

ML - Mahwah

July 1983

Mahwah Township Fair Share Housing Report

Pg. 57

ML 000717 F

MAHWAH TOWNSHIP
FAIR SHARE HOUSING REPORT

Prepared For:

Honorable Harvey Smith
Superior Court of New Jersey
Bergen County Court House
Hackensack, New Jersey 07601

July, 1983

CLARKE & CATON

TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
SUMMARY OF FINDINGS.	1
INTRODUCTION	2
DETERMINATION OF THE REGION.	3
DETERMINATION OF PRESENT NEED FOR LOW AND MODERATE INCOME HOUSING	15
DETERMINATION OF PROSPECTIVE NEED FOR LOW AND MODERATE INCOME HOUSING	20
ALLOCATION OF REGIONAL NEED: MAHWAH'S FAIR SHARE	24
BIBLIOGRAPHY	29
APPENDICES	32

LIST OF EXHIBITS

<u>MAPS</u>	<u>Page</u>
New York Metropolitan Region Tri-State Regional Planning Commission	6
Housing Allocation Regions NJ Department of Community Affairs	7
State Development Guide Plan Concept Map NJ Department of Community Affairs	8
 <u>EXHIBITS - TEXT</u>	 <u>Page</u>
Selected Characteristics of Consolidated Counties: Northeast Region	10
Northeast Region: Workplace of Residential Population	12
Household Profile by Income: Northeast Region	14
Present Lower Income Housing Need: North- east Region	17
Prospective Need for Lower Income Housing: Northeast Region Low and Moderate In- come Need Through 1990	22
Allocation of Fair Share Mahwah Township Within Northeast Region: 1980-1990	28
 <u>EXHIBITS - APPENDICES</u>	 <u>Page</u>
E-1 Selected County Characteristics: NE Region	32
E-2 Population Trends by County in NE Region: 1950-1980	33
E-3 Household Trends by County in NE Region: 1950-1980	34
E-4 Profile of Housing Stock: NE Region Occupied Housing Units by Tenure	35

<u>Exhibit Number</u>	<u>EXHIBITS - APPENDICES</u>	<u>Page</u>
E-5	Workplaces of Residents of NE Region	36
E-6	Places of Residence of Employees in NE Region	37
E-7	NE Region: Workplace of Residential Population	38
E-8	Journey to Work: Mahwah Within the NE Region	39
E-9	Median Annual Household Income: NE Region	41
E-10	Household Profile by Income: NE Region	42
E-11	Physical Condition of Existing Housing Stock: NE Region Evidence of Physical Deficiencies in Occupied Units	43
E-12	Vacancies as Component of Present Housing Need: NE Region	44
E-13	1980 Rental Housing Supply: NE Region Rental Units Affordable to Low and Moderate Income Households	45
E-14	1980 Owner-Occupied Housing Supply: NE Region, Owner-Occupied Units Affordable to Low and Moderate Income Households	46
E-15	Population Trends and Projections: NE Region	47
E-16	Profile of 1980 Household Size: NE Region	48
E-17	Household Size: Trends and Projection	49
E-18	Selected Characteristics of Non-Growth Area Municipalities	50
E-19	Regional Housing Allocation Component Vacant Developable Land in Growth Area Municipalities	51
E-20	Regional Housing Allocation Component Fiscal Capacity: Commercial and Industrial Ratable Base	52
E-21	Regional Housing Allocation Component Employment Growth (1972-1981)	53

SUMMARY OF FINDINGS

This report was ordered by the Superior Court of New Jersey, Law Division - Bergen County, to determine Mahwah Township's fair share of the regional need for lower income housing. Such a determination is required for the continuing proceedings of Urban League of Essex County, et al. v. Township of Mahwah.

The analysis has four distinct components, each of which represents a section in the report: identifying the region, establishing the present need and the prospective need for low and moderate income housing in the region, and allocating to Mahwah Township its fair share of that regional need. Methodologies used are reflective of the New Jersey Supreme Court's Mount Laurel II decision of January 20, 1983.

The relevant region for Mahwah Township in the context of Mount Laurel is comprised of eight counties in the north-eastern part of the state. These counties - Bergen, Essex, Hudson, Middlesex, Morris, Passaic, Somerset and Union - generally constitute the New Jersey portion of the New York Metropolitan Area. The region has a population of 4.4 million people in 226 municipalities covering 1,790 square miles. The majority of this land area is designated for Growth in the State Development Guide Plan (SDGP); however, significant Limited Growth and Conservation areas do occur in the western and southern fringes.

The regional need for lower income housing is as follows:

	<u>LOW INCOME UNITS</u>	<u>MODERATE INCOME UNITS</u>
PRESENT NEED:	57,827	22,488
PROSPECTIVE NEED (THROUGH 1990):	43,978	27,355

This housing need was allocated on the basis of Mahwah Township's regional share of vacant developable land in SDGP Growth areas, commercial and industrial ratables and recent employment growth.

The fair share for Mahwah is as follows:

	<u>LOW INCOME UNITS</u>	<u>MODERATE INCOME UNITS</u>
PRESENT NEED:	266	104
PROSPECTIVE NEED (THROUGH 1990):	203	126

INTRODUCTION

More than eight years ago the New Jersey Supreme Court rendered the landmark zoning decision in Southern Burlington County N.A.A.C.P. v. Township of Mount Laurel, 67 N.J. 151 (1975). This established the constitutional mandate prohibiting developing municipalities from enacting or maintaining zoning ordinances which exclude housing for lower income people. The Court required each municipality, by its land use regulations, to "affirmatively afford" the realistic opportunity for the construction of its fair share of the present and prospective regional need for low and moderate income housing.

The decision requires a series of technical determinations relating to the housing needs of lower income people to be applied to a specific municipality. These determinations include identifying a "region," assessing the present and prospective need within that region for low and moderate income housing and allocating to the municipality its fair share of such housing need. The techniques for establishing these findings have evolved since 1975 as documented in the trial records and decisions concerning subsequent exclusionary zoning cases. However, with the Mount Laurel II decision of January 20, 1983, the Supreme Court has given important new direction to the fair share allocation process.

This fair share report for Mahwah Township reflects the principles of Mount Laurel II and thus differs in certain substantive respects from the approach taken in previous reports for the court. Brief references to the guiding provisions of the decision have been incorporated into the text of the report in order to ensure that the basis for the methodology is clear.

DETERMINATION OF THE REGION

Background

An expressed intention of the Supreme Court in the Mount Laurel II decision is to attain consistency and predictability in the trial process involving exclusionary zoning cases, (92 N.J. at 253-254). The Court prescribes a variety of actions to attain this objective, including the restriction of future Mount Laurel litigation to three regional judges whose determinations as to region and regional need shall be presumptively valid for all municipalities within the region.

These guidelines are not generally applicable to the cases, such as Urban League of Essex County v. Township of Mahwah, which have been remanded to the trial court for specific proceedings. However, the decision also gives directions regarding the technical determinations of region and regional need which deserve consideration on their own merit notwithstanding the absence of presumptive validity of the results.

In the context of its discussion of the definition of region in Mount Laurel II, the Court cites its prior observation (Oakwood at Madison v. Township of Madison) 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" (72 N.J. at 541) (emphasis added). The Court reiterates its general approval in Madison of Judge Furman's definition of region, slightly modified, as

"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." (72 N.J. at 543).

In directing the trial courts on their ultimate determination of the region, the Supreme Court cites consideration of the factors mentioned in Justice Pashman's

concurring opinion in Mount Laurel I (67 N.J. at 16).
These considerations are as follows:

"the area included in the interdependent residential housing market;

the area encompassed by significant patterns of commutation;

the area served by major public services and facilities....;

the area in which the housing problem can be solved."
(Id.)

Justice Pashman's final criterion is particularly crucial to the determination of workable regions and reflects the Court's continuing caution against restriction of regional boundaries. Apart from other socio-economic interdependencies which may characterize a region, it is essential that each region contain a balance of lower income housing need with sufficient resources to accommodate that need. These resources should appropriately include municipal fiscal capacity (given the relative financial burden of lower income housing as compared to other ratables), provision of services and vacant developable land suitable for new residential construction.

Further, with Mount Laurel II the necessity of adequate vacant developable land within each region has been refined to only that land which lies within areas designated for growth in the State Development Guide Plan. The Court has declared its intention to channel the entire prospective lower income housing need in New Jersey into "growth areas" in accordance with the strategy embodied in the Guide Plan (92 N.J. at 244). Accordingly, only the vacant developable land in these communities may be considered for the provision of redistributed present housing need and prospective need within each region.

The Northeast Region

Eight counties in northeastern New Jersey were analyzed in view of the foregoing to assess their suitability as the region of which Mahwah is a part (see

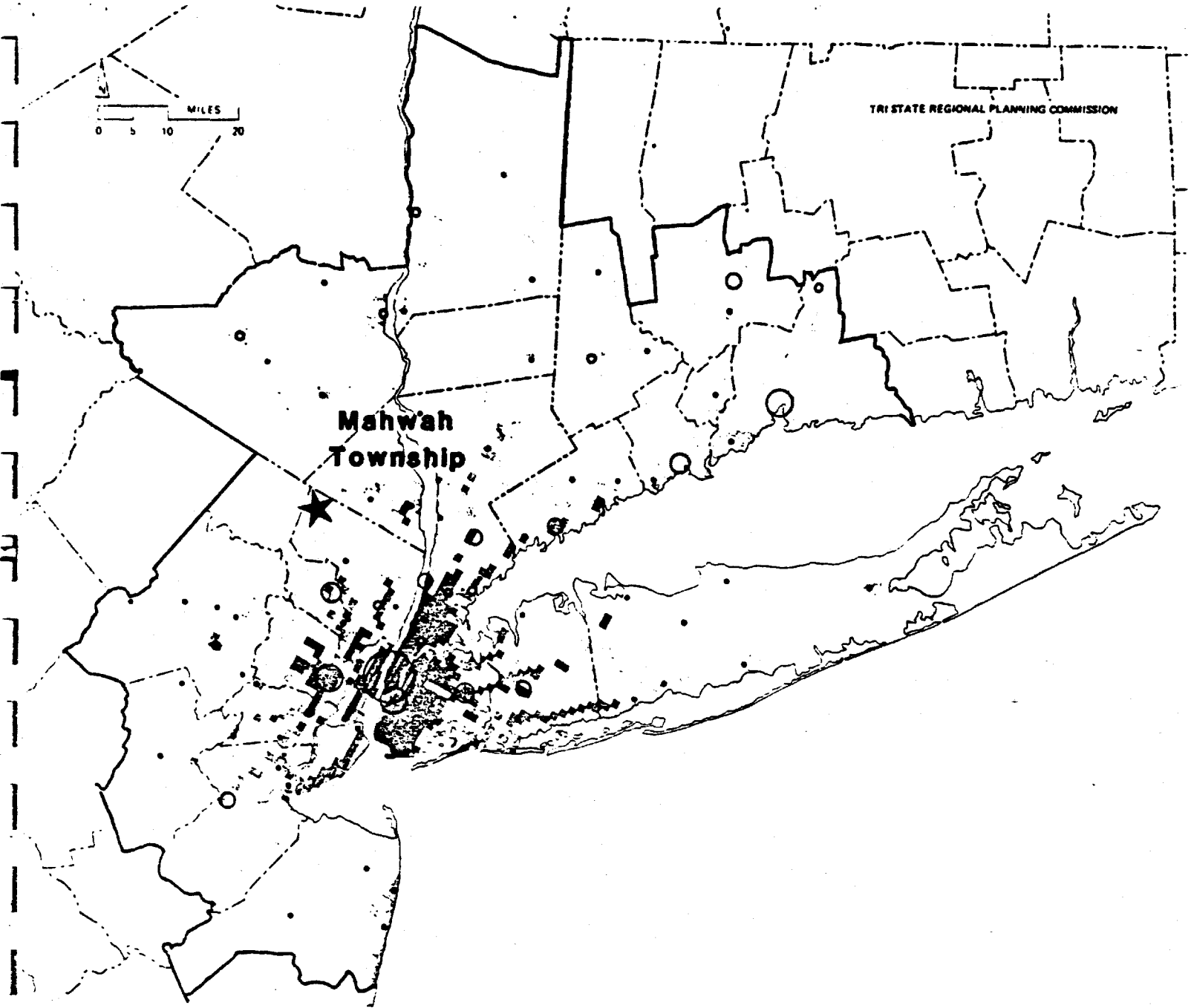
attached maps of Northeast region). These counties - Bergen, Essex, Hudson, Middlesex, Morris, Passaic, Somerset and Union - generally constitute the New Jersey portion of the New York Metropolitan Region. This Metropolitan Region, encompassing three states - New Jersey, New York and Connecticut, has been officially linked for purposes of regional planning since the 1965 compact creating the Tri-State Regional Planning Commission* (see attached map depicting the Commission's jurisdictional area). The economic, transportation, service and social interdependencies within this metro area are abundant and well-established.

For the purposes of this fair share analysis, only the New Jersey portion of the region will be considered. This reflects the reiteration in Mount Laurel II of the guidance on regional determinations vis-a-vis county and state boundaries in Mount Laurel I, namely, "Confinement to or within a certain county appears not to be realistic, but restriction within the boundaries of the State seem practical and advisable." (67 N.J. at 189-90).

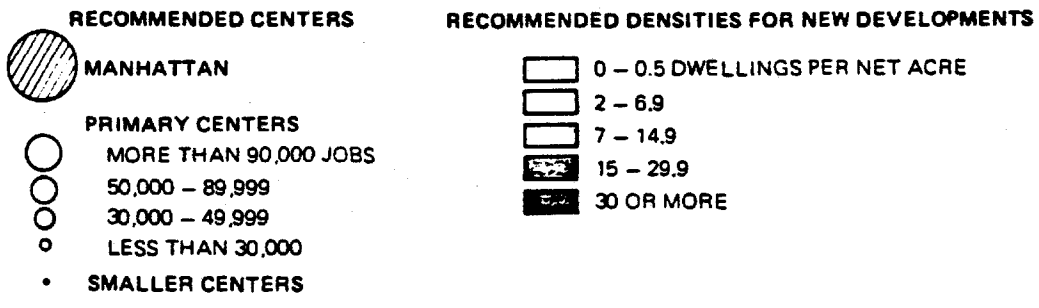
These eight counties (also hereinafter the Northeast Region) were designated as one region for Mount Laurel purposes by the Department of Community Affairs in its Revised Statewide Housing Allocation Report for New Jersey (1978). The State report attributes the delineation of this multi-county region (along with one other at Camden) to the necessity of assuring "an equitable balance between existing housing need and resources."¹ In Madison, the Supreme Court stated, "To the extent that 'housing market area' is identifiable with 'region,' in the Mount Laurel sense, the great predominance of the proofs in this record is that the area pertinent to Madison includes at least the seven northeastern counties of New Jersey, and is sometimes referred to as the New York Metropolitan Region, which is generally inclusive of those counties." (72 N.J. at 528 n.35.) (emphasis added).

*In 1983 Tri-State Regional Planning Commission was succeeded by the New York Metropolitan Transportation Council.

¹
Revised Statewide Housing Allocation Report for New Jersey, New Jersey Department of Community Affairs, 1978; p. 11.

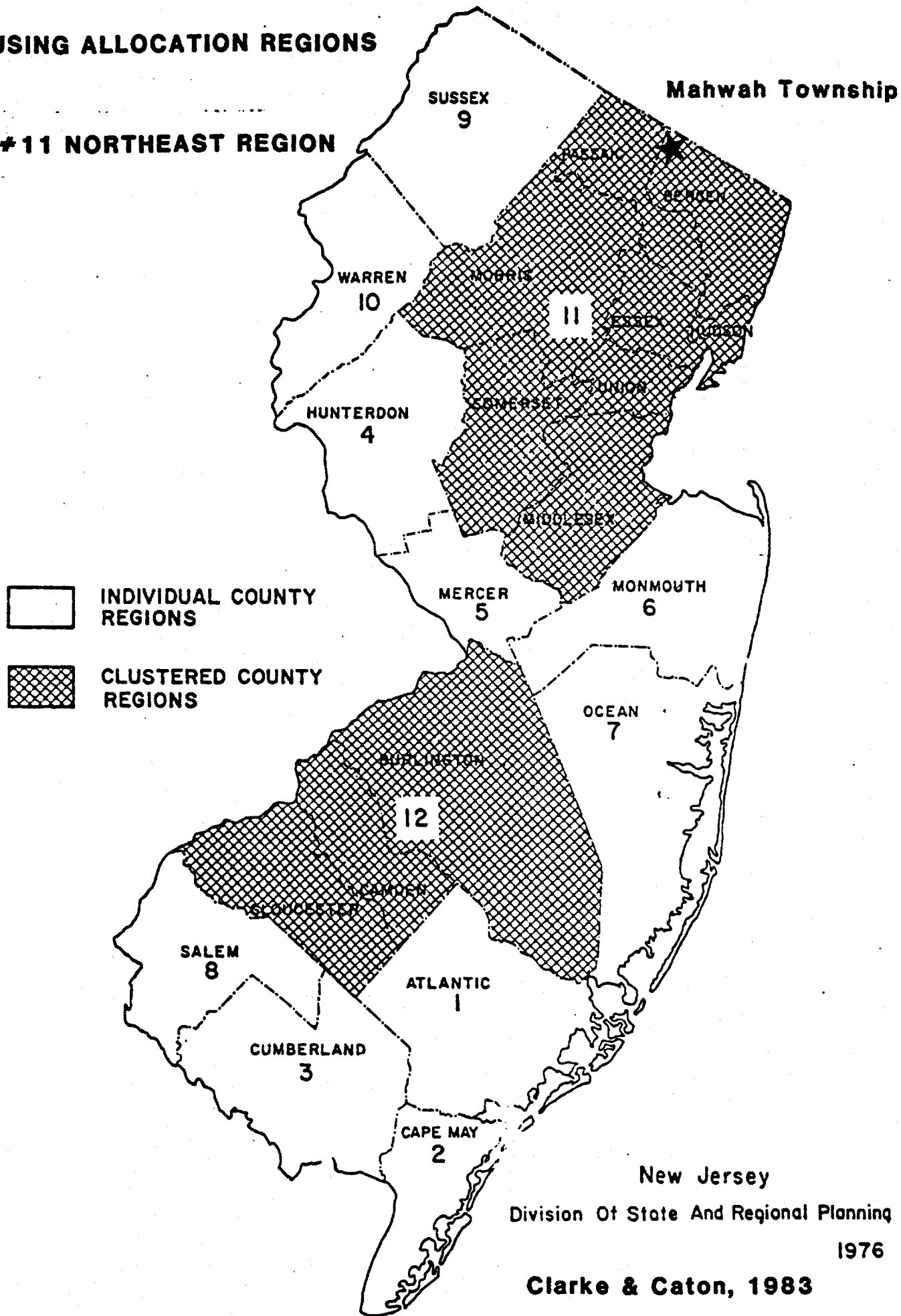


NEW YORK METROPOLITAN REGION REGIONAL DEVELOPMENT GUIDE



HOUSING ALLOCATION REGIONS

#11 NORTHEAST REGION



STATE DEVELOPMENT GUIDE PLAN CONCEPT MAP

Mahwah
Twp.

- **NORTHEAST REGION**
- ▨ **GROWTH AREA**
- **LIMITED GROWTH AREA**
- ▧ **AGRICULTURE AREA**
- ▩ **CONSERVATION AREA**
- **PINELANDS PROTECTION AREA**
- **PINELANDS PRESERVATION AREA**
- **URBAN AID MUNICIPALITY**

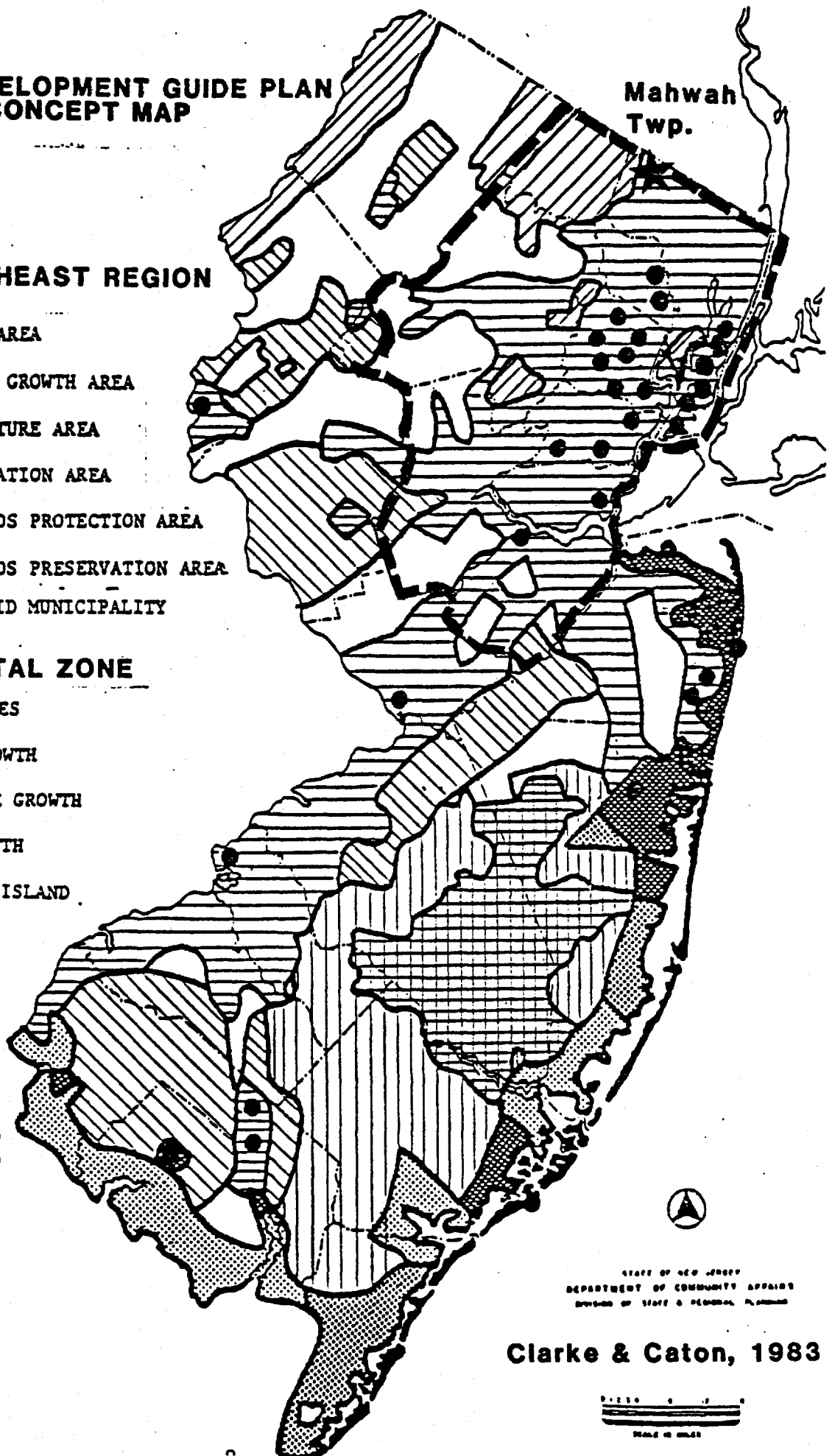
COASTAL ZONE

REGIONAL TYPES

- ▩ **HIGH GROWTH**
- ▨ **MODERATE GROWTH**
- ▧ **LOW GROWTH**
- **BARRIER ISLAND**

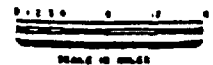


COUNTY KEY MAP



STATE OF NEW JERSEY
DEPARTMENT OF COMMUNITY AFFAIRS
DIVISION OF STATE & FEDERAL PLANNING

Clarke & Caton, 1983



The Northeast Region, as defined by this report, includes:

8 counties
226 municipalities
1,790 square miles
4,411,804 people
1,535,902 households
1,709,286 jobs

A variety of demographic, employment, geographic and economic information was analyzed to verify that the eight counties in the Northeast Region represent an appropriate balance of lower income housing needs and resources, including vacant developable land in growth areas, to meet those needs. Much of the data is arranged with the counties grouped according to their proximity to Manhattan and the historical origins of urban development in the Northeast Region. Most of the results show strong correlations between the following combinations of counties:

Essex and Hudson (core counties)
Bergen, Passaic and Union (intermediate counties)
Middlesex, Morris and Somerset (fringe counties)

Conceptually the lower income housing needs are most intense in the core counties of Essex and Hudson and diminish with distance from the core. Conversely, the resources (land, employment growth, municipal fiscal capacity) are all most abundant in the fringe counties of the region and diminish toward the core. These results are summarized in the exhibit which follows, "Selected Characteristics of Consolidated Counties: Northeast Region." These figures and the detailed tabulations on which they are based (see Appendices) demonstrate the importance of defining the Northeast Region expansively. Reducing the number of counties would skew the balance of the remaining "region" and create one or more unbalanced fragments as well.

SELECTED CHARACTERISTICS OF CONSOLIDATED COUNTIES: NORTHEAST REGION

Population Change 1950-1980	Population Change 1970-1980	Total Households Change 1950-1980	Total Households Change 1970-1980	Population Density Persons/Sq. Mi.	Household Size	Majority Tenure Housing Units	Total Jobs Change 1972-1981	Median Household Income 1979	Total Land Area (Sq. Mi.)
-----------------------------------	-----------------------------------	--------------------------------------------	--------------------------------------------	------------------------------------------	-------------------	----------------------------------------	-----------------------------------	---------------------------------------	---------------------------------

CORE COUNTIES

Essex, Hudson	(145,298)	(132,277)	49,566	(2,290)	8,099	2.72	Renter	(59,712)	\$15,285	174
---------------	-----------	-----------	--------	---------	-------	------	--------	----------	----------	-----

INTERMEDIATE COUNTIES

Bergen, Passaic, Union	522,694	(103,982)	255,926	33,427	3,395	2.82	Owner	62,782	\$21,196	529
------------------------	---------	-----------	---------	--------	-------	------	-------	--------	----------	-----

FRINGE COUNTIES

Middlesex, Morris, Somerset	678,357	41,013	240,057	60,984	1,110	2.97	Owner	146,598	\$25,230	1,087
--------------------------------	---------	--------	---------	--------	-------	------	-------	---------	----------	-------

Data: See Appendices

Calculations: Clarke & Caton

Aside from the demonstrated needs/resources balance, a region must exhibit economic interdependence among its components. Traditionally such assessments have been based on residence/workplace and/or journey to work data. The exhibit entitled "Northeast Region: Workplace of Residential Population" illustrates the high correlation between Region residents who work within the Region (89%) and the proportion of the Region's jobs which are held by residents of the Region. The detailed tabulations of this data in the Appendices show the actual residence and workplace relationship between every county in the Region. Notwithstanding the crowds of commuters who ride the PATH or Amtrak from Newark, Jersey City and Hoboken to Manhattan every weekday morning, overwhelmingly those jobholders who live in the Northeast Region of New Jersey also work within it.

A final tabulation focuses on Mahwah as a potential residence and measures its accessibility to the Regional job market. This is necessary due to Mahwah's location on the edge of the Region. In fact, residents of Mahwah have reasonably good access to jobs within the eight county region. A commuting radius of forty-five minutes encircles the locations of over 700,000 jobs in Bergen, Passaic, Essex, Hudson and Morris Counties. This represents 42% of the total Regional employment. The locations of these jobs by municipality and county are listed in the Appendices.

Defining Regional Standards for Low and Moderate Income

For purposes of Region-wide continuity, it is necessary to determine the annual income limits for low and moderate income households on a Regional basis. This requires converting the eight separate county median household income levels as reported in the 1980 Census of the Population into a single Regional median household income. Mount Laurel II specifies the upper threshold of low income as 50% of the median and the range for moderate income as 50% to 80% of median.

NORTHEAST REGION: WORKPLACE OF RESIDENTIAL POPULATION

County	Percentage of Jobholders from county working in Northeast Region	Percentage of Jobs within county held by residents of Northeast Region
Bergen	80%	88%
Essex	92%	93%
Hudson	82%	89%
Middlesex	88%	85%
Morris	92%	87%
Passaic	95%	95%
Somerset	90%	85%
Union	92%	91%
Averages	89%	89%

Source: Unpublished data from 1980 Census of the Population

Calculations: Clarke & Caton

The results of these calculations are as follows
(see Appendices - "Median Annual Household Income: North-
east Region" for derivation):

1979 Median Household Income, Northeast Region:	\$20,470
Low Income (50% of median):	\$10,235
Moderate Income (50% to 80% of median):	\$10,236 to \$16,376

Parenthetically, it is noted that the median household income for Mahwah in 1979 was \$27,885, 36% above that of the region.

The final regional profile establishes the number of households of low and moderate income within the Northeast Region. Income data from the 1980 Census was used to determine the number of low and moderate income households in each county, then these subtotals were summed for the Regional profile. The results are displayed in the exhibit entitled "Household Profile By Income: Northeast Region" which follows.

This exhibit illustrates the familiar gradient of need from the core counties through the intermediate to the fringe counties - in this case indicated by proportion of low and moderate income residents.

Overall, the regional results were as follows:

Low income households:	24% of region
Moderate income households:	16% of region

HOUSEHOLD PROFILE BY INCOME: NORTHEAST REGION

County	1980 Total Households	Low Income Households	Percentage of County	Moderate Income Households	Percentage of County
Essex	300,303	100,016	33%	51,958	17%
Hudson	207,857	76,508	37%	39,903	19%
Bergen	300,410	51,463	17%	50,311	17%
Passaic	153,463	43,904	29%	26,281	17%
Union	177,973	37,623	21%	27,577	15%
Middlesex	196,708	35,066	18%	27,965	14%
Morris	131,820	15,654	12%	15,924	12%
Somerset	<u>67,386</u>	<u>9,111</u>	14%	<u>8,199</u>	12%
Totals	1,535,902	369,345		248,118	
Percentage of Total	100%	24%		16%	
Mahwah	3,721	433		491	
Percentage of Total	100%	12%		13%	

Data: U.S. Bureau of the Census, 1980 (STF-3, VII)

Calculations: Clarke & Caton

Note: Methodology in Appendices

DETERMINATION OF PRESENT NEED
FOR LOW AND MODERATE INCOME HOUSING

Background

The present need for shelter for lower income households can be defined by many different standards. Physical deficiencies in existing housing units: structural problems, inadequate heating, plumbing or electrical systems, and chronic flooding are readily recognized as substandard housing indicators. Overcrowding in existing units is another sign of housing need. Low vacancy rates contribute to more subtle types of need: lack of mobility and restricted choice within the housing market as to location, cost, tenure and type of dwelling unit.

Distinct from physical substandardness is the financial dimension of housing need. Mount Laurel II defines "affordable" housing as meaning "that the family pays no more than 25 percent of its income for such housing, the 25 percent figure being widely accepted in the relevant literature" (92 N.J. at 221 n.8). The same footnote then continues with various references which evidence growing public acceptance of higher proportions than 25% as still being affordable. Id.

A proper determination of present need for lower income housing for Mount Laurel purposes requires not simply a blanket documentation of all manner of housing inadequacies but rather an enumeration of those existing deficiencies whose remedy is accessible through municipal land use regulation. The Mount Laurel II decision specifies the nature of present lower income housing need as that "generated by present dilapidated or overcrowded lower income units" (92 N.J. at 243). Unfortunately, no Census information corresponds predictably to the term "dilapidated" so the number of existing units attributable to this category remains a matter of interpretation.

The terms "substandard" and "deteriorated" are both widely employed in housing literature to describe conditions of physical deficiency less severe than "dilapidated." Accordingly, dilapidated housing is interpreted to mean a dwelling unit in which multiple serious physical deficiencies are present and which is in need of substantial rehabilitation in order to be suitable for permanent inhabitation.

Determining present lower income housing need on the basis of available measurements of housing overcrowding requires interpretation as well. Census data on overcrowding does not distinguish units occupied by one household from those occupied by more than one household, yet the implications for additional housing need are very different. The data also does not segregate overcrowding by income group; however, it is assumed that overcrowding is primarily a problem afflicting low and moderate income households. Finally, the coincidence of plumbing deficiencies and overcrowding are identified in the Census, but no other overlap of physical problem (inadequate central heating equipment, incomplete kitchen or bathroom) with overcrowding is identified. The number of housing units being counted in more than one of these categories must be estimated.

Methodology and Results

Due to the interpretation required in estimating lower income housing need due to physical dilapidation and overcrowding, the results were compared for reasonableness with an independent assessment of financial need.

The initial estimate was generated by totalling 1980 Census results of all dwelling units in the eight counties reported as having plumbing, central heating or kitchen deficiencies or being overcrowded. As the summary exhibit, entitled "Present Lower Income Housing Need: Northeast Region" indicates on the page which follows, the total count of these physical deficiencies in the Region was 149,810; in Mahwah, 204. The county-by-county derivation of these figures is available in the Appendices in "Physical Condition of Existing Housing Stock: Northeast Region."

A deduction equal to 50% was made from these gross totals to adjust for duplicated counting of the same unit, to correct for single-deficiency units and to delete units occupied by households above moderate income. This yielded a subtotal of lower income housing need for the Region of 74,905 units; for Mahwah, 102 units.

A separate assessment was conducted of the extent of vacancies in rental units and owner-occupied units by county in the Region (see Appendices: "Vacancies as Component of Present Need: Northeast Region"). In both

PRESENT LOWER INCOME HOUSING NEED: NORTHEAST REGION

<u>Physical Deficiencies in Occupied Units:</u>	<u>Region</u>	<u>Mahwah</u>
Overcrowded with adequate plumbing:	60,297	59
Overcrowded with inadequate plumbing:	3,497	4
Inadequate plumbing, not overcrowded:	26,638	21
No or substandard central heat:	36,753	76
No or incomplete kitchen:	<u>22,625</u>	<u>44</u>
	149,810	204
Deduct 50% for multiple unit counting, units occupied by households above 80% of median, lack of susceptibility to remedy through inclusionary zoning devices:	<u>74,905</u>	<u>102</u>
Subtotal: Present Need for Low and Moderate Income Housing Units Due to Physical Deficiencies	74,905	102
<u>Needed Additional Units (Vacancies)</u>		
Rental Units:	8,512	29
Sales Units:	<u>5,013</u>	<u>35</u>
Subtotal (all income households)	13,525	64
Deduct 60% for units above low and moderate income	<u>8,115</u>	<u>38</u>
Subtotal: Present Need for Low and Moderate Income Housing to Maintain Mobility and Market Competition	<u>5,410</u>	<u>26</u>
TOTAL PRESENT NEED	<u>80,315</u>	<u>128</u>
LOW INCOME NEED (72%)	57,827 Units	
MODERATE INCOME NEED (28%)	22,488 Units	

types of unit tenure the vacancy rate is too low to maintain competitive pricing and to allow for mobility of housing choice. The number of additional "lower income housing units needed to bring the "vacancy ratio in rental housing to 5% and in owner-occupied housing to 1.5% was computed to be 5,410 units in the Region; 26 units in Mahwah. These figures were summed with the subtotals from physical deficiencies to yield a total present lower income housing need for the Region of 80,315 units; for Mahwah, 128 units.

The methodology for assessing present need on the regional scale is less appropriate for determining present indigenous need for a specific municipality. Thus the 128 unit total for Mahwah should be checked against Census data on the block and/or block group level throughout the township. This information was not available at the time of this report so no verification of the present indigenous need could be performed.

As indicated previously, these estimates of present need due to physical deficiencies were compared with independent assessments of present need due to financial reasons. County-based Census data was used to determine the gross number of rental units and owner-occupied units within the Region which are affordable to low and moderate income households. The results and assumptions are summarized below and included in the Appendices under the titles, "1980 Rental Housing Supply" and "1980 Owner-Occupied Housing Supply."

	<u>Low Income</u>	<u>Moderate Income</u>
Households Residing in Region	369,345	248,118
Affordable Rental Units	300,857	315,243
Affordable Owner-Occupied Units	8,807	29,793
(Deficit)/Surplus of Present Lower Income Housing Supply	(59,681)	96,918

Taken at face value, these figures indicate a substantial present need for low income housing but no need at all for moderate income units (due to the surplus of supply). This, of course, is not the case although the

relative weighting of need in favor of low income is justified (further explanation below). The Census data is useful to confirm the reasonableness of the previous estimates of present need but it does not reflect the actual operation of the housing market. For instance, the current market system with low vacancy rates does not always match the moderate income household with an affordable unit of the appropriate size in a convenient location. Rather, for a variety of reasons there are still a significant number of moderate income households who pay more than 25% of their income for housing costs in the Northeast Region.

An analysis of 1980 Census data from STF-3, XI: Gross Rent and Monthly Owner Housing Costs reveals the ratio of lower income households who reported gross housing costs in excess of 25% of their income to be as follows:

Low Income:	72%
Moderate Income:	28%

This ratio reflects the same weighting of need (though less dramatic) toward low income housing which is evident in the comparison of lower income households to existing affordable housing stock. Accordingly, the present regional need for lower income housing is segmented into low and moderate income components based on this ratio:

NORTHEAST REGION

PRESENT NEED FOR LOWER INCOME HOUSING: 80,315 UNITS

Low Income (72%):	57,827 UNITS
Moderate Income (28%):	22,488 UNITS

DETERMINATION OF PROSPECTIVE NEED
FOR LOW AND MODERATE INCOME HOUSING

Projection: 1990

During the late 1970's it was common for fair share analyses to project prospective need for a period of twenty years, typically to 1990 based on growth since the 1970 Census. Since publication of the 1980 Census, demographers have begun to focus their twenty year sights on the year 2000. However, this report will use 1990 as the target year for projections for the following reasons:

1. All projections are based on certain assumptions about future performance. Prospective need calculations based on the latest ten year projections (i.e., 1980 to 1990) are predicated on assumptions made in 1983. These assumptions are more likely to be accurate for seven years than for seventeen years; consequently, the chances for significant error are diminished with a shorter term projection.

2. The updated Master Plan for Mahwah Township will be officially adopted in late 1983 or 1984. In accordance with the Municipal Land Use Law it will need to be updated again within six years, or by 1990. New projections for prospective need will be necessary as well in 1990 and can be incorporated into the Master Plan update process.

3. The next Census will be conducted in 1990, with preliminary results becoming available shortly thereafter. These actual figures will provide a realistic foundation for the next set of projections and calculations of prospective need.

Methodology and Results

The Mount Laurel II decision requires determinations of prospective need for lower income housing to be precise, targetted to a certain year in the future, and divided into components of low income and moderate income (92 N.J. at 257). The calculations of these components of prospective housing need are summarized in the exhibit on the following page entitled "Prospective Need for Lower Income

Housing: Northeast Region." Three key assumptions guide these calculations; namely, those underlying the projections of total regional population in 1990, total regional households in 1990 and the proportion of such households which are likely to be of low and moderate income.

PROJECTED 1990 REGIONAL POPULATION: 4,513,575

This projection is based on population projections for each of the eight counties published July 1, 1983 by the Office of Demographic and Economic Analysis of the NJ Department of Labor. The final figure reflects a blending of the two ODEA "preferred" models weighted to favor the employment-based projection. The derivation of the projections by county is illustrated in the exhibit entitled "Population Trends and Projections: Northeast Region" in the Appendices.

PROJECTED 1990 REGIONAL HOUSEHOLDS: 1,715,132

This projection requires an estimate of average household size in 1990. The impact of household size on housing needs is demonstrated by comparing population and household trends in the region from 1970 to 1980 (see Appendices). Population declined in five of the eight counties during the decade; yet, due to a more dramatic decline in the average household size the actual number of households increased in all but one of the counties (Essex). The number of households bears a much more direct correlation to the need for housing units than does population.

These projections assume that the mean household size in the region will continue to decline during the current decade, although at a somewhat slower rate than the 10.4% rate posted from 1970 to 1980. Estimated average household size for 1990 is 2.59 persons per household down from the 1980 regional average of 2.83 persons per household. County data on household size and the derivation of the projected 1990 size are available in the Appendices exhibits entitled "Profile of 1980 Household Size: Northeast Region" and "Household Size: Trends and Projection."

PROSPECTIVE NEED FOR LOWER INCOME HOUSING: NORTHEAST REGION
LOW AND MODERATE INCOME NEED THROUGH 1990

A.	1990 Population projection for region: Deduct: Group quartered population:	4,513,575 <u>71,383</u>
B.	1990 Household population	4,442,192
C.	1990 Household size projection: 2.59 persons/household	
D.	1990 Projected total households in region (B/C):	1,715,132
E.	1990 Projected low income households @ 24%: Deduct: 1980 low income households: Prospective low income households by 1990: Add: necessary vacant units (4% of total new stock):	411,632 <u>369,345</u> 42,287 <u>1,691</u>
	TOTAL PROSPECTIVE LOW INCOME HOUSING NEED FOR NORTHEAST REGION (1980-1990):	<u>43,978</u> Units
F.	1990 Projected moderate income households @ 16%: Deduct: 1980 moderate income households: Prospective moderate income households by 1990: Add: necessary vacant units (4% of total new stock):	274,421 <u>248,118</u> 26,303 <u>1,052</u>
	TOTAL PROSPECTIVE MODERATE INCOME HOUSING NEED FOR NORTHEAST REGION (1980-1990):	<u>27,355</u> Units
G.	TOTAL PROSPECTIVE LOWER INCOME HOUSING NEED FOR NORTHEAST REGION (1980-1990) (E & F):	<u>71,333</u> Units

Calculations: Clarke & Caton

PROSPECTIVE LOWER INCOME HOUSING NEED: 1980-1990

LOWER INCOME (24%):	43,978 UNITS
MODERATE INCOME (16%):	27,355 UNITS

Once the total prospective housing need was projected for 1990, the proportion attributable to low and moderate income demand had to be determined. These calculations assume that the proportion of low and moderate income households within the total regional population (24% and 16% respectively in 1980) would remain constant through 1990. In Mount Laurel II the Court validates a similar assumption made by the NJ Department of Community Affairs in its projections of prospective lower income housing need to 1990 (92 N.J. at 222 n.8).

Finally, a vacancy rate of 4% was added to each of the demand projections of lower income housing need to ensure competition within the regional market and reasonable mobility of housing choice.

ALLOCATION OF REGIONAL NEED: MAHWAH'S FAIR SHARE

Background

In its Mount Laurel II decision the Court recognized that the allocation to a municipality of its "fair share" of regional need for lower income housing depends on a complex mix of factors about which there is great diversity among the experts (92 N.J. at 253 and 257). Perhaps as a consequence it offers specific guidance on the basis for the allocation process.

Firstly, as mentioned in the section "Determination of the Region," the Court intends to direct all prospective housing need into areas designated for Growth in the State Development Guide Plan (SDGP). It limits the fair share allocation to any non-Growth municipality to the present need generated from within the municipality itself (the present indigenous need) (92 N.J. at 244). Accordingly, within any region the impact of non-Growth municipalities on the allocation process must be assessed.

The Northeast Region contains only eight municipalities which are designated exclusively for non-Growth land uses (Limited Growth, Agriculture or Conservation) in the SDGP. The municipalities are as follows:

MORRIS COUNTY: Chester Borough, Chester Township,
Mendham Borough, Mendham Township,
Washington Township

PASSAIC COUNTY: Ringwood Borough

SOMERSET COUNTY: Montgomery Township, Rocky Hill
Borough

The combined population of these municipalities is 48,122, only 1.09% of the Region's population. Accordingly, the proportion of present need which could conceivably be allocated to these communities is insignificant in relation to the total present and prospective need of the entire Northeast Region. Consequently they were deleted from the regional allocation process.

The amount of vacant developable land in each municipality was assessed by the NJ Department of Community Affairs in preparation for the publication of its Revised Housing Allocation Report in 1978. Undoubtedly there are discrepancies among these municipal totals today if, for no other reason, than as a result of development subsequent to the State's assessment. However, this data remains the only source of statewide comparability for vacant developable land so it must be utilized for the allocation of fair share.

The eight non-Growth municipalities contain a substantial amount of vacant developable land: 34,621 acres. Due to the Court's restrictions on development in non-Growth areas this acreage was deleted from the Regional total of vacant development land for purposes of calculating Mahwah's fair share. See the Appendices exhibit "Selected Characteristics of Non-Growth Area Municipalities" for the derivation of the population and acreage figures.

The Allocation Formula

Aside from the importance of vacant developable land within Growth municipalities, the Mount Laurel II decision includes other suggestions on the allocation process:

"Formulas that accord substantial weight to employment opportunities in the municipality, especially new employment accompanied by substantial ratables, shall be favored; formulas 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 disfavored." (92 N.J. at 256).

In these directions the Court is recognizing two well-established allocation criteria: employment opportunities and municipal fiscal capacity (ratables). It is also discouraging reliance on population as a determinant of fair share. Accordingly, the allocation formula in this report relies on the three standards referenced in Mount Laurel II: vacant developable land within Growth municipalities, employment growth and commercial and industrial ratable base. A municipality's fair share of Regional lower income housing need is determined by the average of its proportionate share of each of these criteria in relation to the Region.

Data for each of these three separate calculations was assembled on a county basis and aggregated to the Region. The derivations of each allocation ratio are contained in the three exhibits entitled "Regional Housing Allocation Component" in the Appendices. Explanatory notes on each component follow:

1. VACANT DEVELOPABLE LAND

MAHWAH: 1,517 acres
NORTHEAST REGION: 237,263 acres
REGIONAL ALLOCATION RATIO: .00639375

In Urban League of Essex Co. v. Township of Mahwah, the court accepted extensive testimony as to the amount of vacant developable land within Mahwah and determined that roughly ten percent of the township could then be so characterized (Docket No. L-17112-71 (Law Division, March 8, 1979) at 7). This factual finding of approximately 1,645 acres could not be used for purposes of the allocation. Instead, the State Department of Community Affairs estimate of 1,517 acres was used to ensure comparability with the Regional total which was derived from the same source.

2. COMMERCIAL AND INDUSTRIAL RATABLE BASE

MAHWAH: \$182,229,603
NORTHEAST REGION: \$24,533,248,294
REGIONAL ALLOCATION RATIO: .00742786

3. EMPLOYMENT GROWTH (1972-1981)

MAHWAH: - 0 -

NORTHEAST REGION: 149,668 jobs

REGIONAL ALLOCATION RATIO: - 0 -

Covered Employment reports for the ten year period indicate that Mahwah Township lost 4,354 jobs -- declining from 9,951 in 1972 to 5,597 in 1981. This drop in employment is attributable to the closing of the Ford plant. While employment gains have been registered in other sectors of the local economy, they pale in comparison to the loss of jobs from the automobile industry.

Mahwah's Fair Share

The average of the three component allocation ratios yields the final Regional Allocation Ratio: .00460720. This ratio is then applied to four different categories of housing need to determine the allocation for Mahwah Township. The process is summarized in the accompanying exhibit entitled "Allocation of Fair Share."

The results are as follows:

	UNITS	
	<u>Low Income</u>	<u>Moderate Income</u>
Present Housing Need	266	104
Prospective Housing Need:	<u>203</u>	<u>126</u>
	469 Units	230 Units

Mahwah's total fair share of the region's lower income housing need through 1990 is 699 units.

ALLOCATION OF FAIR SHARE

MAHWAH TOWNSHIP WITHIN NORTHEAST REGION: 1980-1990

NORTHEAST REGION

	UNITS	
	<u>Low Income</u>	<u>Moderate Income</u>
Present Housing Need:	57,827	22,488
Prospective Housing Need:	43,978	27,355

MAHWAH TOWNSHIP

REGIONAL ALLOCATION RATIOS:

Vacant Developable Land:	.00639375
Employment Growth (1972-1981):	- 0 -
Commercial & Industrial Ratable Base:	<u>.00742786</u>
Total	.01382161
Average: .01382161/3:	<u><u>.00460720</u></u>

MAHWAH ALLOCATION:

Average regional allocation ratio times each component of regional housing need

	UNITS	
	<u>Low Income</u>	<u>Moderate Income</u>
Present Housing Need:	266	104
Prospective Housing Need:	<u>203</u>	<u>126</u>
Totals	469 Units	230 Units

BIBLIOGRAPHY

Resources which were useful in the preparation of this report include the following:

1982-83 Planner's Data Book for Bergen County, technical report 04-82, Bergen County Planning Board, Hackensack, New Jersey, 1982

1980 Census of Population and Housing for Bergen County Municipalities
Characteristics of People
Characteristics of Households and Families
Characteristics of Housing Units
Bergen County Planning Board, Hackensack, New Jersey, 1982

1980 Census of Population and Housing for eight north-eastern New Jersey counties and Mahwah Township, Summary Tape File 3 (STF-3), U.S. Government Printing Office, Washington, D.C.

Regional Development Guide 1980-2000, Tri-State Regional Planning Commission, New York, New York, September, 1981

People, Dwellings & Neighborhoods, The Housing Element of the Regional Comprehensive Plan, Tri-State Regional Planning Commission, New York, New York, March, 1978

Report on Housing and Zoning Issues, Alan Mallach/Associates, Trenton, New Jersey, January, 1978

Housing Assistance Plan for Bergen County, The Center for Urban Policy Research, Rutgers University - Kilmer Campus, New Brunswick, New Jersey, 1975

Mahwah Township Fair Share Housing Study, Malcolm Kasler & Associates, Hackensack, New Jersey, July, 1977 and revised 1982

Report of Planning Expert on Effects of Zoning in Four Defendant Municipalities of Mahwah, Ramsey, Saddle River, and Upper Saddle River on Housing Opportunities for Low and Moderate Income Persons and Members of Minority Racial Groups, Suburban Action Institute, New York, New York, December, 1977

State Development Guide Plan, New Jersey Department of Community Affairs, Division of State and Regional Planning, May, 1980

A Revised Statewide Housing Allocation Report for New Jersey, New Jersey Department of Community Affairs, Division of State and Regional Planning, May, 1978

An Analysis of Low and Moderate Income Housing Need in New Jersey, New Jersey Department of Community Affairs, Division of State and Regional Planning, May, 1975

Four detailed technical reports prepared by the Division of State and Regional Planning in 1976, including New Jersey's Present Housing Needs, Prospective Housing Needs Report, Housing Allocation Regions, and New Jersey's Fair-Share Housing Allocation

Forty-Third Annual Report of the Division of Local Government Services, 1980, Statements of Financial Condition of Counties and Municipalities, NJ Department of Community Affairs, December, 1981

Annual Report of the Division of Taxation in the Department of the Treasury for the Fiscal Year 1980, Trenton, New Jersey

Farmland Assessment Act of 1964, Fourteenth Report of Data from FA-1 Forms for 1982 Tax Year, NJ Department of the Treasury, Division of Taxation, September, 1982

The following reports published by the New Jersey Department of Labor, Division of Planning and Research, Office of Demographic and Economic Analysis, Trenton, New Jersey:

New Jersey Revised Total and Age & Sex Population Projections 1985 to 2000, July, 1983

New Jersey Population Trends 1790 to 1970, October, 1978

New Jersey Population Per Household 1970 & 1980, December, 1981

New Jersey 1980 Census of Population and Housing, County Profiles, January, 1982

Volume I: Characteristics of Persons
Volume II: Characteristics of Households & Families
Volume III: Characteristics of Housing Units

New Jersey Covered Employment Trends for 1972 and 1981, September, 1973 and October, 1982, respectively

New Jersey Residential Building Permits, Historical Summary 1970-1979, 1980 Summary, 1981 Summary

Court decisions consulted included:

Southern Burlington County N.A.A.C.P. v. Mt. Laurel Township, 92 N.J. 158, 338 (1983) (Mount Laurel II)

Urban League of Essex County v. Township of Mahwah, Docket No. L-17112-71 (Law Division, March 8, 1979) (unreported)

Oakwood at Madison v. Township of Madison, 72 N.J. 481 (1977)

Southern Burlington County N.A.A.C.P. v. Mt. Laurel Township, 67 N.J. 151 (1975) (Mount Laurel I)

APPENDICES

SELECTED COUNTY CHARACTERISTICS: NORTHEAST REGION

County	Number of Municipalities	Land Area (Square Miles)	1980 Population Density (Persons/Sq. mi.)
Essex	22	127.44	6,679
Hudson	12	46.42	11,999
Bergen	70	234.45	3,606
Passaic	16	192.01	2,331
Union	21	102.93	4,897
Middlesex	25	311.00	1,916
Morris	39	470.24	867
Somerset	<u>21</u>	<u>305.55</u>	<u>665</u>
Totals	226	1,790.04	2,465
Mahwah	1	25.70	472

Data: NJ Population Trends: 1790 to 1970, NJ Department of Labor

Calculations: Clarke & Caton

POPULATION TRENDS BY COUNTY IN NORTHEAST REGION: 1950 - 1980

County	1950	1960	1970	1980	Increase/ (Decrease) 1950-1980	% Change 1950-1980	Increase/ (Decrease) 1970-1980	% Change 1970-1980
Essex	905,949	923,545	932,526	851,116	(54,833)	(6%)	(81,410)	(9%)
Hudson	647,437	610,734	607,839	556,972	(90,465)	(14%)	(50,867)	(8%)
Bergen	539,139	780,255	897,148	845,385	306,246	57%	(51,763)	(6%)
Passaic	337,093	406,618	460,782	447,585	110,492	33%	(13,197)	(3%)
Union	398,138	504,255	543,116	504,094	105,956	27%	(39,022)	(7%)
Middlesex	264,872	433,856	583,813	595,893	331,021	125%	12,080	2%
Morris	164,371	261,620	383,454	407,630	243,259	148%	24,176	6%
Somerset	99,052	143,913	198,372	203,129	104,077	105%	4,757	2%
Totals	3,356,051	4,064,796	4,607,050	4,411,804	1,055,753	31%	(195,246)	(4%)
Mahwah	4,880	7,376	10,800	12,127	7,247	149%	1,327	12%

Data: U.S. Bureau of the Census 1980; N.J. Population Trends (Department of Labor & Industry, 1978)

Calculations: Clarke & Caton

HOUSEHOLD TRENDS BY COUNTY IN NORTHEAST REGION: 1950 - 1980

County	1950	1960	1970	1980	Increase/ (Decrease) 1950-1980	% Change 1950-1980	Increase/ (Decrease) 1970-1980	% Change 1970-1980
Essex	267,241	284,168	302,582	299,934	32,693	12%	(2,648)	(1%)
Hudson	190,984	187,918	207,499	207,857	16,873	9%	358	--
Bergen	159,038	240,078	279,625	300,410	141,372	89%	20,785	7%
Passaic	99,437	125,113	147,214	153,463	54,026	54%	6,249	4%
Union	117,445	155,155	171,580	177,973	60,528	52%	6,393	4%
Middlesex	78,133	133,494	168,076	196,708	118,575	152%	28,632	17%
Morris	48,487	80,498	109,823	131,820	83,333	172%	21,997	20%
Somerset	<u>29,219</u>	<u>44,281</u>	<u>57,013</u>	<u>67,368</u>	<u>38,149</u>	<u>131%</u>	<u>10,355</u>	<u>18%</u>
Totals	989,984	1,250,705	1,443,412	1,535,533	545,549	55%	92,121	6%
Mahwah	1,440	2,270	3,410	3,721	2,281	158%	311	9%

Data: U.S. Bureau of the Census; NJ Population Trends, NJ Population Per Household (Dept. of Labor & Industry, 1978 & 1981)

Calculations: Clarke & Caton

Note: Statewide household size averages were used for 1950 and 1960 calculations; county-specific household size data was used for 1970 and 1980 figures.

PROFILE OF HOUSING STOCK: NORTHEAST REGION
OCCUPIED HOUSING UNITS BY TENURE

County	Total Occupied Housing Units	Percentage of Region*	Owner-Occu- pied Units	Percentage of County	Renter-Occu- pied Units	Percentage of County
Essex	300,303	20%	124,519	41%	175,784	59%
Hudson	207,857	20%	61,752	30%	146,105	70%
Bergen	300,410	14%	196,422	65%	103,988	35%
Passaic	153,463	10%	81,584	53%	71,879	47%
Union	177,973	12%	110,648	62%	67,325	38%
Middlesex	196,708	13%	131,622	67%	65,086	33%
Morris	131,820	9%	96,821	73%	34,086	27%
Somerset	67,368	4%	49,096	73%	18,272	27%
Totals	1,535,902	100%	852,464	56%	683,438	44%
Mahwah	3,721	N/A	2,938	79%	783	21%

*Note: Percentages may not add to 100 due to rounding

Data: U.S. Bureau of the Census, Characteristics of Housing Units, 1980

Calculations: Clarke & Caton

WORKPLACES OF RESIDENTS OF NORTHEAST REGION

1. County	2. Employed residents responding to question	3. Employees working in county of residence	4. Column 3 as percentage of Column 2	5. Total employees working outside county of residence	6. Employees working elsewhere within Northeast Region	7. Column 6 as percentage of Column 5
Bergen	384,469	237,948	62%	146,521	69,830	48%
Essex	302,096	198,510	66%	103,586	80,304	78%
Hudson	210,480	128,875	61%	81,605	43,396	53%
Middlesex	257,181	165,927	65%	91,254	60,214	66%
Morris	183,653	112,057	61%	71,596	56,347	79%
Passaic	179,689	103,024	57%	76,665	66,955	87%
Somerset	91,701	46,331	50%	45,370	35,952	79%
Union	<u>209,790</u>	<u>129,012</u>	61%	<u>80,778</u>	<u>64,879</u>	80%
Totals	1,819,059	1,121,684	62%	697,375	477,877	69%

Source: Unpublished data from 1980 Census of the Population

Calculations: Clarke & Caton

PLACES OF RESIDENCE OF EMPLOYEES IN NORTHEAST REGION

1. County	2. Private sector and government jobs in county	3. Jobs held by residents of same county	4. Column 3 as percentage of Column 2	5. Jobs held by residents from outside county	6. Jobs held by residents from elsewhere within Northeast Region	7. Column 6 as percentage of Column 5
Bergen	355,781	237,948	67%	117,833	76,466	65%
Essex	333,634	198,510	59%	164,876	111,006	67%
Hudson	200,681	128,875	64%	71,806	48,975	68%
Middlesex	252,390	165,927	66%	86,463	47,345	55%
Morris	171,204	112,057	65%	59,147	36,812	62%
Passaic	162,714	103,024	63%	59,690	50,914	85%
Somerset	84,942	46,331	54%	38,611	25,926	67%
Union	<u>229,117</u>	<u>129,012</u>	56%	<u>100,105</u>	<u>80,433</u>	80%
	1,790,463	1,121,684	63%	698,531	477,877	68%

Source: Unpublished data from 1980 Census of the Population

Calculations: Clarke & Caton

NORTHEAST REGION: WORKPLACE OF RESIDENTIAL POPULATION

Workplaces of respective county residents

	1. County	2. Private sector and government jobs in county	3. Employed residents responding to question	4. Bergen	5. Essex	6. Hudson	7. Middlesex	8. Morris	9. Passaic	10. Somerset	11. Union	12. Total county residents employed within Northeast Region	13. Column 12 as percentage of Column 3
Bergen	355,781	384,469	237,948	15,890	21,051	1,835	3,501	24,029	304	3,220	307,778	80%	
Essex	331,634	302,096	9,997	198,510	12,117	5,890	13,576	10,780	1,474	26,470	278,814	92%	
Hudson	200,681	210,480	17,553	14,622	128,875	2,355	1,119	2,367	469	4,911	172,271	82%	
Middlesex	252,390	257,181	2,219	11,636	5,304	165,927	1,822	817	12,165	26,251	226,141	88%	
Morris	171,204	183,653	6,163	21,609	2,295	1,865	112,057	11,331	4,823	8,261	168,404	92%	
Passaic	162,714	179,689	37,697	15,278	3,394	840	7,781	103,024	354	1,611	169,979	95%	
Somerset	86,942	91,701	459	3,762	412	17,486	3,717	407	46,331	9,709	82,283	90%	
Union	229,117	209,790	2,378	28,209	4,402	17,074	5,296	1,183	6,337	129,012	193,891	92%	
Totals	1,790,463	1,819,059	314,414	309,516	177,850	213,272	148,869	153,938	72,257	209,445	1,599,561	80%	

Columns 4-11 as percent-ages of Column 2

88%

93%

89%

85%

87%

95%

85%

91%

Source: Bureau of the Census, unpublished data from 1980 Census of the Population Calculations: Clarke & Caton

JOURNEY TO WORK: MAHWAH WITHIN THE NORTHEAST REGION

TOTAL JOBS IN NORTHEAST REGION (1981):	1,709,286
PERCENTAGE OF MAHWAH RESIDENTS WHO REACH WORKPLACE WITHIN 45 MINUTES COMMUTE:	83%
JOBS IN NORTHEAST REGION WITHIN 45 MINUTE COMMUTE OF MAHWAH (1981):	713,397
PERCENTAGE OF TOTAL REGIONAL JOBS:	42%

DETAIL: PRIVATE SECTOR COVERED EMPLOYMENT (1981)
 WITHIN 45 MINUTE COMMUTE OF MAHWAH

Bergen County (all)		347,425
Passaic County (all)		161,466
Hudson County		50,722
Guttenberg	1,473	
North Bergen	19,827	
Secaucus	21,837	
West New York	7,585	
Essex County		90,416
Belleville	11,160	
Bloomfield	17,108	
Caldwell	1,899	
Cedar Grove	3,875	
Essex Fells	212	
Fairfield	17,454	
Glen Ridge	740	
Montclair	10,733	
North Caldwell	465	
Nutley	11,607	
Roseland	4,825	
Verona	2,623	
West Caldwell	7,715	
Morris County		63,368
Boonton Town	3,089	
Boonton Twp.	1,795	
Butler	1,787	
East Hanover	8,298	
Hanover	13,266	
Kinnelon	895	
Lincoln Park	2,166	
Montville	5,111	

Mountain Lakes	802
Par-Troy Hills	21,774
Pequannock	3,344
Riverdale	1,041

List of Towns: Malcolm Kasler and Associates, P.A.

Data: 1981 Covered Employment Trends, NJ Department of Labor

Calculations: Clarke & Caton

MEDIAN ANNUAL HOUSEHOLD INCOME: NORTHEAST REGION

County	1980 Total Households	1979 Median Household Income	Gross County Household Income (000's)
Bergen	300,410	\$24,056	\$7,226,700
Essex	300,303	\$16,186	\$4,854,700
Hudson	207,857	\$14,384	\$2,989,800
Middlesex	196,708	\$22,826	\$4,490,100
Morris	131,820	\$26,626	\$3,509,800
Passaic	153,463	\$17,907	\$2,748,100
Somerset	67,368	\$26,237	\$1,767,500
Union	<u>177,973</u>	<u>\$21,625</u>	<u>\$3,848,700</u>
Totals	1,535,902	\$20,470	\$31,435,400

MEDIAN ANNUAL HOUSEHOLD INCOME FOR
NORTHEAST REGION:

\$20,470

LOW INCOME (PER MOUNT LAUREL II: 50%
OF MEDIAN):

\$10,235

MODERATE INCOME (50% - 80% OF MEDIAN):

\$10,236 - \$16,376

MEDIAN ANNUAL HOUSEHOLD INCOME FOR MAHWAH:

\$27,885

LOW INCOME (50% OF MEDIAN):

\$13,943

MODERATE INCOME (50% - 80% OF MEDIAN):

\$13,944 - \$22,308

Data: U.S. Bureau of the Census, 1980 (STF-3, VII)

Calculations: Clarke & Caton

HOUSEHOLD PROFILE BY INCOME: NORTHEAST REGION
METHODOLOGY

Methodology used for determining number of households within low income and moderate income categories is as follows:

LOW INCOME: ANNUAL HOUSEHOLD INCOME EQUAL TO OR
LESS THAN \$10,235

Households were counted from Census STF-3 (VII) data as follows:

100%	Income Less than \$2,500
100%	\$ 2,500 to \$ 4,999
100%	\$ 5,000 to \$ 7,499
100%	\$ 7,500 to \$ 9,999
9%	\$10,000 to \$12,499 (i.e., \$10,000 - \$10,235)

MODERATE INCOME: ANNUAL HOUSEHOLD INCOME FROM \$10,236 - \$16,376

Households were counted from Census STF-3 (VII) data as follows:

91%	Income \$10,000 to \$12,499 (i.e., \$10,236 - \$12,499)
100%	\$12,500 to \$14,999
55%	\$15,000 to \$17,499 (i.e., \$15,000 - \$16,376)

Clarke & Caton, 1983

PHYSICAL CONDITION OF EXISTING HOUSING STOCK: NORTHEAST REGION
EVIDENCE OF PHYSICAL DEFICIENCIES IN OCCUPIED UNITS

1. County	2. Overcrowding: 1.01 or more persons per room	3. Lacking complete plumbing for exclusive use	4. Overcrowding and lacking complete plumbing for exclusive use	5. No or inadequate central heating equipment	6. No complete kitchen facilities	7. Total by county
Bergen	5,766	3,211	251	3,356	2,252	14,836
Essex	18,301	7,114	1,178	9,975	6,065	42,633
Hudson	14,157	7,025	960	9,788	5,065	36,995
Middlesex	5,483	2,406	225	2,159	2,447	12,720
Morris	2,087	848	82	1,941	862	5,820
Passaic	7,566	3,100	462	6,041	3,116	20,285
Somerset	1,119	554	27	725	581	3,006
Union	<u>5,818</u>	<u>2,380</u>	<u>312</u>	<u>2,768</u>	<u>2,237</u>	<u>13,515</u>
Totals	60,297	26,638	3,497	36,753	22,625	149,810
Mahwah	59	21	4	76	44	204

Data: U.S. Bureau of the Census, STF-3, 1980 (VIII, X)

Calculations: Clarke & Caton

VACANCIES AS COMPONENT OF PRESENT HOUSING NEED: NORTHEAST REGION

County	OWNER-OCCUPIED HOUSING				RENTAL HOUSING			
	Total Housing Units	Needed Vacancies (1.5%)	Existing Vacant Units for Sale	Deficit/ (Surplus) of Vacant Units	Total Rental Units	Needed Vacancies (5%)	Existing Vacant Units for Rent	Deficit/ (Surplus) of Vacant Units
Bergen	197,682	2,965	1,260	1,705	106,282	5,314	2,294	3,020
Essex	125,731	1,886	1,212	674	185,011	9,251	9,227	24
Hudson	63,021	945	1,269	(324)	152,699	7,635	6,594	1,041
Middlesex	132,692	1,990	1,070	920	67,867	3,393	2,781	612
Morris	98,033	1,471	1,212	259	35,975	1,799	976	823
Passaic	82,193	1,233	609	624	74,099	3,705	2,220	1,485
Somerset	49,740	746	644	102	19,155	958	883	75
Union	<u>111,264</u>	<u>1,669</u>	<u>616</u>	<u>1,053</u>	<u>69,361</u>	<u>3,468</u>	<u>2,036</u>	<u>1,432</u>
Totals	860,356	12,905	7,892	<u>5,013</u>	710,449	35,523	27,011	<u>8,512</u>
Mahwah	2,947	44	9	<u>35</u>	794	40	11	<u>29</u>

Data: Derived from U.S. Bureau of the Census, Characteristics of Housing Units, 1980

Calculations: Clarke & Caton

1980 RENTAL HOUSING SUPPLY: NORTHEAST REGION
 RENTAL UNITS AFFORDABLE TO LOW AND MODERATE INCOME HOUSEHOLDS

County	Units Affordable to Low Income*	Units Affordable to Moderate Income*	Total Units by County
Bergen	25,887	56,746	82,633
Essex	91,386	74,321	165,707
Hudson	93,261	47,314	140,575
Middlesex	17,466	39,742	57,208
Morris	5,231	21,176	26,407
Passaic	37,957	29,538	67,495
Somerset	4,221	10,565	14,786
Union	<u>25,448</u>	<u>35,841</u>	<u>61,289</u>
Totals	300,857	315,243	616,100
Mahwah	140	333	473

*Note: "Affordable" rental units were counted as follows:

Low income units: Monthly contract rent at or below
 \$213 (25% of low income threshold of \$10,235/year)
 plus no cash rent units.

Moderate income units: Monthly contract rent between
 \$214 and \$341 (25% of moderate income range of
 \$10,236 to \$16,376/year)

Data: U.S. Bureau of the Census, Characteristics of Housing Units, 1980

Calculations: Clarke & Caton

1980 OWNER-OCCUPIED HOUSING SUPPLY: NORTHEAST REGION
OWNER-OCCUPIED UNITS AFFORDABLE TO LOW AND MODERATE INCOME HOUSEHOLDS

County	Units Affordable to Low Income*	Units Affordable to Moderate Income*	Total Units by County
Bergen	357	1,657	2,014
Essex	2,755	6,920	9,675
Hudson	2,013	4,328	6,341
Middlesex	1,173	6,239	7,412
Morris	504	2,011	2,515
Passaic	944	3,136	4,080
Somerset	195	828	1,023
Union	<u>866</u>	<u>4,674</u>	<u>5,540</u>
Totals	8,807	29,793	38,600
Mahwah	1	11	12

*Note: "Affordable" owner-occupied units were counted as units valued at no more than twice the annual income limit of the low and moderate groups; thus

Low income units: property value at or below \$20,470
(2 times \$10,235)

Moderate income units: property value at or between
\$20,471 and \$32,752 (2 times \$16,376)

Data: U.S. Bureau of the Census, Characteristics of Housing Units,
1980

Calculations: Clarke & Caton

POPULATION TRENDS AND PROJECTIONS: NORTHEAST REGION

County	1970	1980	ODEA preferred	ODEA preferred	Weighted Average* 1990
			Economic/Demographic 1990	Demographic Cohort 1990	
Bergen	897,148	845,385	915,600	767,100	878,475
Essex	932,526	851,116	789,400	785,400	788,400
Hudson	607,839	556,972	530,500	524,400	528,975
Middlesex	583,813	595,893	690,400	601,200	668,100
Morris	383,454	407,630	467,700	418,200	455,325
Passaic	460,782	447,585	451,000	434,800	446,950
Somerset	198,372	203,129	246,800	201,700	235,525
Union	<u>543,116</u>	<u>504,094</u>	<u>526,500</u>	<u>467,800</u>	<u>511,825</u>
	4,607,050	4,411,804	4,617,900	4,200,600	4,513,575

*The Economic/Demographic model was weighted three times and the Demographic/Cohort model one time in computing the weighted average.

NOTE: Group Quartered population is removed prior to projecting future population, held constant and then added to the projected future base to yield projected total population.

Data: ODEA projections from the Office of Demographics and Economic Analysis, NJ Department of Labor,
July 1, 1983

Calculations: Clarke & Caton

E-16

PROFILE OF 1980 HOUSEHOLD SIZE: NORTHEAST REGION

County	Total Population	Group Quarters Population	Household Population	Occupied Housing Units	Persons Per Household
Essex	851,116	13,033	837,418	300,303	2.79
Hudson	556,972	6,028	550,944	207,857	2.65
Bergen	845,385	7,684	837,701	300,410	2.79
Passaic	447,585	7,062	440,523	153,463	2.87
Union	504,094	4,820	499,274	177,973	2.81
Middlesex	595,893	19,286	576,607	196,708	2.93
Morris	407,630	9,001	398,629	131,820	3.02
Somerset	<u>203,129</u>	<u>4,469</u>	<u>198,660</u>	<u>67,368</u>	2.95
Totals	4,411,804	71,383	4,339,756	1,535,902	<u>2.83</u>
Mahwah	12,127	678	11,449	3,721	3.08

Data: U.S. Bureau of the Census, Characteristics of Households and Families, 1980

Calculations: Clarke & Caton

E-17

HOUSEHOLD SIZE: TRENDS AND PROJECTION

	UNITED STATES		NEW JERSEY	
	Household Size	% Decrease	Household Size	% Decrease
1950	3.39 persons		3.39 persons	
1960	3.29	2.9%	3.25	4.1%
1970	3.17	3.6%	3.17	2.5%
1980	2.75	13.2%	2.84	10.4%

Rate of decline in household size for New Jersey:

- A. 3 decade average (1950-1980): 5.7%
- B. 2 decade average (1960-1980): 6.5%
- C. most recent decade (1970-1980): 10.4%

The blended rate of B and C reflects a continuation, though slightly dampened, of the strong trend toward smaller households as exemplified during the 1970's.

$$B + C = 6.5\% + 10.4\% = 18.9\%/2 = 8.45\%$$

1980 Average household size in Northeast Region: 2.83
 1980-1990 projected decline (at 8.45%): .24
 1990 projected household size in Northeast Region: 2.59

Data: U.S. Bureau of the Census

Calculations: Clarke & Caton

SELECTED CHARACTERISTICS OF NON-GROWTH AREA MUNICIPALITIES

	<u>1980 POPULATION</u>	<u>VACANT DEVELOPABLE LAND (ACRES)</u>
<u>MORRIS COUNTY</u>		
Chester Borough	1,433	303
Chester Township	5,198	6,357
Mendham Borough	4,899	2,214
Mendham Township	4,488	5,091
Washington Township	<u>11,402</u>	<u>11,491</u>
COUNTY TOTAL	27,420	25,456
<u>PASSAIC COUNTY</u>		
Ringwood Borough (COUNTY TOTAL)	12,625	2,871
<u>SOMERSET COUNTY</u>		
Montgomery Township	7,360	6,215
Rocky Hill Boro	<u>717</u>	<u>79</u>
COUNTY TOTAL	<u>8,077</u>	<u>6,294</u>
TOTALS - NON-GROWTH MUNICIPALITIES:	48,122	34,621

1980 REGION POPULATION: 4,411,804

NON-GROWTH MUNICIPALITIES REPRESENT 1.09% of REGIONAL POPULATION

Data: U.S. Bureau of the Census, 1980 Census of Population
Revised Statewide Housing Allocation Report, NJ
 Department of Community Affairs, 1978

Calculations: Clarke & Caton

REGIONAL HOUSING ALLOCATION COMPONENT

VACANT DEVELOPABLE LAND IN GROWTH AREA MUNICIPALITIES

County	Vacant Developable Land (acres) in NE Region	Deduction for Land in Non-growth Municipalities	Net Vacant Developable Land in Growth Municipalities
Bergen	14,715	N/A	14,715
Essex	8,813	N/A	8,813
Hudson	- 0 -	N/A	- 0 -
Middlesex	62,810	N/A	62,810
Morris	109,447	25,456	83,991
Passaic	25,882	2,871	23,011
Somerset	46,562	6,294	40,268
Union	<u>3,655</u>	<u>N/A</u>	<u>3,655</u>
TOTALS	271,884	34,621	237,263

Mahwah: Vacant Developable Land: 1,517 acres

Regional Allocation Ratio: $1,517/237,263$: .00639375

Data: Revised Statewide Housing Allocation Report, NJ Department
of Community Affairs, 1978

Calculations: Clarke & Caton

REGIONAL HOUSING ALLOCATION COMPONENT

FISCAL CAPACITY: COMMERCIAL AND INDUSTRIAL RATABLE BASE

County	1980 Assessed Valuation: Commercial & Industrial Property	Average Ratio Assessed Value to True Value	1980 True Valuation: Commercial & Indus- trial Property
Bergen	\$4,521,404,778	80.29%	\$5,631,342,356
Essex	1,902,059,000	65.08	2,922,647,511
Hudson	1,549,346,884	65.88	2,351,771,226
Middlesex	2,817,139,800	72.98	3,860,153,193
Morris	1,388,341,870	55.91	2,483,172,724
Passaic	1,330,190,800	59.13	2,249,603,924
Somerset	917,496,120	63.50	1,444,875,780
Union	2,463,239,500	68.62	<u>3,589,681,580</u>
TOTALS			\$24,533,248,294
Mahwah:	\$120,162,200	65.94	\$182,229,603

Regional Allocation Ratio: $\$182,229,603/\$24,533,248,294$: .00742786

Data: 1980 Annual Report of the Division of Taxation in the NJ Department of the Treasury, Forty-Third Annual Report of the Division of Local Government Services, 1980.

Calculations: Clarke & Caton

REGIONAL HOUSING ALLOCATION COMPONENT

EMPLOYMENT GROWTH (1972-1981)

County	Covered Employment 1972	Covered Employment 1981	Ten Year Increase/ (Decrease)
Bergen	292,587	347,425	54,838
Essex	334,405	303,754	(30,651)
Hudson	207,248	178,187	(29,061)
Middlesex	183,842	243,547	59,705
Morris	99,636	161,189	61,553
Passaic	160,131	161,466	1,335
Somerset	57,156	82,496	25,340
Union	<u>224,613</u>	<u>231,222</u>	<u>6,609</u>
TOTALS	1,559,618	1,709,286	149,668
Mahwah:	9,951	5,597	(4,354)

Regional Allocation Ratio: 0/149,668: - 0 -

Data: NJ Covered Employment Trends, 1972 and 1981, NJ Department
of Labor

Calculations: Clarke & Caton