of 195,000 persons for the region during the 1970s.

The ODEA Demographic/Economic Model projects a modest 5% rebound in the region's population by 1990, essentially bringing it back to its 1970 level. The total population is expected to rise by 206,000, from approximately 4.4 million persons in 1980 to 4.6 million in 1990. All counties except Essex, Hudson and Passaic are expected to experience significant population growth. The "Intermediate Ring" counties of Middlesex, Morris and Somerset, which have shown consistent population increases since 1960, are expected to grow by 198,000 persons, or 16%, between 1980 and 1990, and account for most of the region's population growth this decade. In contrast, Essex and Hudson are projected to lose 88,000 persons, or 6% of their residents, during the decade. A county-by-county comparison with Table 1 shows that population changes have historically been closely related to employment shifts.

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*   See Id pp. 1-8 for a full discussion of the assumptions and methodologies used to generate these two sets of projections.

TABLE 3

CHANGE IN TOTAL POPULATION - EIGHT COUNTY REGION, 1960-1990

County	Total Population				Change in Population			Percent Change		
	1960	1970	1980	Projected 1990	1960-1970	1970-1980	1980-1990	1960-1970	1970-1980	1980-1990
Bergen	780,255	897,148	845,385	915,600	116,893	-51,763	70,215	+15.0	- 5.8	+ 8.3
Essex	923,545	932,526	851,116	789,400	8,981	-81,410	-61,716	+ 1.0	- 8.7	- 7.3
Hudson	610,734	607,839	556,972	530,500	-2,895	-50,867	-26,472	- 0.5	- 8.4	- 4.8
Middlesex	433,856	583,813	595,893	690,400	149,957	12,080	94,507	+34.6	+ 2.1	+15.9
Morris	261,620	383,454	407,630	467,700	121,834	24,176	60,070	+46.6	+ 6.3	+14.7
Passaic	406,618	460,782	447,585	451,000	54,164	-13,197	3,415	+13.3	- 2.9	+ 0.8
Somerset	143,913	198,372	203,129	246,800	54,459	4,757	43,671	+37.8	+ 2.4	+21.5
Union	504,255	543,116	504,094	526,500	38,861	-39,022	22,406	+ 7.7	- 7.2	+ 4.4
Total Area	4,064,796	4,607,050	4,411,804	4,617,900	542,254	-195,246	206,096	+13.3	- 4.2	+ 4.7

SOURCES: For 1960, 1970 and 1980, U.S. Censuses of Population.

For 1990, Office of Demographic and Economic Analysis, Division of Planning and Research, New Jersey Department of Labor, New Jersey Revised Total and Age & Sex Population Projections, ODEA Demographic-Economic Model, July 1983.

C. PROJECTED HOUSEHOLD CHANGE

Average household sizes in the United States and in New Jersey
have declined steadily since the turn of the century. The
statewide average of 3.76 persons per household in 1940 dropped
to 3.17 by 1970 and 2.84 by 1980. The regional average house-
hold size has closely followed the New Jersey figure, falling
from 3.26 persons per household in 1960 to 3.14 in 1970 and
2.83 in 1980.

Recent declines in average household size, which appear to
have accelerated during the 1970s, are in large part the result
of increasing economic independence among the elderly, the re-
tired and the adult unmarried population, as well as generally
fewer children per married couple.* These forces are very
evident from an examination of regional population trends by
age group and changes in household characteristics as shown
in Table 5 for the period from 1960 to 1980 with projections
to 1990.

The total number of households in the region grew by 18% from
1960 to 1970 and 6% from 1970 to 1980. However, the number
of families with children dropped by 9% after 1970, mirroring
an even larger (23%) decline in the number of persons under
18 years old living in households. At the opposite end of the
age spectrum, the number of elderly households (headed by per-
sons 65 years and over) shot up by 21% between 1970 and 1980,
while the elderly population in households grew by only 14%.
Thus, for this age group, the rate of household formation oc-
curred at one and one-half times the rate of population growth.

Persons living alone in "one-person households" comprise the
fastest-growing household type in the region and have become
voracious consumers of housing. During the 1960s the number
of such households expanded by 10%, a considerably lower

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* See U.S. Dept. of HUD, FHA Techniques..., op.cit., pp. 94-95.

Table 4

POPULATION AND HOUSEHOLDS FOR EIGHT-COUNTY REGION, 1980

County	Total Population	Population in Group Quarters	Population in Households	Households	Persons Per Household*
Bergen	845,385	7,684	837,701	300,410	2.79
Essex	851,116	13,033	838,083	300,303	2.79
Hudson	556,972	6,028	550,944	207,857	2.65
Middlesex	595,893	19,286	576,607	196,708	2.93
Morris	407,630	9,001	398,629	131,820	3.02
Passaic	447,585	7,062	440,523	153,463	2.87
Somerset	203,129	4,469	198,660	67,368	2.95
Union	504,094	4,820	499,274	177,973	2.81
Region	4,411,804	71,383	4,340,421	1,535,902	2.83

* By Census definition, the term "household" is interchangeable with "occupied housing units".

SOURCE: 1980 U.S. Census of Population, Summary Tape File 1.

Table 5

CHANGES IN POPULATION AND HOUSEHOLD CHARACTERISTICS
EIGHT-COUNTY REGION, 1960-1990

	1960	1970	1980	Projected 1990	% Change '60-'70	% Change '70-'80	Projected % Change '80-'90
POPULATION BY AGE GROUP							
Total Persons in Households	3,991,711	4,538,439	4,340,421	4,546,517	+ 13.7	- 4.4	+ 4.7
- Under 18 Years	1,325,639	1,496,163	1,152,641	1,008,433	+ 12.9	- 23.0	- 12.5
- 18-64 Years	2,316,725	2,625,217	2,711,256	3,001,199	+ 13.3	+ 3.3	+ 10.7
- 65 Years and Older	349,347	417,059	476,524	536,885	+ 19.4	+ 14.3	+ 12.7
HOUSEHOLDS BY TYPE*							
Total Households	1,226,177	1,443,412	1,535,902	1,676,821**	+ 17.7	+ 6.4	+ 9.2
- Families With Children Under 18	602,687	644,195	593,595	557,145**	+ 6.9	- 7.9	- 6.1
- Elderly Households (With Householders 65 Years or Older)	N.A.	248,472	301,582	351,476**	N.A.	+ 21.4	+ 16.5
- One Person Households	211,639	232,215	330,474	431,663**	+ 9.7	+ 42.3	+ 30.6
AVERAGE HOUSEHOLD SIZE	3.26	3.14	2.83	2.71**	- 3.7	- 9.9	- 4.2

* Household types are not mutually exclusive or comprehensive. Considerable overlap between categories no doubt exists.
** Projected by ASA. See derivation in Table .
NA Data Not Available.

SOURCE: 1960, 1970 and 1980 U.S. Census of Population and Housing and, for 1990, the N.J. Revised Total Age + Sex Population Projections, ODEA Economic-Demographic Model, July 1983.

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growth rate than the 17% increase in total households. Between
1970 and 1980, however, this group exploded, growing by 42%
during a decade when the total number of households went up by
only 6%. Two groups accounted for much of the increase in
one-person households: elderly women whose husbands have died;
and young adult members of the huge "baby boom" generation,
born between 1946 and 1957, who have tended to leave their
parents' homes earlier and marry later than previous genera-
tions.

Using the age-specific ODEA Economic/Demographic population
projections generated by the N.J. Department of Labor, and ob-
served shifts in household composition summarized in Table 5,
detailed projections of the numbers of households in 1990, by
type, were derived for the region. These are included in
Table 5.

The total number of households in the region is projected to
be 1,676,821 in 1990. With a projected household population
of 4,546,517, the resulting average household size is 2.71.
This represents a decline of 4.2% from the 1980 figure, which
is considerably less than the 9.9% decline in household size
experienced between 1970 and 1980.

The more modest drop in household size projected for the 1980s
reflects several factors. First, the number of one-person
households will tend to grow less rapidly due to the fact that
the "baby boom" generation has passed its peak household-forma-
tion years, which the small "baby bust" generation, born after
1957, has now entered. Many of the "baby boomers" will be
having children during the decade, which will result in a
large number of households with three or more persons.

In addition, the proportion of elderly living in one-person
households, which increased from 23% to 27% during the 1970s,
will not rise as quickly during the 1980s due to the fact that

this population group is living longer, on average, and a growing proportion will be unable to live independently without someone to help care for them.

Finally, the rapid inflation in housing costs which occurred during the 1970s will undoubtedly inhibit new household formation somewhat during the 1980s. In this sense the prospective supply of affordable housing units in the region will play a role in determining future household size. If units are not readily available, "doubling-up" and extended-family households will become more common, thereby contributing to a higher average household size.

D.   PROJECTED LOW AND MODERATE INCOME HOUSEHOLD GROWTH

Table 6 gives the most recent count of low and moderate income households in each of the region's eight counties based on 1979 income data. Low-income households are defined as those with incomes no greater than 50% of the median household income for the region.* Moderate income households are those whose incomes do not exceed 80%, and are no less than 50%, of the regional median.

The 1979 median income for the eight-county region was $20,474. Thus, households with no more than $10,237 of income (in 1979) fell into the low-income category and those earning between $10,237 and $16,379 were classified as moderate income.

A total of 609,004 households, or 39.6% of all households in the region, had low or moderate incomes in 1979. Of these, 369,840, or 24.1% of all households, were low-income and 239,164, or 15.6%, were moderate income. These proportions are practically the same as the statewide figures.

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*   92 <u>N.J.</u> 158 at   , footnote 8.

Table 6

LOW AND MODERATE INCOME HOUSEHOLDS IN EIGHT-COUNTY REGION

BASED UPON 1979 REGIONAL MEDIAN INCOME

County	1980 Total Households*	1979 County Median Income ($)	Low & Moderate Income Households		Moderate Income Households		Low Income Households	
			No.	% of Co.	No.	% of Co.	No.	% of Co.
Bergen	299,880	24,056	93,178	31.1	41,632	13.9	51,546	17.2
Essex	300,782	16,186	152,008	50.5	51,880	17.2	100,128	33.3
Hudson	208,062	14,384	116,437	56.0	39,842	19.2	76,595	36.8
Middlesex	196,969	22,826	63,053	32.0	27,932	14.2	35,121	17.8
Morris	131,777	26,626	31,590	24.0	15,906	12.1	15,684	11.9
Passaic	153,587	17,907	70,203	45.7	26,243	17.1	43,960	28.6
Somerset	67,383	26,237	17,317	25.7	8,190	12.2	9,127	13.5
Union	177,808	21,625	65,218	36.7	27,539	15.5	37,679	21.2
Region	1,536,248	20,474**	609,004	39.6	239,164	15.6	369,840	24.1

*Numbers of households by income are from Census sample counts and thus differ slightly from the full-count household data reported elsewhere in this report.

**Estimate of regional median income made with straight line interpolation of income ranges found in the 1980 U.S. Census Summary Tape File 3 for New Jersey, Profile VII, Table 51.

SOURCE: 1980 U.S. Census of Population, Summary Tape File 3, Profile VII.

Hudson County had the highest proportion of households with low and moderate incomes in the region - 56.0%, of whom 36.8% were low income. However, Essex County had the largest absolute number of low and moderate income households - 152,008, or more than one quarter of the regional total. Morris County had the lowest proportion of income-restricted households in the region. Only 24.0% of Morris' households fell into the low and moderate income range and a mere 11.9% were in the low-income category.

The number of households projected for the region in 1990 (1,626,821) compared to the known number of households in 1980 (1,535,902) yields a net increase of 140,919 households. An assumption was made that low and moderate income household growth will occur at the same rate as overall household growth during this decade. In other words, the proportion of such households is expected to remain essentially constant. This was the case in both New Jersey and the region during the 1970s and was considered to be a reasonable assumption by the Supreme Court in a footnote to the Mount Laurel II decision.*

Thus, 39.6%, or 55,804 of the 140,919 projected new households in the region as of 1990, will be low and moderate income. These 55,804 households constitute the basic prospective regional low and moderate income housing need.

A minimum number of additional units are required to provide new households with choice and mobility. Without a small selection of vacant available housing units, queuing, price gouging and kickbacks will be the normal market response to perceived scarcity. This is why the commonly accepted minimum vacancy rate required for a competitive rental housing market is 5%. Owner-occupied housing, which does not change hands as often, requires only a 1.5% vacancy rate to ensure market mobility.

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* 92 N.J. 158 at   , footnote 8.

Since 70% of low and moderate income households in the region are renters and 30% are owners, a weighted average vacancy rate of 4% was applied to the 55,804 units needed for new low and moderate income households by 1990. This yields an additional 2,232 low and moderate income housing units, or a total prospective regional need of 58,036. These calculations are summarized in Table 7.

Based upon the 1979 distribution of low and moderate income households, 60.7% of the total prospective need will be generated by low income households, who will thus require 35,228 of the 58,036 units. The remaining 39.3% of the prospective need is attributable to new moderate income households, who will thus require 22,808 housing units by 1990.

Table 7

CALCULATION OF PROSPECTIVE LOW
AND MODERATE INCOME HOUSING NEED

EIGHT-COUNTY REGION

Total 1990 Households (projected)	1,676,821
Total Households in 1980 (actual)	- 1,535,902
Projected Number of New Households	140,919
Estimated Percentage with Low or Moderate Incomes	39.6%
Subtotal	55,804
Units Needed to Provide Market Mobility (4%)	2,232
Total Prospective Low and Moderate Income Housing Need (1980-1990)	58,036
Prospective Low Income Housing Need (60.7%)	35,228
Prospective Moderate Income Housing Need (39.3%)	22,808

SOURCES: See Text.

IV. ALLOCATION OF PROSPECTIVE NEED

The <u>Mount Laurel II</u> decision requires that the housing allocation process be tied to the concept land use maps contained in the <u>State Development Guide Plan</u> (SDGP).* These designate "Growth Areas" (including entire municipalities and portions of municipalities) "where accessibility to employment and services make them particularly suitable for development".** The SDGP's three other major land use categories (limited growth, conservation and agricultural) are collectively referred to as "non-growth" areas by the <u>Mount Laurel II</u> decision, although the <u>Guide Plan</u> recognizes that it is neither desirable nor feasible to limit <u>all</u> future development to growth areas.

As a means of channelling development of low and moderate income housing to the most suitable locations in the state, the Supreme Court directed that "in non-growth areas...no municipality will have to provide for more than the present need generated within the municipality, for to require more than that would be to induce growth in that municipality in conflict with the SDGP".*** Because the eight-county region is fairly urbanized, with excellent accessibility to employment and services, very little of it is located outside of SDGP growth areas (see Map 4).

However, six of the 226 municipalities in the region have <u>no</u> land located within the growth area and are thus excluded from the

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* Division of Planning, New Jersey Department of Community Affairs, May 1980.

** <u>Id.</u>, p. 47. According to the <u>Plan</u> these areas were delineated using the following criteria: location within or adjacent to major population and/or employment centers; location within or in proximity to existing major water supply and sewer service areas; location within or in proximity to areas served by major highway and commuter rail facilities; absence of large concentrations of agricultural land; and absence of large blocks of public open space or environmentally-sensitive land.

*** 92 <u>N.J.</u> 158 at   .

MAP 4

STATE DEVELOPMENT GUIDE PLAN
GROWTH AREAS

As of May, 1980

━━━━ Boundary of
Eight County
Fair Share Region

NORTHEAST AREA

ROCKAWAY CORRIDOR

CLINTON CORRIDOR

CENTRAL CORRIDOR

BURLINGTON CORRIDOR

CAMDEN AREA

PARKWAY - ROUTE 9 CORRIDOR

SOUTH JERSEY CORRIDOR

ATLANTIC CITY AREA

SUSSEX PASSAIC
WARREN MORRIS BERGEN
ESSEX HUDSON
HUNTERDON UNION
SOMERSET MIDDLESEX
MERCER MONMOUTH
CAMDEN OCEAN
GLOUCESTER BURLINGTON
SALEM
ATLANTIC
CUMBERLAND
CAPE MAY

COUNTY KEY MAP

STATE OF NEW JERSEY
DEPARTMENT OF COMMUNITY AFFAIRS
DIVISION OF STATE AND REGIONAL PLANNING

SCALE IN MILES

allocation process.* These are:

Chester Borough (Morris County)

Chester Township (Morris County)

Mendham Borough (Morris County)

Mendham Township (Morris County)

Ringwood Borough (Passaic County)

Rocky Hill Borough (Somerset County)

These six "non-growth" municipalities comprise nearly 5% of the
region's land area, but less than 1% of the population, since they
are all relatively sparsely settled. Appendix Table A-2 contains
a profile of their characteristics.

Regarding the appropriate criteria to use in allocating regional
housing need to eligible municipalities, Mount Laurel II says only
the following:

> Formulas that accord substantial weight to employment oppor-
> tunities in the municipality, especially new employment
> accompanied by substantial ratables, shall be favored; form-
> ulas that have the effect of tying prospective lower income
> housing needs to the present proportion of lower income
> residents to the total population of a municipality shall
> be disfavored; formulas that have the effect of unreasonably
> diminishing the share because of a municipality's successful
> exclusion of lower income housing in the past shall be dis-
> favored.**

The ability of municipalities to absorb new housing development has
typically been the most important single factor entering into pros-
pective housing allocations. Limiting the allocation to SDGP growth
areas has made the process somewhat simpler, by focusing only on

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*   Two other municipalities, Montgomery Twp. in Somerset County and
Washington Twp. in Morris County, appeared to have no land within
growth areas, based on the rather crude maps included as part of
the Guide Plan. However, the more detailed, original guide plan
maps on file at the Department of Community Affairs show that the
published maps contain inaccuracies. From the original map it is
clear that a portion of Washington Twp. is located in the Hackettstown
growth area and a small part of Montgomery Twp. is in the southern
prong of the "Clinton Corridor" growth area.

**   92 N.J. 158 at   .

municipalities having land which has already been determined to be
generally suitable for development based on a broad range of plan-
ning principles used in developing the Guide Plan.

However, the growth areas in the eight-county region largely con-
sist of built-up neighborhoods with little available acreage for
new development. Thus, the quantity of vacant, developable land
emerges as the single most important allocation criterion by which
new housing can be directed to where it is both suitable and
feasible.

Past allocation plans have also looked at municipalities' fiscal
resources as a measure of their suitability for new low and moder-
ate income housing, under the assumption that such development
places a considerable additional burden on municipal services
(such as schools, garbage collection, police protection, etc.)
without a corresponding increase in property tax revenues. This
is clearly not the case when low and moderate income housing is
built as a minor (20%) component of what are essentially middle
and upper income developments. To the contrary, past experience
indicates that municipalities will enjoy sizeable tax windfalls
as a result of such development, particularly if it contains
multi-family housing at higher densities.

The only allocation criterion explicitly favored by the Supreme
Court in Mount Laurel II is the relative employment opportunities
afforded by municipalities and particularly new employment. Thus,
the court recognized the fact that new housing demand results from
new jobs. This is true not only for low and moderate income hous-
ing, but for the middle and upper income housing which must be
built in order for the lower income units to be cross-subsidized
in accordance with the available remedies of "builders relief" and
mandatory set-asides or incentive zoning provisions.

Thus, the criterion of recent job growth is important both as an
indicator of probable future housing needs, as well as a measure

of where "Mount Laurel" type developments are most likely to be built.

Based on the above considerations, two criteria were selected to allocate prospective regional low and moderate income housing need:

- Vacant Developable Land - defined as all undeveloped land, excluding land with greater than 12% slope, wetlands and publicly-owned land, as well as land qualifying for farmland assessment.

- Growth in Private Employment - defined as the difference in the numbers of non-government covered jobs between 1975 and 1981. Where there was a decline in the number of jobs during the period a zero growth figure was used.

The two allocation criteria were weighted equally. It should be noted that the definition of vacant developable land figures were prepared by the N.J. Department of Community Affairs for their Revised Statewide Housing Allocation Report and tend to exclude categories of land which are routinely developed. The most blatant example of this is the subtraction of farmland. Much of the vacant land with slopes above 12% is also realistically available for development so long as environmentally sensitive site planning and construction techniques are employed.

The allocation process was undertaken in two stages. First the total projected regional housing need was allocated to each of the eight counties as shown in Table 8. This resulted in an allocation of 18,537 dwelling units to Morris County, or 32% of the regional total. Then the Morris County share was allocated to the ten subject municipalities as shown in Table 9. The resulting prospective need figures are as follows:

Denville Twp.	723
Florham Park	1,335
Hanover Twp.	741
Montville Twp.	816
Morris Twp.	908
Mount Olive	1,020
Parsippany-Troy Hills	2,465
Randolph Twp.	908
Rockaway Twp.	1,798
Roxbury Twp.	612

Table 9

ALLOCATION OF PROSPECTIVE REGIONAL INCOME HOUSING NEED
TEN MORRIS COUNTY MUNICIPALITIES, 1980-1990

Morris County Municipality	Vacant Developable Land		Covered Private Jobs*		Job Growth 1975-1981		Average of Vacant Land and Employment Growth	Total Prospective County Need 1980-1990	Prospective Municipal Allocation 1990
	Acres	% of Region	1975	1981	No. of Jobs**	% of Job Growth			
Denville Twp.	3,191	3.3	3,120	5,468	2,348	4.5	3.9	18,537	723
Florham Park	1,769	1.9	5,635	12,071	6,436	12.4	7.2	18,537	1,335
Hanover Twp.	2,393	2.5	10,429	13,266	2,837	5.5	4.0	18,537	741
Montville Twp.	4,714	4.9	3,081	5,111	2,030	3.9	4.4	18,537	816
Morris Twp.	2,996	3.2	5,444	8,837	3,393	6.6	4.9	18,537	908
Mt. Olive	9,557	10.0	1,384	1,933	549	1.1	5.5	18,537	1,020
Parsippany-Troy Hills	4,642	4.8	10,495	21,774	11,279	21.8	13.3	18,537	2,465
Randolph Twp.	6,170	6.5	1,863	3,580	1,717	3.3	4.9	18,537	908
Rockaway Twp.	11,246	11.8	1,758	5,678	3,920	7.6	9.7	18,537	1,798
Roxbury Twp.	5,056	5.3	4,191	4,892	701	1.4	3.3	18,537	612

*   Excludes government jobs. Covered jobs refer to the number of workers eligible by law for New Jersey Unemployment Compensation. The covered statistics contained in these annual reports are for the third quarter of each year. The counts are obtained from employer reports for the payroll period which includes September 12th for that year.

** Job losses are treated as zero growth. Thus, total job growth in the region does not add up to the total difference in jobs between 1975 and 1981.

SOURCES: Vacant Developable Land; New Jersey Division of State and Regional Planning, Statewide Housing Allocation Report For New Jersey, May 1978, vacant developable land in 1975-1976.

Employment; Bureau of Operational Statistics and Reports, New Jersey Department of Labor and Industry, Covered Employment Trends in New Jersey, 1976 and 1981 Editions.

Table 10

INDIGENOUS LOW AND MODERATE INCOME HOUSING NEED, 1980

TEN MORRIS COUNTY MUNICIPALITIES

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
		Occupied Hsg. Units:		Total		Total	Deficient &		Non-Rental	Total
	Total Occupied Year-Round Hsg. Units	Without Complete Plumbing	With No Heat or Inadequate Heat	Physically Deficient Units (Cols. 2 + 3)	Over-crowded Units	Physically Deficient & Overcrowded (Cols. 4 + 5)	Overcrowded Units Occupied by Low & Mod. Income HHs	Rental Units Needed for Mkt. Mobility	Units Needed for Mkt. Mobility	Indigenous Need (Cols. 7 + 8 + 9)
Municipality										
Denville	4,571	17	66	83	71	154	126	11	15	152
Florham Park Twp.	2,357	0	0	0	7	7	6	13	21	40
Hanover Twp.	3,553	17	13	30	6	36	30	0	41	71
Montville Twp.	4,016	28	72	100	56	156	128	12	0	140
Morris Twp.	5,968	34	48	82	48	130	107	40	17	164
Mount Olive Twp.	6,369	54	92	146	79	225	185	0	0	185
Parsipanny-Troy Mills	17,374	111	88	199	205	404	331	313	59	703
Piandolph Twp.	5,946	13	111	124	69	193	158	35	0	193
Rockaway Twp.	6,251	69	125	194	46	240	197	0	1	198
Roxbury Twp.	5,575	32	99	131	84	215	176	0	15	191

Percentages may not add up due to rounding.

DEFINITIONS OF HOUSING NEED CATEGORIES (see text for full discussion of indigenous housing needs)

Col. 2: Units with no bath or only half a bath.

Col. 3: Units with no central heat or units containing only room heaters with no flues, portable room heaters, fireplaces or stoves. Excludes units in column 2 to eliminate double counting.

Col. 5: Units with 1.1 persons per room or more. Excludes units in column 4 to eliminate double counting.

Col. 7: Derived by multiplying figure in column 6 by 82%, which is the estimated proportion of households in physically deficient and overcrowded dwellings who qualify as low or moderate income (see text).

Col. 8: Units needed to achieve minimal 5.0% vacancy rate in rental housing stock (see text).

Col. 9: Units needed to achieve minimal 1.5% vacancy rate in non-rental housing stock (see text).

SOURCE: 1980 U.S. Census of Population and Housing, Summary Tape File 3.

Col. 1: Profile IX, Table 2

Col. 2: Profile X, Table 15.

Col. 3: Profile XII, Table 35 Interpolated using Profile X, Table 17.

Col. 5: Profile XII, Table 38, Adjusted for Double-Counting Using Profile XII, Table 35 & Profile X, Table 17.

Col. 8: Profile IX, Tables 3 & 4.

Col. 9: Profile IX, Tables 3 & 4.

Table 11

PHYSICALLY DEFICIENT AND OVERCROWDED HOUSING UNITS, 1980

EIGHT-COUNTY REGION

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		Occupied Hsg. Units:		Total		Total	Physically Deficient & Overcrowded Units Occupied by Low & Mod. Inc. HHs.		
County	Total Occupied Year-Round Hsg. Units	Without Complete Plumbing	With No Heat or Inadequate Heat**	Physically Deficient Units (Cols. 2 + 3)	Over-crowded Units**	Physically Deficient & Overcrowded (Cols. 4 + 5)	No.	% of Region	% of Occupied Units in County
Bergen	300,410	4,471	3,191	7,662	5,274	12,936	10,608	10.2%	3.5%
Essex	300,303	10,145	8,589	18,734	16,018	34,752	28,497	27.3%	9.5%
Hudson	207,857	10,519	8,539	19,058	12,600	31,658	25,960	24.9%	12.5%
Middlesex	196,708	3,036	1,984	5,020	5,009	10,029	8,224	7.9%	4.2%
Morris	131,820	1,068	1,787	2,855	4,931	7,786	6,385	6.1%	4.8%
Passaic	153,463	4,644	5,582	10,226	6,662	16,888	13,848	13.3%	9.0%
Somerset	67,368	678	658	1,336	1,033	2,369	1,943	1.9%	2.9%
Union	177,973	3,162	2,592	5,754	5,099	10,853	8,899	8.5%	5.0%
Total 8-County Region	1,535,902	37,723	32,922	70,645	56,626	127,271	104,364	100.0%	6.8%

Percentages may not add up due to rounding.

DEFINITIONS OF HOUSING NEED CATEGORIES (see text for full discussion of indigenous housing needs)

Col. 2: Units with no bath or only half a bath.

Col. 3: Units with no central heat or units containing only room heaters with no flues, portable room heaters, fireplaces or stoves. Excludes units in column 2 to eliminate double counting.

Col. 5: Units with 1.1 persons per room or more. Excludes units in column 4 to eliminate double counting.

Col. 7: Derived by multiplying figure in column 6 by 82%, which is the estimated proportion of households in physically deficient and overcrowded dwellings who qualify as low or moderate income (see text).

SOURCE: 1980 U.S. Census of Population and Housing, Summary Tape File 3.

Col. 1: Profile IX, Table 2.

Col. 2: Profile X, Table 15.

Col. 3: Profile XII, Table 35 Interpolated using Profile X, Table 17.

Col. 5: Profile XII, Table 38, Adjusted for Double-Counting Using Profile XII, Table 35 & Profile X, Table 17.

TABLE 12

ALLOCATION OF PRESENT HOUSING NEED

TEN MORRIS COUNTY MUNICIPALITIES, 1980

Municipality	(1) Total Occupied Year-Round Housing Units	(2) Allocation of Regional 1980 Replacement Need	(3) Indigenous Replacement Need	(4) Difference (Allocation Adjustment) (Cols. 2-3)	(5) Total Indigenous Need	(6) Total Present Need Allocation (Cols. 4+5)
Denville Township	4,571	311	126	+ 185	152	337
Florham Park Twp.	2,357	160	6	+ 154	40	194
Hanover Township	3,553	241	30	+ 211	71	282
Montville Twp.	4,016	273	128	+ 145	140	285
Morris Township	5,968	406	107	+ 299	164	463
Mount Olive Twp.	6,369	433	185	+ 248	185	433
Parsippany-Troy Hills	17,374	1,181	331	+ 850	703	1,553
Randolph Township	5,946	404	158	+ 246	193	439
Rockaway Township	6,251	425	197	+ 228	198	426
Roxbury Township	5,575	379	176	+ 203	191	394

SOURCE: Col. 1: 1980 U.S. Census of Population and Housing, Summary Tape File 3, Profile IX, Table 2.
Col. 2: Col. 1 x .06795 (see text).
Col. 3: Table___, Col. 7 (Physically deficient and overcrowded units occupied by low and moderate income households.
Col. 5: Table   , Col. 10.

Table A-1

REGIONAL LOW AND MODERATE INCOME HOUSEHOLDS
BY RENTER AND OWNER OCCUPANCY

Household	Renter Occupied		Owner Occupied		Total Households*	
	No.	%	No.	%	No.	%
Low Income Households	227,748	79.8	57,892	20.2	285,640	100.0
Moderate Income Households	161,009	66.1	82,478	33.9	243,487	100.0
Low and Moderate Income Households	388,757	73.5	140,370	26.5	529,127	100.0

* Households for which this variable was computed. Approximately 5% of all households in the region are listed as "not computed". By Census definition, these include households with zero or negative income and units tabulated as "No Cash Rent".

SOURCE: 1980 U.S. Census of Population, Summary Tape File 3, Profile XI, Tables 30 and 31.

Table A-2

CHARACTERISTICS OF MUNICIPALITIES OUTSIDE THE
STATE DEVELOPMENT GUIDE PLAN "GROWTH AREAS"

Municipalities Outside "Growth Areas"	Total Area			Vacant Developable Land			1980 Population		
	Acres	As % of Co.	As % of Region	Acres	As % of Co.	As % of Region	No.	As % of Co.	As % of Region
Morris County	301,894	100.0	26.3	109,447	100.0	40.3	407,630	100.0	9.2
1. Chester Borough	1,027	0.3	0.1	303	0.3	0.1	1,433	0.4	0.0
2. Chester Township	18,554	6.1	1.6	6,537	6.0	2.4	5,198	1.3	0.1
3. Mendham Borough	3,852	1.3	0.3	2,214	2.0	0.8	4,899	1.2	0.1
4. Mendham Township	11,299	3.7	1.0	5,091	4.7	1.9	4,488	1.1	0.1
Subtotal	34,732	11.5	3.0	13,965	12.8	5.1	16,018	3.9	0.4
Passaic County	123,270	100.0	10.7	25,882	100.0	9.5	447,585	100.0	10.1
5. Ringwood Borough	17,655	14.3	1.5	2,871	11.1	1.1	12,625	2.8	0.3
Somerset County	196,163	100.0	17.1	46,562	100.0	17.1	203,129	100.0	4.6
6. Rocky Hill Borough	385	0.2	0.0	79	0.2	0.0	717	0.4	0.0
Total Six Municipalities	52,772	–	4.6	16,915	–	6.2	29,360	–	
Total In Region	1,149,283	–	100.0	271,884	–	100.0	4,411,804	–	100.0

SOURCES: New Jersey Department of Community Affairs, New Jersey Municipal Profiles: Intensity of Urbanization, January 1982, pp. 28-30. Square miles in 1970 converted to acres.

New Jersey Department of Community Affairs, New Jersey A Revised Statewide Housing Allocation Report for New Jersey, May 1978, Appendix D.

1980 U.S. Census of Population, Summary Tape File 1

Table A-3

HOUSEHOLDS WITH FINANCIAL HOUSING NEED –
EIGHT-COUNTY REGION, 1980

County	Lower Income Households with Financial Housing Need*		Total Households with Financial Housing Need**
	Renter	Owner	
Bergen	36,724	19,375	56,099
Essex	79,040	12,532	91,572
Hudson	58,173	3,582	61,755
Middlesex	24,591	12,737	37,328
Morris	11,519	8,636	20,155
Passaic	32,385	7,976	40,361
Somerset	5,867	4,411	10,278
Union	27,488	11,445	38,933
Total	275,787	80,694	356,481

*Low and moderate income households paying more than 25% of their income for gross rent in 1979 and noncondominium low and moderate income owner households paying more than 30% of their income for selected monthly owner costs. These costs include payments for insurance, mortgage, real estate and utilities.

**Households for which this variable was computed. Approximately 5% of all households in the region were listed as "not computed," and were not included in this table. By definition, "not computed" were households with zero or negative income and units tabulated as "No Cash Rent."

SOURCE: 1980 U.S. Census of Population, Summary Tape File 3, Profile XI, Tables 30, 31.

Table A-4

HOUSEHOLDS WITH FINANCIAL HOUSING NEED – MORRIS COUNTY MUNICIPALITIES, 1980

Municipality	Lower Income Households with Financial Housing Need*		Total Households with Financial Housing Need**
	Renter	Owner	
Denville Township	207	380	587
Florham Park Township	15	157	172
Hanover Township	98	185	283
Montville Township	95	296	391
Morris Township	261	348	609
Mount Olive Township	887	404	1,291
Parsippany - Troy Hills	2,138	966	3,104
Randolph Township	591	262	853
Rockaway Township	268	367	635
Roxbury Township	206	471	677
Total	4,766	3,836	8,602

*Low and moderate income households paying more than 25% of their income for gross rent in 1979 and noncondominium low and moderate income owner households paying more than 30% of their income for selected monthly owner costs. These costs include payments for insurance, mortgage, real estate and utilities.

**Households for which this variable was computed. Approximately 5% of all households in the region were listed as "not computed," and were not included in this table. By definition, "not computed" were households with zero or negative income and units tabulated as "No Cash Rent."

SOURCE: 1980 U.S. Census of Population, Summary Tape File 3, Profile XI, Tables 30, 31.