

underwriting (1/20/04)

Supplemental Attachments submitted in support  
of FIS application (on CoAH transfer)

P 110 - double-sided pgs (some)

CH1000110Z

**FILED****JUL 15 1986****STEPHEN SKILLMAN,****JSC**Supplemental Attachments\*Exhibit

Proposed Substantive Regulation of the Council on Affordable Housing, June 2, 1986.	I
Municipal Present, Prospective and Pre-Credited Need as Estimated by the Council on Affordable Housing, May 21, 1986.	J
Procedural Rules, Council on Affordable Housing, June 16, 1986.	K
Brief of the Attorney General, <u>In The Matter of Certain Amendments to the Adopted And Approved Solid Waste Management Plan of The Morris County Solid Waste Management District</u> , Dkt. No. A-1628 (App. Div., Filed June 16, 1986) Pp. 54-55.	L
Proportion of Income Paid Households By Income in Randolph Twp. For Gross Rent, U. S. Census 1980.	LL
Median Contract Rent For Renters in Randolph Township, Median Family Income in New Jersey, U. S. Census 1970, 1980.	M
Transcript of Deposition of Adrian Humbert, January 3, 1984, Pp. 39-44.	N

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\* Exhibits are lettered consecutively with the exhibits in plaintiffs' attachments in support of their application concerning Randolph Township. All exhibits in this supplemental attachments are submitted in support of plaintiffs' applications concerning both Denville Township and Randolph Township.

DEPARTMENT OF COMMUNITY AFFAIRS  
NEW JERSEY COUNCIL ON AFFORDABLE HOUSING  
SUBSTANTIVE RULES

PROPOSED NEW RULES - N.J.A.C. 5:92

Authorized by: Arthur R. Kondrup, Chairman, Council on Affordable  
Housing

FAIR SHARE HOUSING CRITERIA AND GUIDELINES  
AS PER N.J.A.C. 52:27D-301 ET SEQ.

Authority: N.J.A.C. 52:27D-301 et seq. specifically 52:27D-307

Proposal Number: PRN 1986-220

Public hearings concerning this proposal will be held on

June 19, 1986 at

1:30 P.M. to 4:30 P.M.  
Bergen County Court House  
Administration Building  
Main Street  
Hackensack, New Jersey

June 23, 1986 at

1:30 P.M. to 4:30 P.M.  
Somerset County College  
Route 28  
Weiße Theatre  
North Branch, New Jersey

June 26, 1986 at

1:30 P.M. to 4:30 P.M.  
Cherry Hill Inn  
Route 38 and Haddonfield Road  
Cherry Hill, New Jersey

Submit comments by July 2, 1986 to:  
Douglas V. Opalski, Executive Director  
New Jersey Council on Affordable Housing  
375 West State Street  
Trenton, New Jersey 08618

Date: May 5, 1986

EXHIBIT I

The Agency Proposal follows:

SUMMARY

The Fair Housing Act, R.S.A. 52:27D-801 et seq., enacted by the New Jersey Legislature in 1985, establishes a nine member Council on Affordable Housing. The Council is directed to prepare a comprehensive planning and implementation response to the constitutional obligation to provide, through municipal land use regulations, a realistic opportunity for a fair share of regional present and prospective needs for housing for low and moderate income households. The law specifies that the Council will estimate state and regional fair share and establish guidelines and criteria

Officials at the municipal level shall determine fair share need and prepare a municipal housing element that incorporates that need. The Council is directed to review the local fair share need and housing element and is empowered to certify the housing element.

The proposed new rules implement the intent of the legislature to provide for timely achievement of an appropriate fair share of the regional need for low and moderate income housing.

The Council has completed various background studies and data that are provided in Technical Appendix B, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z and data are illustrative of the rules and are published as a matter of public information.

The Technical Appendix includes the following:

- A. Appendix 1987-1991 Law and Executive Order Housing Need Estimates.
- B. Exhibit 1 - Base Data, Historical Information of Pre-Certified Need, Exhibit 2 - Base Data by Housing Region.
- C. Growth Area Allocation Index Totals.
- D. Section 8 Income Limits.
- E. Average Cost of Replacing Major Systems for Housing Rehabilitation.
- F. County Review Checklists.

#### ECONOMIC IMPACT

Creation of housing units affordable to low and moderate income households will provide them access to sound shelter within their means. Location of such housing at many sites may, with the option to reserve such housing for local employees who are nonresidents, reduce commuting distances. Reduced distances will lower individuals' commuting cost and help conserve the State's costly and scarce highway network including many roads reaching or exceeding design capacity. In-fill housing and rehabilitation may reduce expenditures on sewer and water extensions by utilizing existing systems with excess capacity.

#### SOCIAL IMPACT

The public will benefit since the rules will be the basis for creation of additional housing affordable to low and moderate income households. The existence of a variety of housing types in all municipalities will increase consumer choice. Hardship conditions due to high housing costs or housing unavailability in some areas will be lessened. Residents in deficient housing will particularly benefit from increased housing choice. This may exacerbate long term trends of urban out-migration and decline. However, Regional Contribution Agreements (RCAs) are possible. RCAs are intended to provide municipalities that exhibit extensive deficient housing and limited financial resources with additional means to upgrade or otherwise provide sound housing opportunities within their existing neighborhoods and community.

#### ENVIRONMENTAL IMPACT

The environmental impact of higher density, infill/multifamily development affordable to low and moderate income households will be less if located under a comprehensive and consistent local housing element and master plan, and if located with reference to applicable county, regional and State plans. The regulations provide for consistency with applicable policies, plans and programs of the New Jersey Department of Environmental Protection including Green Acres, Coastal Zone Management, the Pinelands Commission and the Hackensack Meadowlands.

Full Text of the proposed new rules follows.

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CHAPTER 92  
SUBSIDIARY RULES OF THE NEW JERSEY  
COUNCIL ON AFFORDABLE HOUSING

SUBCHAPTER 1. GENERAL PROVISIONS

5:92 - 1.1 Short title

The provisions of this chapter will be known as "the substantive rules and regulations of the New Jersey Council on Affordable Housing."

5:92 - 1.2 Severability clause

If any part of this chapter shall be held invalid, the holding shall not affect the validity of remaining parts of these rules. If a part of these rules is held invalid in one or more of their applications, the rules shall remain in effect in all valid applications that are severable from the invalid application.

5:92 - 1.3 Definitions

The following words and terms, when used in this chapter, shall have the following meaning unless the context clearly indicates otherwise:

"Act" means the Fair Housing Act of 1988, P.L. 1988, c. 252 (C. 52:270-301 et seq.)

"Adjustment" means a reduction and/or deferral of the municipal law and moderate income housing obligation.

"Agency" means the New Jersey Housing and Mortgage Finance Agency established by P.L. 1983, c. 530 (C. 55:14K-1 et seq.).

"Affordable" means a sales price or rent within the means of a low or moderate income household as defined in Subchapter 12, Controls on Affordability.

"Alternative living arrangement" means a structure in which households maintain private rooms yet share kitchen and plumbing facilities, central heat and common areas. Alternative living arrangement includes, but is not limited to, Class C boarding houses as regulated by the New Jersey Department of Community Affairs, residential health care facilities as regulated by the New Jersey Department of Health, and congregate living arrangements.

"Approvable site" means a site that may be developed for low and moderate income housing in a manner consistent with the regulations of all agencies with jurisdiction over the site. A site may be approvable although not currently zoned for low and moderate income housing.

"Available site" means a site with clear title, free of encumbrances which preclude development for low and moderate income housing, upon which the owner has expressed a willingness to build low and moderate income housing, or to convey the land for this purpose, at a reasonable price, in keeping with comparable land sales in the area.

"Census subregion" means a geographic subdivision of the State by the United States Bureau of the Census.

"Conversion" means the conversion of existing commercial, industrial or residential structures for low and moderate income housing purposes where a substantial percentage of the housing units is provided for a reasonable income range of low and moderate income households.

"Council" means the New Jersey Council on Affordable Housing established under the Act and which has primary jurisdiction for the administration of housing obligations in accordance with sound regional planning considerations in this State.

"Covered employment" means those employees covered by the New Jersey Unemployment Compensation Law, P.L. 1936, c.270, as amended, (C.43; 21-1, et. seq.), and as further described in New Jersey Covered Employment Trends, December 1985, New Jersey Department of Labor, Division of Planning and Research, Office of Demographic and Economic Analysis.

"Covered employment change" means the yearly change in covered employment from 1977 through 1984 as measured by a linear regression equation.

"Deficient unit" means a housing unit that is not decent, safe or sanitary as further determined through census surrogates or on-site inspection and does not comply with local codes or other housing standards and is determined pursuant to the method described in N.J.A.C. 5:92-5.2.

"Developable site" means a site that has access to appropriate water and sewer infrastructure, and has received water consistency approvals from the New Jersey Department of Environmental Protection or its designated agent authorized by law to issue such approvals.

"Fair share plan" means that plan or proposal, which is in a form that may readily be converted into an ordinance, by which a municipality proposes to satisfy its obligation to create a realistic opportunity to meet its fair share of low and moderate income housing needs of its region and which details the affirmative measures the municipality proposes to undertake to achieve its fair share of low and moderate income housing, as provided in sections 9 and 14 of the Act.

"Gross density" means the total number of dwelling units existing or permitted on a housing site divided by the total area of the tract. The result is expressed as dwelling units per acre.

"Growth area" means the lands so designated by the 1980 State Development Guide Plan as updated by the State Development and Redevelopment Plan. "Growth area" shall also refer to lands designated as Regional Growth Areas and Pinelands Towns by the Pinelands Commission and areas designated as Development Regions and Extension Regions (including Central Corridor Barrier Islands) by the Division of Coastal Resources.

"Household" means the person or persons occupying a housing unit.



"Housing element" means that portion of a municipality's master plan consisting of reports, statements, proposals, maps, diagrams and text designed to meet the municipality's fair share of its region's present and prospective housing needs, particularly with regard to low and moderate income housing and which contains at least those items identified in section 10 of the Act.

"Housing region" means a geographic area, determined by the Council, of no less than two nor more than four contiguous, whole counties which exhibit significant social, economic and income similarities and which constitute, to the greatest extent practicable, the Primary Metropolitan Statistical Areas (PMSA) as last defined by the United States Census Bureau prior to July 2, 1985.

"Inclusionary development" means a residential housing development in which a substantial percentage of the housing units is provided for a reasonable income range of low and moderate income households.

"Indigenous need" means deficient housing units occupied by low and moderate income households within a municipality and is a component of present need. Municipal indigenous need, as a percentage of the total 1987 occupied housing stock, shall not exceed the percentage derived from dividing the deficient housing units occupied by low and moderate income households by the total 1987 occupied housing stock for the housing region in which the municipality is located.

"Inventory" means that calculation undertaken by a municipality in developing its housing element which accounts for its housing stock by age, condition, purchase or rental value, occupancy characteristics and type, including the

number of units affordable to low and moderate income households in substandard housing capable of being rehabilitated, as provided for in Section 10a of the Act.

"Low income housing" means housing affordable according to federal Department of Housing and Urban Development or other recognized standards for home ownership and rental costs, and occupied or reserved for occupancy by households with a gross household income equal to 50 percent or less of the median gross household income for households of the same size within the housing region in which the housing is located, and is subject to affordability controls.

"Moderate income housing" means housing affordable according to federal Department of Housing and Urban Development or other recognized standards for home ownership and rental costs, and occupied or reserved for occupancy by households with a gross household income equal to or more than 50 percent but less than 80 percent of the median gross household income for households of the same size within the housing region in which the housing is located, and is subject to affordability controls.

"Multifamily unit" means a structure containing two or more dwelling units.

"Municipal present need" means the sum of indigenous need and the municipal share of reallocated present need.

"Net density" means the total number of dwelling units within a designated portion of a tract divided by the total land area of the designated portion of

the tract, including the open space, roadways, parking areas and common facilities devoted exclusively to that portion of the tract. The result is expressed as dwelling units per acre.

"Open space" means any parcel or area of water or land essentially unimproved and set aside, dedicated, designated or reserved for public or private use or enjoyment or for the use and enjoyment of owners and occupants of land adjoining or neighboring such open space, provided that such areas may be improved with only those buildings, structures, streets and offstreet parking and other improvements that are designed to be incidental to the natural openness of the land.

"Petition for substantive certification" means that petition which a municipality files, or is deemed to have filed, which engages the Council's mediation and review process.

"Present need" means the total number of deficient housing units occupied by low or moderate income households as of July 1, 1987. "Present need" is the sum of indigenous need and reallocated present need.

"Prospective need" means a projection of low and moderate housing needs based on development and growth which is reasonably likely to occur in a region or a municipality, as the case may be, as determined and further described in Subchapter 4, Estimated Present and Prospective Need and Subchapter 5, Municipal Determination of Present and Prospective Need. In determining prospective need, consideration shall be given to approvals of development applications, real property transfers and economic projections

prepared by the State Planning Commission established by P.L. 1987, c. 108 (N.J.S.A. 52:18A-196 et seq.).

"Reallocated present need" means that portion of a housing region's present need that is redistributed to designated growth areas.

"Receiving municipality" means, for purposes of a RCA, a municipality which agrees to assume a portion of another municipality's fair share obligation.

"Rehabilitated unit" means a previously deficient housing unit which has undergone significant renovation to meet municipal or other applicable housing code standards as further described in Subchapter 11, Regional Contribution Agreements (RCAs).

"Resolution of participation" means a resolution adopted by a municipality in which the municipality chooses to prepare a fair share plan and housing element in accordance with the Act.

"Section 8 income limits" means a schedule of income limits that define 50 percent and 80 percent of median income by household size. When used herein, Section 8 income limits shall refer to the "uncapped" schedule as contained in the Technical Appendix, infra.

"Sending municipality" means for purposes of a RCA, a municipality which transfers a portion of its fair share obligation to another willing municipality.

"Set-aside" means the percentage of housing units devoted to low and moderate income households within an inclusionary development.

"State Development Guide Plan (SDGP)" means the officially recognized State plan for development, dated 1980, and promulgated by the New Jersey Department of Community Affairs pursuant to P.L. 1961 c. 47 (C. 13-1B-15-52).

"State Development/Redevelopment Plan (SDRP)" means the State plan for development promulgated by the State Planning Commission pursuant to P.L. 1985 c. 398 (C. 52-18A-196 et. seq.).

"Statement of intent" means a resolution adopted by a municipal governing body expressing an intent to enter into a RCA.

"Substantive certification" means a determination by the Council approving a municipality's housing element and fair share plan in accordance with the provisions of the Act and the rules and criteria as set forth herein. A grant of substantive certification shall be valid for a period of six years in accordance with the terms and conditions contained therein.

"Suitable site" means a site that is adjacent to compatible land uses, has access to appropriate streets and is consistent with the environmental policies delineated in Subchapter 8, Municipal Adjustments.

"Surrogate" means a census indicator of deficient housing used in the calculation of present need as defined in Subchapter 5, Municipal Determination of Present and Prospective Need.

"Survey" means that independent determination of need undertaken by a municipality in preparing its housing element which is developed and produced in a manner and in such form as is acceptable to the Council.

"Vacant land" means: 1. Undeveloped and unused land area; 2. Any non-residential areas with significant amounts of land not covered by impervious surfaces on site, as determined by the Council; 3. Land suitable for redevelopment or infill at higher densities; and 4. Residential areas with lot sizes in excess of two acres where environmental factors permit higher densities.

5.9. 4.4 Housing element

(a) A municipality's housing element shall be designed to achieve the goal of access to affordable housing to meet present and prospective housing needs, with particular attention to low and moderate income housing, and shall contain at least:

1. An inventory of the municipality's housing stock by age, condition, purchase or rental value, occupancy characteristics and type, including the number of units affordable to low and moderate income households and substandard housing capable of being rehabilitated;

2. A projection of the municipality's housing stock, including the probable future construction of low and moderate income housing, for the next six years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands;

3. An analysis of the municipality's demographic characteristics, including but not limited to, household size, income level and age;

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

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

present and prospective housing needs, including its fair share for low and moderate income housing;

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

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

8. Copies of necessary applications for sewer service and water quality management plans submitted pursuant to Sections 201 and 208 of the Federal Clean Water Act, 33 U.S.C. §1251, et. seq.

9. A copy of the most recently adopted municipal master plan and the immediately preceding, adopted master plan;

10. A copy of appropriate National Wetlands Inventory maps provided by U.S. Fish and Wildlife Service for designated sites;

11. A copy of appropriate U.S.G.S Topographic Quadrangles for designated sites; and

12. Any other documentation as may be required by the Council.

5:92 - 1.5 Substantive certification

Any grant of substantive certification may contain such conditions and terms as the Council considers necessary and which makes the achievement of a municipality's fair share obligation realistically possible.

SUBCHAPTER 2. HOUSING REGIONS

5:92 - 2.1 Regions defined

The housing regions of the State shall be composed of the following counties:

<u>Region</u>	<u>Constituent Counties</u>
1. Northeast	Bergen; Hudson; Passaic
2. Northwest	Essex; Morris; Sussex; Union
3. West Central	Hunterdon; Middlesex; Somerset; Warren
4. East Central	Monmouth; Ocean
5. Southwest	Burlington; Camden; Gloucester; Mercer
6. South Southwest	Atlantic; Cape May; Cumberland; Salem

5:92 - 2.2 Uses of regions

(a) The housing regions as set forth in N.J.A.C. 5:92-2.1 provide a definitive geographic base for the following uses:

1. The regions provide a housing market framework for determining population and household estimates and projections, as set forth in N.J.A.C. 5:92-3, and
2. The regions provide a framework within which estimates of the present and prospective need for low and moderate income housing may be made, as set forth in N.J.A.C. 5:92-4, and
3. The regions provide a structure for the allocation of fair share to the municipal level, as set forth in N.J.A.C. 5:92-5, and
4. The regions provide a basis for the negotiation of RCAs, as set forth in N.J.A.C. 5:92-11, and
5. The regions provide a framework for the appropriation of State funds made available under section 20 of the Act

SUBCHAPTER 3. POPULATION AND HOUSEHOLDS

5:92 - 3.1 Purpose

This subchapter establishes population and household projections for the State and housing regions. These projections are drawn from the historical migration model, New Jersey Department of Labor, Division of Planning and Research, Office of Demographic and Economic Analysis, "Population Projections for New Jersey and Counties: 1990 to 2020, Volume 1, November 1985;" see: Technical Appendix, infra.

5:92 - 3.2 Population and household estimates  
and projections

The Council establishes the following population and household estimates and projections for the State and housing regions:

<u>Region</u>	<u>Population</u>		
	<u>April 1</u>	<u>July 1</u>	
	<u>1980</u>	<u>1987</u>	<u>1993</u>
1. Northeast	1,849,900	1,845,841	1,820,525
2. Northwest	1,879,100	1,880,134	1,880,199
3. West Central	971,700	1,021,999	1,057,058
4. East Central	849,400	945,499	1,046,059
5. Southwest	1,342,000	1,418,557	1,484,565
<u>6. South-Southwest</u>	<u>473,900</u>	<u>507,749</u>	<u>542,858</u>
<b>New Jersey</b>	<b>7,366,000</b>	<b>7,619,779</b>	<b>7,831,264</b>

Households

<u>Region</u>	<u>Households</u>	
	<u>April 1</u> <u>1980</u>	<u>July 1</u> <u>1987</u> <u>1993</u>
1. Northeast	663,080	693,661
2. Northwest	647,760	679,679
3. West Central	323,880	366,051
4. East Central	299,360	356,037
5. Southwest	454,280	510,636
6. <u>South-Southwest</u>	<u>172,960</u>	<u>193,974</u>
New Jersey	2,560,320	2,800,038

Source: The April 1, 1980 population and household estimates have been aggregated from the 1980 New Jersey Public Use Sample, U.S. Census Bureau.

SUBCHAPTER 4. ESTIMATED PRESENT AND PROSPECTIVE NEED

5:92 - 4.1 Need

The Council establishes the following estimation of present and prospective need for low and moderate income housing at the State and regional levels:

1987-1993 Present and Prospective Need

(Statewide and by Region)

<u>Region</u>	<u>Need</u>
1. Northeast	42,534
2. Northwest	28,773
3. West Central	14,720
4. East Central	23,247
5. Southwest	21,884
6. South-Southwest	14,549
<u>New Jersey</u>	<u>145,707</u>

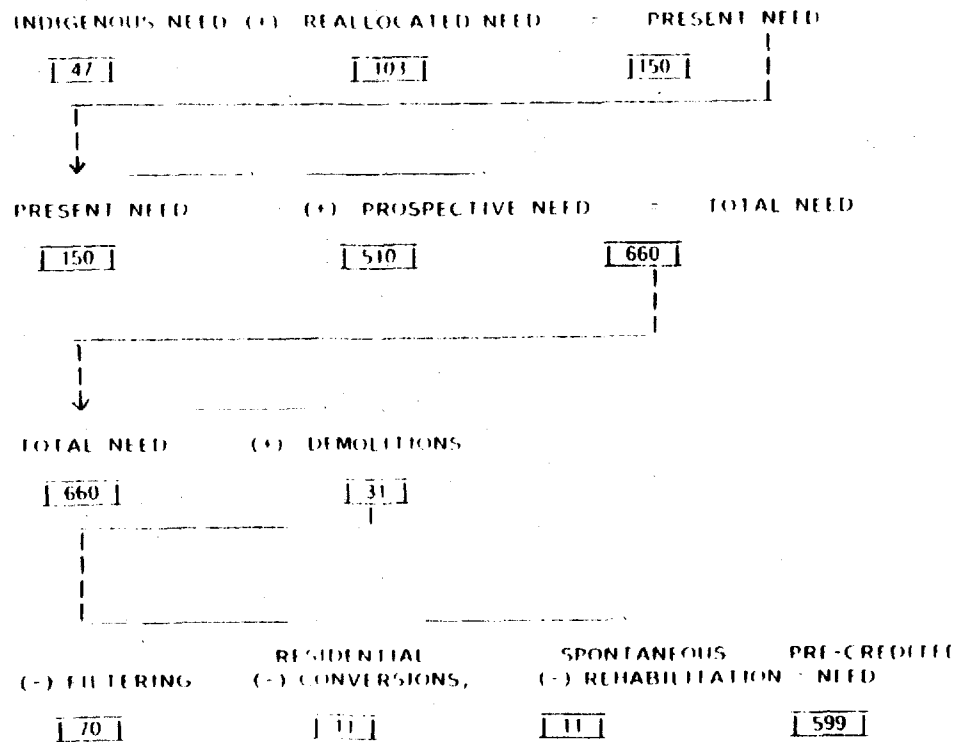
SUBCHAPTER 5. MUNICIPAL DETERMINATION OF PRESENT AND PROSPECTIVE NEED

5:92 - 5.1 General

(a) Municipal present and prospective need shall be calculated by summing municipal indigenous need and the municipal share of the appropriate housing region's reallocated present need and prospective need. The resulting total shall be modified for secondary sources of supply/demand as described in this subchapter (see Technical Appendix, *infra.*) The result of this process is the determination of municipal pre-credited need. This is the figure municipalities shall address in their housing elements.

An example for Johnsonville is provided to illustrate each of the specified calculations. The following flow diagram summarizes the sequence of calculations enroute to the determination of pre-credited need.

FLOW DIAGRAM FOR THE CALCULATION OF  
LOW- AND MODERATE-INCOME HOUSING NEED  
Using The Johnsonville Example



(b) Exhibit 1 in the Technical Appendix, *infra*, provides municipal specific base data that may be employed to determine municipal present and prospective need. Data for a hypothetical municipality, "Johnsonville," precedes the municipal base data for illustrative purposes. Exhibit 2 in the Technical Appendix, *infra*, duplicates the base data for each housing region that is presented in Columns A through E in this subchapter.

(c) The data contained in Exhibit 1 shall be used by parties appearing before the Council unless it can be shown that more appropriate data exist that justify a substitution. The Council shall determine, based on the documentation presented, which data shall be used to determine municipal present and prospective need.

(d) Selected municipalities receiving state aid (urban aid cities) pursuant to P.L. 1978, C.14 (N.J.S.A. 52:27D-178 et. seq.) as defined in N.J.A.C. 5:92-5.3 (b) shall calculate municipal pre-credited need as per the procedures delineated in N.J.A.C. 5:92-5.13.

(e) Filtering, residential conversions and spontaneous rehabilitation estimates by housing region as expressed in this subchapter differ slightly from those presented in the Technical Appendix, *infra*. This is because a municipality's total pre-credited need cannot be reduced below zero. Therefore, if the reduction to pre-credited need due to filtering, residential conversions and/or spontaneous rehabilitation reduces municipal pre-credited need to less than zero, the need for this municipality is maintained at zero.



5-92 5.2 Indigenous need (as of 1987)

(a) Indigenous need in a municipality is actual or capped deficient housing occupied by low and moderate income households as further defined in 5-92-1.3. Municipal indigenous need shall be determined from the total of deficient housing units occupied by low and moderate income households for the census subregion in which the municipality is located. The data, derived from a multiple index approach, are not available at the municipal level. To determine the municipal share of need from the census subregion total, it is necessary to use a single-index approach using surrogates of deficient housing available at both the municipal and census subregion level. To calculate municipal indigenous need:

1. Locate the appropriate municipality in Exhibit F in the Technical Appendix, *infra*. Example: Johnsonville in Region 5 (Southwest).
2. Divide Column 2 (municipal single-index need) by Column 3 (subregional single-index need). The resulting percentage yields the municipal share of the census subregion's total of deficient housing units occupied by low and moderate income households. Example:

Johnsonville single index need	144/984	14%
Subregional single index need		

3. Multiply the result of the quotient obtained in 2 above by the number in column 1 (subregional multiple index need). Example:

Subregional Multiple Index Need	Municipal Share of Need
323	47

This is the count of actual low and moderate income deficient units in a municipality.

4. Column A, below, displays the percentage for each housing region that is obtained by dividing the actual deficient housing units occupied by low and moderate income households in the region by the estimated total of 1987 occupied housing units in the region.

COLUMN A 1987 Regional Average Percent Deficiency	
Region	Percent Deficiency
1 Northeast	0.75
2 Northwest	0.47
3 West Central	0.25
4 East Central	0.15
5 Southwest	0.6
6 South-Southwest	0.47

Multiply this percentage by the municipal projection of 1987 occupied housing stock in Exhibit 1, Column 4. Example:

Johnsonville Total		Region 5 Percentage of Low and	
Occupied Housing Estimate		and Moderate Income Deficiency	
8,922	X	0.6	5,353

5. Municipal indigenous need shall be the smaller number resulting from the calculations in 3. and 4. above.

Example: Johnsonville's indigenous need = 47.

6. If the calculation in 3. above is larger than 4. above, the difference between the two shall be distributed throughout the housing region as reallocated present need as per N.J.A.C. 5:92-5.3 and 5:92-5.4. The results of this calculation are displayed for each housing region in Column B.

(b) Municipal indigenous need may also be determined through a survey of the municipality's housing stock when such survey is deemed adequate and accepted by the Council for identifying deficient housing units occupied by low or moderate income households.

9. Distribution of need

(a) The distribution of each housing region's reallocated present need and prospective need shall be accomplished through use of economic and land use factors expressed as a percentage representing the municipal share of the housing region's total for each factor as displayed in Exhibit 1 of the Technical Appendix, *infra*. The factors employed to distribute the housing region's need are growth area (Column 5), covered employment (Column 6), aggregate per capita income (Column 7) and covered employment change (Column 8). All but covered employment change are summed, averaged and displayed in Column 9. This is the average of the present need allocation factors. All four economic and land use factors are summed, averaged and displayed in Column 10. This is the average of the prospective need allocation factors.

(b) Reallocated present need and prospective need shall be distributed to municipalities designated in whole or in part as growth areas unless the municipality receives state aid pursuant to P.L. 1978, C.14 (C.52-27D-178 *et. seq.*) at the time of substantive certification and exhibits one of the following (see attachment in Appendix A, Technical Appendix, *infra* for a listing of current selected urban and cities that meet the following):

1. A percentage of actual housing deficiency to total occupied housing stock in excess of the same percentage for the region in which the municipality is located, or...

2. A population density in excess of 10,000 persons per square mile, or

3. A density of 6,000 to 10,000 per square mile and less than five percent of vacant, non farm municipal land as measured by the average percentage of vacant land valuation and parcels in the 1984 Statement of Financial Condition of Counties and Municipalities (Trenton, N.J. New Jersey Department of Community Affairs, 1985)

(c) Only those municipalities designated herein to receive reallocated present need and prospective need shall be included in the housing region totals of growth area, covered employment, per capita aggregate income and covered employment change for purposes of distributing need

5.92 - 5.4 Reallocated present need

(a) Reallocated present need is the share of excess deficient housing which must be distributed to municipalities designated in whole or in part as growth area as delineated in N.J.A.C. 5.92-5.3. The following Column B displays the reallocated present need by housing region:

COLUMN B  
1987 Regional Pool of  
Excess/Deficient Housing Units

Region	Excess/Deficient Housing Units
1. Northeast	17,676
2. Northwest	8,829
3. West Central	1,631
4. East Central	750
5. Southwest	4,060
6. South Southwest	1,465
New Jersey	34,411

(b) Divide the municipal number in Column 9, Exhibit 1 in the Technical Appendix, *infra*, by 100 and multiply the resulting quotient by the total reallocated present need for the housing region in which the municipality is located to yield municipal reallocated present need. Example:

Regional Pool of Excess/Deficient Units (Region 5)	X	Average of Johnsonville's Present Need Allocation Factors (column 9)	
4,060	X	$\frac{2,549}{100}$	103

5.92 - 5.5 Present need (as of 1987)

Present need is the sum of indigenous need and reallocated present need. To determine municipal present need add indigenous need (as calculated in N.J.A.C. 5:92-5.2) and reallocated present need (as calculated in N.J.A.C. 5:92-5.4). Example:

Johnsonville's present need = indigenous need (47) +  
reallocated present need (103) = 150

5.92 - 5.6 Prospective need - 1987-1993

(a) Prospective need is the share of future households that are low and moderate income and as such require affordable housing (See Technical Appendix, *infra*). Prospective need for each housing region is projected in the following Column C.

COLUMN C 1993 Prospective Need	
Region	Prospective Need
1 Northeast	5,509
2 Northwest	9,279
3 West Central	13,661
4 East Central	23,752
5 Southwest	18,179
6 South Southwest	9,561
New Jersey	80,421

(b) To calculate municipal prospective need, divide the municipal number in Column 10, Exhibit I in the Technical Appendix, *infra*, by 100 and multiply the resulting quotient by the prospective need for the housing region in which the municipality is located to yield municipal prospective need. Example:

1993 Prospective Need (Region 5)	X	Average of Johnsonville's Prospective Need Allocation Factors (Column 10)	
18,179	X	$\frac{2,806}{100}$	510

5.92 - 5.7 Total need

Total need is the sum of present and prospective need. To determine municipal total need, add present need (as calculated in N.J.A.C.

5.92-5.5) and prospective need (as calculated in N.J.A.C. 5.92-5.6.)

Example:

Johnsonville's total need = present need (150) + prospective need (510)  
660

5.92-5.8 Demolitions:

(a) Demolition is a factor that eliminates housing opportunities for low and moderate income households. Therefore, a number representing demolitions affecting low and moderate income households shall be added to total need (see Technical Appendix, infra). To determine this number:

1. Average 1983 and 1984 municipal demolitions as reported in New Jersey Residential Building Permits (1984 Summary). Example:

Johnsonville average: 15 demolitions.

2. Multiply the average by six to project 1987-1993 demolitions.

Example:

Johnsonville Average Demolitions	x	Number of Years Projected	
15	x	6	90

3. To determine the percentage of demolitions affecting low and moderate income households, divide the percentage of low and moderate income households living in the census subregion in which the municipality is located (displayed in Exhibit 1, column II in the Technical Appendix, infra) by 100 and multiply the resulting quotient by 15. The percentage of demolitions affecting low and moderate income households shall be the result of this product or 9% percent, whichever is lower.

Example:

Subregional Low and Moderate Income Percentage			
<u>23.3</u>	x	15	3495
100			

4. Multiply the percentage of demolitions affecting low and moderate income households (calculated in 3 above) by the projected municipal demolitions (calculated in 2 above). The resulting number shall be added to total need. Example:

Percentage Demolition's Impacting Low and Moderate Income Households	x	Johnsonville's Projected Demolitions	
9%	x	90	31

5.9 Filtering

(a) Filtering causes a reduction in total need based on the recognition that the housing needs of low and moderate income households are partially met by sound housing units, formerly occupied by higher income sectors of the housing market (See Technical Appendix, infra). Filtering is highly correlated with the presence of multi-family housing units. The following Column D displays regional filtering projections. The following Column E displays the total number of multi-family housing units in each region in 1980.

Region	COLUMN D		COLUMN E
	Filtering Projection	1987 Projection	1980 Multifamily Unit Totals
1. Northeast	12,202		410,972
2. Northwest	12,678		334,839
3. West Central	7,222		104,428
4. East Central	6,706		73,799
5. Southwest	9,587		121,352
6. South Southwest	3,494		57,287
New Jersey	51,889		1,102,677

(b) To determine the impact of filtering on municipal total need

1. Determine the municipal number of year-council multifamily units in 1980 as reported in the U.S. Census of Housing (Detailed Housing Characteristics Part C - New Jersey) Example

Johnsenville had 892 multifamily units.

2. Divide this number by the total of year-council multifamily units for the region (Column F) in which the municipality is located. This yields the municipality's share of multifamily housing units in the bearing region. Example

Johnsenville's Multifamily Units, 1980	Total Multifamily Units in 1980 (Region 5)	Johnsenville's Share of Multifamily Units
892	1,21,352	00735

3. Multiply this percentage by the filtering estimates in Column D for the region in which the municipality is located to yield the reduction to municipal total need due to filtering. Example

Johnsenville's Share of Region 5 Multifamily Units	Filtering Projection Region 5	Johnsenville's Share of Region 5 Filtering Projection
00735	9,587	70

5.9.2 - 5.10 Residential conversion

(a). Residential conversion is the creation of dwelling units from already existing residential structures. Residential conversion is a significant source of housing supply to low and moderate income households and it shall cause a reduction to municipal total need (See Technical Appendix, infra ). Residential conversion is highly correlated with the presence of two-to four-family housing units. The following Column F displays projections of conversions for each housing region. The following Column G displays the total of two to four family housing units in each housing region in 1980.

	COLUMN F 1987-1993 Conversion <u>Estimates</u>	COLUMN G 1980 2-4 Family <u>Unit Totals</u>
<u>Region</u>		
1. Northeast	5,138	224,294
2. Northwest	3,257	165,631
3. West Central	1,048	50,697
4. East Central	662	29,269
5. Southwest	1,478	42,692
6. South-Southwest	<u>1,174</u>	<u>27,873</u>
New Jersey	12,757	540,456

(b). To determine the impact of conversions on municipal total need

1. Determine the municipal number of year-round two to four family housing units in 1980 as reported in the U.S. Census of Housing (Detailed Housing Characteristics Part 52-New Jersey). Example: Johnsonville had 308 two to four-family units.
2. Divide this number by the year-round total two-to four family housing units for the region in which the municipality is located to obtain the municipal share of two-to four-family housing units in the housing region.

Example:

<u>Johnsonville's Total 2-4 Family Housing Units</u>	<u>Total 2-4 Family Housing Units (Region 5)</u>	<u>Johnsonville's Share of 2-4 Family Housing Units</u>
308	42,692	.00721

3. Multiply this percentage by the conversion projection in Column I for the region in which the municipality is located to yield the reduction to municipal total need due to conversion. Example:

Johnsonville's Share of 2-Family Housing Units		1987-1993 Conversion Projections (Region 5)	
00721	X	1,478	11

5.92 - 5.11 Spontaneous rehabilitation

(a) Spontaneous rehabilitation measures the private market's ability to rehabilitate deficient low and moderate income housing units up to code standard; and shall cause a reduction to municipal total need (See Technical Appendix, *infra*). Spontaneous rehabilitation is highly correlated with aggregate per capita income. The following Column II displays spontaneous rehabilitation projections by housing region. The following Column I displays total 1983-1984 per capita regional aggregate income for each housing region. Per capita regional aggregate income for 1983-1984 is obtained by multiplying 1983 regional per capita income estimates by 1984 estimated population in the housing region. (See Technical Appendix, *infra*.)

		COLUMN II	COLUMN I
		1987-1993	1983-1984
		Spontaneous	Aggregate
		Rehabilitation	Per Capita
		Estimates	Income (\$)
Region			
1	Northeast	1,884	21,112,820,538
2	Northwest	1,194	22,029,857,240
3	West Central	384	12,245,480,846
4	East Central	210	9,830,614,791
5	Southwest	542	14,201,442,966
6	South-Southwest	431	4,592,427,839
New Jersey		4,678	84,007,692,240

(b) To determine the impact of spontaneous rehabilitation on municipal total need:

1. Determine the municipal estimate of per capita income in 1983 from the 1986 New Jersey Legislative District Data Book (published by the Rutgers University Bureau of Government Research, April 1986). Example: Johnsonville's 1983 per capita income was \$12,975.



2. Multiply this number by the estimated municipal population as of 1984 as published in 1984 Population Estimates for New Jersey (published by the New Jersey Department of Labor, September, 1985). This yields municipal 1983-1984 aggregate per capita income. Example: Johnsonville's estimated population was 21,453. Calculation:

$$\$12,975 \times 21,453 = \$278,352,675$$

3. Divide 1983-1984 municipal aggregate per capita income by the 1983-1984 aggregate per capita income for the housing region in which the municipality is located (see Column I) to obtain the municipal share of aggregate per capita income.

Example:

Johnsonville's 1983-1984 Aggregate Per Capita Income	Region 5 1984 Aggregate Per Capita Income (Column I)	Johnsonville's Share of Aggregate Per Capita Income
\$278,352,675	\$14,201,442,966	.01960

4. Multiply the share of regional aggregate per capita income by the spontaneous rehabilitation projections for the housing region in which the municipality is located (see Column H in (a) above) to yield the reduction to municipal total need due to spontaneous rehabilitation. Example:

Johnsonville's Share of 1983-1984 Aggregate Per Capita Income

.01960

1983-1984 Region 5 Spontaneous Rehabilitation Estimate

142

11

5.92 - 5.12 = Pre-credited need

Municipal pre-credited need is the sum of total need and demolition minus reductions for filtering, conversion and spontaneous rehabilitation (see Technical Appendix, *infra*). Example:

Total Need + Demolition - (Filtering + Residential Conversion + Spontaneous Rehabilitation)

$$660 + 31 - (60 + 11 + 11) = 599$$

5.32 - 5.13 = Calculation of indigenous need (selected urban and cities)

(a) Selected municipalities receiving state aid (urban and cities) pursuant to P.L. 1978, c. 14 (N.J.S.A. 52:27D-178 et seq.) that are exempt from the distribution of reallocated present need and prospective need as described in N.J.A.C. 5:92-5.3 (see Appendix A to Technical Appendix, *infra*) shall determine their indigenous need as indicated below:

1. Follow the procedures delineated in N.J.A.C. 5:92-5.2(a) 1 through 3. These calculations yield the count of actual low and moderate income deficient units in the selected urban and city. This estimate of low and moderate income deficient units may also be determined through a survey of the municipality's

housing stock when such survey is deemed adequate and accepted by the Council for identifying deficient housing units occupied by low or moderate income households.

2. Modify the number calculated in 1. above as instructed in N.J.A.C. 5:92- 5.8, 5.9, 5.10, and 5.11 (demolitions, filtering, residential conversions and spontaneous rehabilitation).
3. Perform the calculation required in N.J.A.C. 5:92-5.2(a)4.
4. Municipal indigenous need shall be the smaller number resulting from the calculations in 2. and 3. above.
5. If the calculation in 2. above is larger than 3. above the difference between the two shall be distributed throughout the housing region as reallocated present need (see Technical Appendix, infra.)
6. This calculation of indigenous need for selected urban aid cities performed in 4. above is also the pre-credited need for these cities. No additional calculations need be made by these cities.

5:92 - 5.14. Low and moderate income split

Municipal pre-credited final need obligation shall be divided equally between low and moderate income households. Example

Johnsonville's total obligation includes 200 low income units and 100 moderate income units.

#### SUBCHAPTER 6. CREDITS

5:92 - 6.1. Credits

- (a) Municipal present and prospective fair share shall be determined after crediting, on a one to one basis, those housing units created or rehabilitated after April 1, 1980. Credits are applicable when a unit's occupancy is restricted to low or moderate income households and when the municipality has implemented adequate assurances for continued affordability consistent with Subchapter 12, Controls on Affordability.
- (b) Low and moderate income housing units created within a municipality in excess of the municipal 1987-1993 present and prospective fair share, as calculated in Subchapter 5 shall be credited on a one to one basis against its future fair share. This credit shall take place upon request during the substantive certification process, provided that such units have been restricted to low or moderate income households and the municipality has

implemented adequate assurances for continued affordability consistent with Subchapter 12, Controls on Affordability.

## SUBCHAPTER 8. MUTUAL FAIR ADJUSTMENTS

### 5.92 - 8.1 General

## SUBCHAPTER 7. DRASTIC ALTERATION OF THE ESTABLISHED PATTERN OF DEVELOPMENT

### 5.92 - 7.1 Drastic alteration

After receiving the crediting provided in Subchapter 6, credits, where a municipality's present and prospective fair share exceeds 20 percent of its total occupied housing stock, as estimated as of July 1, 1987, the municipality may adjust its fair share to 20 percent of its estimated 1987 occupied housing stock.

This subchapter provides the criteria by which a municipal fair share may be adjusted. Adjustments shall be made to eliminate specific parcels of vacant land from consideration as sites for low and moderate income housing. Adjustments shall yield vacant, suitable, developable, available and appraisable land within each municipality requesting and demonstrating that such adjustments to its fair share are in keeping with these criteria. Adjustments shall be made to municipal fair share when the Council determines that such adjustments are required due to available land capacity, public facilities or infrastructure. All municipalities requesting adjustments of present and prospective need shall submit an existing land use map at an appropriate scale to display the land uses of each parcel within the municipality. Such map shall display the following land uses: single family, two to four family, other multifamily, commercial, industrial, agricultural, parkland, other public uses, semipublic uses and vacant land. Municipalities seeking an adjustment based on historic sites, agricultural lands or environmentally sensitive areas shall submit transparent overlays drawn to the same scale as the existing land use map depicting eligible sites as delineated herein.

### 5.92 - 8.2 Adjustment process

- (a) The Council shall only adjust reallocated present and prospective need which the municipality proposes to address through inclusionary developments.

(b). The Council shall determine the amount and location of vacant and undeveloped land within a municipality. Specific parcels of vacant and developable lands shall be excluded as potential sites for low and moderate income housing based on the following criteria:

1. Historic and architecturally important sites shall be excluded if listed on the State Register of Historic Places prior to substantive certification. All land within a 100-foot buffer area of an eligible historic site as described herein shall similarly be excluded.

2. Agricultural lands shall be excluded when the development rights to these lands have been purchased or restricted by covenant or when such lands are subject to restrictions as set forth in the "Right to Farm Act," P.L. 1983 c. 31 (N.J.S.A. 4:1 C-1 et. seq.) and the "Agriculture Retention and Development Act," N.J.S.A. 32 (N.J.A.C. 4:1C-11 et. seq.).

3. Environmentally sensitive lands shall be excluded as follows:

Within the areas of the State regulated by the Pinelands Commission, Division of Coastal Resources, and the Hackensack Meadowlands Development Commission, the Council shall adhere to the policies delineated in the Pinelands Comprehensive Management Plan, N.J.A.C. 7:50, the Coastal Permit Program Rules, N.J.A.C. 7-1, Coastal Resource and Development Rules, N.J.A.C. 7B-1, and the Zoning Regulations of the Hackensack Meadowlands District, N.J.A.C. 19-4.

ii. In areas of the State not regulated by the Pinelands Commission, the Division of Coastal Resources and the Hackensack Meadowlands Development Commission, the Council shall exclude as potential sites for low and moderate income housing: inland wetlands as delineated by the U.S. Army Corps of Engineers or New Jersey Department of Environmental Protection, whichever agency has jurisdiction, flood hazard areas as defined in N.J.A.C. 7:13; and sites with slopes in excess of 15 percent as determined from the U.S.G.S. Topographic Quadrangles which render a site unsuitable for low and moderate income housing.

m. Where the legislature adopts legislation that requires the mapping of other natural resources and provides a mechanism for their regulation, the Council shall include such resources in its criteria and guidelines for municipal adjustment.

5.92 - 8.3 Adequate recreation, conservation and open space

(a) Municipalities may reserve three percent of their total developed and developable acreage for active municipal recreation and exclude this acreage from consideration as potential sites for low and moderate income housing. In determining developable acreage, municipalities shall calculate their total vacant and undeveloped lands and deduct from that total number the lands excluded by the Council's policy regarding historic and architecturally important sites, agricultural lands and environmentally sensitive lands. Municipalities shall also exclude from this calculation of total vacant and undevelopable lands, those owned by nonprofit organizations, counties to the state or federal government and when such lands are precluded from development at the time of substantive certification. Municipalities shall submit appropriate documentation demonstrating that such lands are precluded from development. Existing active municipal recreation areas shall be subtracted from the three percent calculation of total developed and developable acreage to determine additional land that may be reserved for active municipal recreation.

(b) Municipalities may exclude further recreation, conservation and open space areas, beyond those calculated in (a) above, when such lands have been designated in an adopted county master plan and

1. The county has adopted appropriate language in its ordinances to secure specific areas for recreation, conservation or open space as part of the subdivision and site plan review process; or
2. The county has included specific areas for acquisition in a capital improvement program; or
3. The county has applied to the New Jersey Department of Environmental Protection Green Acres Program or other appropriate programs to acquire or otherwise permanently set aside specified areas.

(c) Municipalities shall submit a transparent overlay drawn to the same scale as the existing land use map depicting eligible county and municipal recreation, conservation and open space sites to be eliminated from consideration for low and moderate income housing.

5.92 - 8.4 Vacant and developable sites

(a) Vacant sites not specifically excluded from consideration for low and moderate income housing as a result of the Council's policies regarding

historic and architecturally important sites, agricultural lands, environmentally sensitive lands and recreation, conservation and open space shall be considered vacant and developable sites.

- (b) The Council may, within its discretion and upon its own initiative, eliminate additional sites from consideration when the Council determines that such action is consistent with the public's general welfare.
- (c) The Council shall determine the municipality's ability to absorb its fair share obligation through inclusionary developments. The Council shall presumptively require a 20 percent maximum set-aside and a minimum gross density of six units per acre on vacant and developable sites. The Council may modify this minimum gross density based on factors, including but not limited to, appraised land values, improvement costs, site conditions and municipal subsidy of project costs. The Council may also modify this density when required to satisfy the municipal present and prospective need or when the municipality and developer agree to a modification on a specific site or when the Council's minimum gross density policy conflicts with the land use policies adopted within the Pinelands, Coastal Zone or Hackensack Meadowlands.

5-92 8-5 Adequate public facilities and infrastructure capacities

- (a) The Council shall make durational adjustments to defer a municipality's fair share obligation due to the lack of adequate public facilities and infrastructure capacity. This adjustment shall remain totally or partially in effect until adequate infrastructure facilities are provided.

(b) Notwithstanding the lack of adequate public facilities and infrastructure, the municipality shall nonetheless designate and zone appropriate sites to accommodate its fair share obligation. The lack of adequate capacity, in and of itself, shall constitute a durational adjustment of the municipal obligation and that obligation shall be deferred until adequate infrastructure is made available as set forth in (c) through (f) below.

(c) Notwithstanding the lack of adequate public facilities and infrastructure in existant at the time a municipality petitions for substantive certification, the municipality shall reserve and set aside new infrastructure capacity, when it becomes available, for low and moderate income housing, on a priority basis.

(d) Municipal officials shall endorse all applications to the New Jersey Department of Environmental Protection or its agent to provide affordable infrastructure. Such endorsements shall be simultaneously submitted to the Council.

(e) Where the New Jersey Department of Environmental Protection or its designated agent approves a proposal to provide infrastructure to a site for the development of low and moderate income housing identified in the housing element, the municipality shall permit such development.

(f) Where a municipality has designated sites for low and moderate income housing that lack adequate infrastructure and where the New Jersey Department of Environmental Protection or its designated agent approves a proposal to provide infrastructure to a site other than those designated

for the development of low and moderate income housing in the housing element. The municipality shall amend its housing element and fair share housing ordinance to permit development of such site for low and moderate income housing. The amended housing element and fair share housing ordinance shall be submitted to the Council within 90 days of the date's approval by the New Jersey Department of Environmental Protection to its agent.

5.92 8.6 Prohibitive costs of infrastructure

(a) The Council shall make an adjustment to the municipal present and prospective need due to prohibitive costs associated with providing public facilities and infrastructure. This adjustment shall remain totally or partially in effect until adequate, affordable infrastructure facilities are provided.

(b) Notwithstanding the prohibitive cost of adequate public facilities and infrastructure, the municipality shall nonetheless designate and zone appropriate sites to accommodate its fair share obligation. The lack of adequate capacity, in and of itself, shall constitute a durational adjustment of the municipal obligation and that obligation shall be deferred until adequate infrastructure is made available as set forth in (c) through (h) below.

(c) Notwithstanding the prohibitive cost of adequate public facilities and infrastructure at the time a municipality petitions for substantive certification, the municipality shall reserve and set aside new

infrastructure capacity when it becomes available for low and moderate income housing on a priority basis.

(d) Municipalities seeking an adjustment of their fair share due to prohibitive costs of infrastructure to the public shall complete "The cost of Providing Infrastructure" application provided by the Council and submit it to the Council for its review.

(e) The Council shall forward "The cost of Providing Infrastructure" application to the New Jersey Department of Community Affairs Division of Local Government Services for review. The Council shall consider the report of the Division of Local Government Services in determining whether to permit an adjustment due to prohibitive costs associated with providing public facilities and infrastructure.

(f) Municipal officials shall endorse all applications to the New Jersey Department of Environmental Protection or its agent to provide affordable infrastructure. Such endorsements shall be simultaneously submitted to the Council.

(g) Where the New Jersey Department of Environmental Protection or its designated agent approves a proposal to provide affordable infrastructure to a site for the development of low and moderate income housing in the housing element, the municipality shall permit such development.

(h) Where a municipality has designated sites for low and moderate income housing that lack adequate infrastructure and where the New Jersey

Department of Environmental Protection or its designated agent approves a proposal to provide affordable infrastructure to a site other than those designated for the development of low and moderate income housing in the housing element, the municipality shall amend its housing element and fair share housing ordinance to permit development of such site for low and moderate income housing. The amended housing element and fair share housing ordinance shall be submitted to the council within 90 days of the site's approval by the New Jersey Department of Environmental Protection or its agent.

#### SUBCHAPTER 9. PRIORITIZING

##### 5:92 - 9.1 Prioritizing vacant and developable sites

- (a) Municipalities shall establish priorities for low and moderate income sites. Sites should be available, suitable, developable and approvable as defined in N.J.A.C. 5:92-1.3.
- (b) All sites designated for low and moderate income housing shall receive approval for consistency review, as set forth in Section 208 of the Clean Water Act, 33 U.S.C. §1251, et seq prior to substantive certification. Where a site is denied consistency review, the municipality shall apply for an amendment to its Section 208 plan to incorporate the denied site.
- (c) Agricultural lands within agricultural development districts as certified by the State Agricultural Development Board that do not conform to the

politics set forth in N.J.A.C. 5:92-1.3(d) may be excluded not only in establishing priorities for low and moderate income sites. Where one of the sites are either appropriate and/or sufficient to accommodate fully the municipality's low and moderate income housing objectives, the municipality or the Council may request the respective county agricultural development board to establish priorities for the development of unrestricted land within the county's agricultural development district.

#### SUBCHAPTER 10. PHASING OF PRESENT AND PROSPECTIVE NEED

##### 5:92 - 10.1 Phasing plans

Municipalities shall be allowed to submit a phase-in plan for low and moderate income units within inclusionary developments as defined in the Act. Phasing plans shall indicate a proposed sequence for site-specific inclusionary developments.

##### 5:92 - 10.2 Phasing schedules

- (a) Municipalities may phase-in inclusionary developments pursuant to the following schedule:
1. Inclusionary developments of less than 999 units may be phased in over a period of six years.
  2. The next 500 units, 1,000 units up to 1,499 units, may be phased in seventh through tenth year.



3. The next 500 units, 1,500 up to 1,999 units, may be phased in from the eleventh through fifteenth year.

4. An amount in excess of 2,000 units may be phased in over a period of 16 to at least 20 years.

(b) At least one-half and no less than 200 units of the municipal obligation shall be phased in during the first three years.

(c) Within the phasing schedule, market conditions shall prevail.

#### 5.92 - 10.3 Commencement date of phasing schedule

The commencement date of the phasing schedule shall be January 1, 1987.

#### 5.92 - 10.4 General provisions

(a) The phase-in schedule shall provide for the grant of preliminary approvals to a developer subject to the phase-in schedule for final approvals in accordance with time periods set forth in sections 34, 36 and 48 of P.L. 1975, c. 291 (N.J.S.A. 40:55D-46, 48 and 61), provided that such preliminary approvals shall confer vested rights as defined in subsection a. of section 37 of P.L. 1975, c. 291 (N.J.S.A. 40:55D-49) for the period until the developer has the ability to proceed to final approval pursuant to the phase-in schedule. In any phase-in schedule for a development, all final approvals and the rights to final approvals shall be cumulative.

(b) Phasing of present and prospective need shall not extend the period of substantive certification. Municipalities shall be responsible for an additional present and prospective need in addition to the phased need when the period of substantive certification expires.

(c) Developers of inclusionary developments shall be entitled to final approval of at least four market housing units per each low and moderate income housing unit.

#### 5.92 - 10.5 Priority of sites

In developing a phasing plan, municipalities shall give priority to those vacant sites that are available, suitable, developable and approvable as defined in Subchapter 1. The phasing plan shall be consistent with a municipal plan for infrastructure expansion and rehabilitation.

#### 5.92 - 10.6 Adjustments to phasing schedule

The Council may adjust phasing schedules by 20 percent for the first three years of the phasing period. An adjustment for the first half of the phasing period shall result in a proportionate adjustment during the second half of the phasing period. Such adjustments shall be based on the factors presented in section 23 of the Act or the effect of economic conditions on specific developments.

SUBCHAPTER 11. REGIONAL CONTRIBUTION AGREEMENTS (RCAs)

5.92 - 11.1 General provisions

- (a) A municipality may propose the transfer of up to 50 percent of its fair share to another municipality within its housing region by means of a contractual agreement into which two municipalities voluntarily enter.
- (b) The Council shall maintain current lists of municipalities which have stated an intent to enter into RCAs as receiving municipalities and shall provide copies of such lists to potential sending municipalities as requested.

5.92 - 11.2 Terms

- (a) At least 50 percent of the units accepted by a receiving municipality shall be affordable to low income households. The Council may modify this requirement if it determines that the sending municipality has adequately provided for its low income housing obligation elsewhere in its housing element.
- (b) Housing provided pursuant to a RCA may include new construction, rehabilitation, residential conversion of existing units, conversion of other uses for housing, or a combination of these methods. To qualify as an appropriate component of a RCA, a rehabilitated or converted unit must meet the code standard of a municipality or other applicable housing code.

(c) Housing provided pursuant to a RCA may include the creation of alternative living arrangements, including, but not limited to, congregate housing, Class C and D boarding homes regulated by the Department of Community Affairs and residential health care facilities regulated by the Department of Health. To qualify as an appropriate component of a RCA, such facilities must be subject to controls on affordability acceptable to the Council.

(d) All RCAs shall specify payment schedules which conform to a construction or rehabilitation schedule and which relate to the receiving municipality's ability to deliver housing units in a timely fashion.

(e) All RCAs shall require receiving municipalities to file annual reports with the Agency, setting forth the progress in implementing the project to be produced under a RCA. This report shall be in such form as the Council and the Agency may from time to time require.

(f) All RCAs shall require that a receiving municipality submit a proposed project plan which shall be in such form and contain such information as the Agency may require.

5.92 - 11.3 Credits

No receiving municipality shall receive credit towards its fair share obligation for units provided pursuant to a RCA where credit for such units has been awarded to a sending municipality.

5.92 - 11.4 Review by county planning board or other county  
designated agency

- (a) RCAs shall be reviewed by the county planning board or other county designated agency in which the receiving municipality is located, as set forth in N.J.A.C. 5:91-12.2. Such review shall be completed within 30 days after the agreement has been referred to the county planning board or other county designated agency. The Council may grant a timely request for an extension of this time period for a period not to exceed 15 days.
- (b) In conducting the review required under this section and N.J.A.C. 5:91-12.2, the county planning board or other county designated agency shall consider the master plan and zoning ordinance of the sending and receiving municipalities, its own county master plan and the SDRP. In the event that the SDRP is not completed, the county planning board or other county designated agency shall consider the SDGP and other appropriate regional plans in conducting its review.
- (c) County planning boards or other county designated agency undertaking the review provided in this section shall, in forwarding the results of such review to the Council, include a completed checklist for this purpose provided by the Council. (see: Technical Appendix, infra).

5.92 - 11.5 Amount and duration of contributions

- (a) In negotiating RCAs, cosmetic improvements may be included in determining the negotiated price of rehabilitating a housing unit; but cosmetic improvements alone shall not constitute an eligible improvement for purposes of a RCA. In general, eligible rehabilitation may vary in degree from gutting and extensive reconstruction to repairs for damage caused by inadequate maintenance. Rehabilitation may also include the repair or replacement of major building systems or components in danger of failure (including roof, electrical, plumbing, heating, structural and foundation defects). To be an eligible improvement under a RCA, the housing unit must meet the municipal or other relevant housing code after rehabilitation.
- (b) The cost of rehabilitating a low and moderate income housing unit may vary from unit to unit and from municipality to municipality. The Council establishes \$10,000 as the minimum per unit cost necessary for rehabilitation as may be adjusted by the Council on a case by case basis. (see Technical Appendix, infra, for average costs of replacing major systems for various types of housing). This minimum amount includes the actual capital cost of substantive rehabilitation and the necessary operating costs to insure compliance with related code standards. This minimum amount shall be regarded as illustrative.
- (c) The internal cost of subsidizing a low and a moderate income housing unit in an inclusionary development may vary from project to project and from municipality to municipality. The Council establishes that \$12,500

represents the current average, internal subsidization required to provide a moderate income housing unit in an inclusionary development, and constitutes 22 percent of the unit's total cost. The Council establishes \$27,500 as the current average, internal subsidization required to provide a low income housing unit in an inclusionary development, and constitutes 48 percent of the unit's total cost. These internal subsidization guidelines shall be regarded as illustrative and may be adjusted on a case by case basis.

- (d) RCAs shall run concurrent with the sending municipality's period of substantive certification, not to exceed six years; contributions may be prorated in municipal appropriations concurrent with the certification period not to exceed six years.

#### 5:92 - 11.6 Enforcement

- (a) The Council shall take such actions as may be necessary to enforce a RCA with respect to the timely implementation of a project by the receiving municipality. In implementing its enforcement responsibilities, the Council may:

1. Initiate or join a lawsuit to enforce a RCA; and/or
2. Bar a delinquent receiving municipality from entering into further RCAs for a specified period of time; and/or

3. Recommend that the Agency and the Department of Community Affairs withhold further assistance available under the Act; and/or

4. Take such other actions as the Council may determine necessary.

#### SUBCHAPTER 12. CONTROLS ON AFFORDABILITY

##### 5:92 - 12.1 General provisions

In developing housing elements, municipalities shall determine measures to assure that low and moderate income units remain affordable to low and moderate income households for an appropriate period of not less than 20 years which may be adjusted as provided pursuant to N.J.A.C. 5:92-12.2. In determining these measures, municipalities may propose alternative methods for assuring continued affordability which shall be reviewed by the Agency for feasibility prior to an award of substantive certification.

##### 5:92 - 12.2 Length of controls on affordability

- (a) Municipalities shall consider imposing controls on rents and resales of low and moderate income units, as set forth in this Subchapter, that extend for a period of 20 years with the following exceptions:

1. Rehabilitated owner occupied single family housing units that are improved to code standard shall be subject to affordability controls for at least six years.

2. Rehabilitated renter occupied housing units that are improved to code standard shall be subject to affordability controls for at least ten years, and

3. Housing units created through conversion of a non-residential structure or through new construction in municipalities receiving State Aid pursuant to P.L. 1978, c. 14 (N.J.S.A. 52:270-178 et. seq.) at the time of substantive certification shall be subject to affordability controls for at least ten years.

#### 5.92 - 12.3 Administrative mechanism

Municipalities shall establish an appropriate administrative mechanism or entity responsible for assuring that low and moderate income housing units remain affordable to low and moderate income households; or they shall enter into a contractual agreement with the Agency to administer these responsibilities.

#### 5.92 - 12.4 Initial pricing

(a) Municipalities shall consider requiring that the initial price of a low and moderate income owner occupied single family housing unit be established

so that after a downpayment of ten percent, the monthly principal, interest, taxes, insurance and condominium fees do not exceed 28 percent of an eligible gross monthly income. Municipalities shall consider requiring that rents, excluding utilities, be set so as not to exceed 30 percent of the gross monthly income of the appropriate household size. Maximum rent shall be calculated as a percentage of the uncapped Section 8 income limit (as contained in the Technical Appendix, infra) or other recognized standard adopted by the Council that applies to the rental housing unit. The following criteria shall be considered in determining rents and sale prices:

1. Efficiency units shall be affordable to one person households,
2. One bedroom units shall be affordable to two person households,
3. Two bedroom units shall be affordable to three person households,
4. Three bedroom units shall be affordable to five person households, and
5. Four bedroom units shall be affordable to seven person households.

(b) Housing units that satisfy the criteria in (a) 1. through 5. above shall be considered affordable.

(c) Median income by household size shall be established by the uncapped Section 8 income limits, published by HUD, as defined in Subchapter 1 (see Technical Appendix, infra) or other recognized standard adopted by the Council that applies to the rental housing unit.

5.92 - 12.5 Annual indexed increases

The price of an owner-occupied housing unit and the rents of affordable housing units may increase annually based on the percentage increase in median income for each housing region as determined from the uncapped Section 8 income limits, published by HUD, as defined in Subchapter 1 (see Technical Appendix, *infra*) or other recognized standard adopted by the Council that applies to the rental housing unit.

5.92 - 12.6 Subsidy to ensure affordability

If the use of median income data adopted by the Council to index the cost of housing renders a unit unaffordable to a low or moderate income household at the time of resale, a municipality shall not lose credit for the housing unit, provided that adequate controls on affordability remain in place, but the municipality may subsidize the housing unit to maintain affordability.

5.92 - 12.7 Procedures of resale

Persons wishing to sell affordable units shall notify the municipal entity responsible for assuring affordability of the intent to sell. If no eligible buyer enters a contract of sale for the unit within 60 days of notification, the municipal entity shall have the option to purchase the unit for the maximum price permitted based on the regional increase in median income as defined by HUD or other recognized standard adopted by the Council. If the municipal entity does not purchase the unit, the seller may apply for permission to offer

the unit to a non-income eligible household at the maximum price permitted. The seller shall document efforts to sell the unit to an income eligible household as part of this application. If the request is granted, the seller may offer low income housing units to moderate income households and moderate income housing units to households earning in excess of 80 percent of median. In no case shall the seller be permitted to receive more than the maximum price permitted.

5.92 - 12.8 Eligible capital improvements

Property owners of single family, owner-occupied housing may apply to the municipal entity responsible for permission to increase the maximum price for eligible capital improvements. Eligible capital improvements shall be those that render the unit suitable for a larger household. In no event shall the maximum price of an improved housing unit exceed the limits of affordability for the larger household. Property owners shall apply to the municipal entity if an increase in the maximum sales price is sought.

5.92 - 12.9 Impact of foreclosure on resale

An action of foreclosure by a financial institution regulated by state and/or federal law shall extinguish controls on affordable housing units. Notice of foreclosure shall allow the municipal entity to purchase the affordable housing unit at the maximum permitted sale price. Failure of the municipal entity to purchase the affordable housing unit shall result in the Council adding that unit to the municipal present and prospective fair share obligation.

5:92 - 12.10 Excess proceeds upon foreclosure

In the event of a foreclosure sale, the owner of the affordable housing unit shall be personally obligated to pay to the municipal entity responsible for assuring affordability, any surplus funds, but only to the extent that such surplus funds exceed the difference between the maximum price permitted at the time of foreclosure and the amount necessary to redeem the debt to the financial institution including costs of foreclosure.

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APPENDIX A

Approach: 1987-1993 Low and Moderate Income Housing Need Estimates



**COUNCIL ON AFFORDABLE HOUSING  
1987-1993 LOW- AND MODERATE-INCOME  
HOUSING NEED ESTIMATES**

**—  
APPROACH**

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**PRESENT NEED (2 INDICES)**

**REALLOCATED PRESENT NEED  
(FAIR SHARE ALLOCATION FORMULA)**

**PRESENT NEED**

**PROSPECTIVE NEED  
(FAIR SHARE ALLOCATION FORMULA)**

**TOTAL NEED**

**SUPPLY CONTRIBUTIONS  
(FILTERING, RESIDENTIAL CONVERSION, REHABILITATION, DEMOLITION)**

**PRE-CREDITED NEED**

**REGIONAL AND STATEWIDE  
SUMMARY OF  
PRE-CREDITED NEED**

***Research Sponsor***

**Council on Affordable Housing**

***Research Organization***

**Rutgers University  
Center for Urban Policy Research**

***Research Contacts***

**Arthur R. Kondrup, Chairman  
Douglas V. Opolski, Executive Director**

***Principal Investigator***

**Robert W. Burchell, Ph.D.**

***Date***

**1 May 1986**

- HOUSING DEFICIENT PRESENT NEED -  
 - HISTORIC MODEL PROSPECTIVE NEED -  
 - FAIR SHARE PRESENT NEED ALLOCATION -  
 - FAIR SHARE PROSPECTIVE NEED ALLOCATION -

Accounting for  
 Demolition, Filtering, Residential Conversion,  
 and Spontaneous Rehabilitation

1987 Present Need  
1987-1993 Prospective Need

**CALCULATING NEED**

Indigenous Need	85,134
Reallocated Present Need	34,411
Prospective Need	80,421
Total Need	199,966
Demolition	13,367
Filtering	-51,004
Residential Conversion	-12,102
Spontaneous Rehabilitation	4,520

**STATEWIDE PRE-CREDITED NEED** 145,707 \*

**REGIONAL NEED**

Northeast	42,534
Northwest	28,773
West Central	14,720
East Central	23,247
Southwest	21,884
South-Southwest	14,549

**THE PROCEDURES TO CALCULATE  
 LOW- AND MODERATE-INCOME  
 HOUSING NEED**

\* The Council on Affordable Housing is prepared to adjust municipal housing need such that precredited final need will not exceed twenty percent of a municipality's existing housing units in 1987. This adjustment is to prevent a municipality from experiencing a drastically altered development pattern as per Section 7 of the Fair Housing Act. The adjustment, if pursued by all municipalities who qualify, will not diminish statewide need by more than 1421 housing units. See subsequent section on Capped Need.

## INTRODUCTION

The information which follows details the procedures and data resources employed to calculate low- and moderate-income housing need in the State of New Jersey. These procedures have evolved primarily since *Mount Laurel II*<sup>1</sup> and have been heavily influenced both by the provisions of the Fair Housing Act and *Mount Laurel III*.<sup>2</sup> The report incorporates the methodology adopted by the Council on Affordable Housing<sup>3</sup> — the agency charged with effecting the Fair Housing Act and bringing about statewide compliance with the *Mount Laurel* mandate.

The procedures specified here draw upon contributions by numerous groups to evolving fair housing implementation. These include efforts on the part of the *Mount Laurel II* judges, the Urban League group, Rutgers University, the appointed masters, the Department of the Public Advocate, the Governor's Office, New Jersey Department of Community Affairs, New Jersey Department of Environmental Protection (Division of Coastal Resources), New Jersey Pinelands Commission, New Jersey Housing and Mortgage Finance Agency, New Jersey Federation of Planning Officials, Land Use Section of the New Jersey Bar, New Jersey Builders Association, New Jersey State League of Municipalities, attorneys/planners for litigating developers/municipalities, and other individuals/groups too numerous to mention.

These groups have crafted a body of knowledge and procedure which has been drawn upon and refined in the production of this document. A clear effort has been made here to take into account varying points of view and above all, as the name of the Fair Housing Act implies, be fair: fair to those who need housing, to municipalities and their residents who must accommodate this housing, and finally, to the builders/developers who must provide it. The procedures contained here are an effort to move forward on a broad and unified front in meeting the charge of the Fair Housing Act.

To this end, the report begins with methods used to qualify the low- and moderate-income populations and subsequently deals with the calculation, distribution, and refinement of present and prospective low- and moderate-income housing need.

## INCOME QUALIFICATION OF THE LOW- AND MODERATE-INCOME POPULATION

Data from the 1980 New Jersey Public Use Sample<sup>4</sup> (a five percent sample of all households in New Jersey taken by the U.S. Census Bureau) is used to qualify a household according to HUD Section 8<sup>5</sup> family-income requirements. The Sample is comprised of computer tapes which contain records for a sample of housing units with information on the characteristics of each unit as well as the people who reside in these units. Information from this file makes it possible to initially eliminate all individuals living in institutions, group quarters, or as boarders/lodgers from potential low- and moderate-income housing demand. This removes from direct count those people who comprise prison/sanitarium, college, nursing home, boarders/boarding home, and other related populations.<sup>6</sup>

Sub-households and sub-families are not separately distinguished as this would double count existing housing deterioration and no information is available on how or if sub-families/sub-households would choose to separate in the future. Thus, one household per unit is counted. Current applications for low- and moderate-income housing built under the

*Mount Laurel II* might indicate shares or parts of families and unrelated individuals seeking to reside together. This partially confirms continued, shared or unrelated household use of new low- and moderate-income housing units.

Once these selection procedures are undertaken, the Public Use Sample may be employed to array all households by size and income status. HUD median family income for a region is determined, and 80 percent and 50 percent assigned to household sizes of four for the upper limits of moderate and low incomes, respectively. Each household size of more or less than four is allowed a positive or negative adjustment of the 80 percent or 50 percent of median figure to qualify for moderate- or low-income designation.<sup>7</sup> (This is based on the philosophy that if you have more children/dependents or household members you can earn slightly more and qualify for moderate/low income; in reverse fashion, if you have fewer dependents or members, it is more difficult to qualify by establishing a lower income for qualification.)

The procedure spelled out above separates low- and moderate-income households, adjusting for household size, from all other households in the region. This relative selection of a population qualifying for housing need forms the basis of all need estimates. In subsequent steps, the housing units occupied by these households are initially checked for deterioration to determine present need. The number of income-defined households is then projected into the future to determine prospective need. The detailing of these steps is explained below.

## PRESENT NEED

### Indigenous Need

Indigenous need is a component of present need which is the total deficient housing signaled by surrogates unique to each community. Where communities' deficient housing as a percentage of all occupied housing units exceeds the regional average, their excess need is sent to a housing pool for subsequent distribution in the region. Housing from the pool is reallocated to all communities in the growth area of the region with the exception of designated Urban Aid Cities. The indigenous need for communities below the regional average of housing deficiency is their tabulated deficient units. For those above the regional average, their indigenous need is their deficient housing capped by the regional average percent deterioration.

Recognizing the evolution of the concept of deteriorated housing from 1960 and earlier where enumerators attempted to physically identify bad housing from field survey, to the current period where deficient housing is isolated through housing quality surrogates, information provided by the 1980 Census is used to signal housing deficiency via surrogates.<sup>8</sup>

Surrogates do not themselves confirm that a unit is deficient. They indicate that if a unit has these characteristics, it most likely would be independently found via field survey as deficient. Surrogates are developed by listing the characteristics of units found as deficient and viewing which characteristics consistently are associated with field-confirmed deficiency. Six housing quality surrogates are used with structure age to signal housing deficiency. These indices represent the culmination of numerous empirical studies on factors indicative of superior versus inferior housing quality.<sup>9</sup> They represent the full range of information available on housing quality from the 1980 Census. No index is slighted, and all are simultaneously employed. They include:

- (3) *Year Structure Built.* A distinction is made between units built before and after 1940. This pre-War cutoff is the classic differentiation point of new versus old housing in the literature.<sup>10</sup>
- (1) *Persons per Room.* 1.01 or more persons per room is an index of overcrowding.
- (2) *Access to Unit.* A unit is unacceptable if one must pass through another dwelling to enter it. This is a measure of privacy.
- (3) *Plumbing Facilities.* A household must have exclusive use of complete plumbing facilities.
- (4) *Kitchen Facilities.* Adequate kitchen facilities include a sink with piped water, a stove, and a refrigerator.
- (5) *Heating Facilities.* The existence of central heat is used as a measure of adequacy.
- (6) *Elevator.* Buildings of four stories or more are considered inadequate if they do not have an elevator.

A unit has to have at least two characteristics to be isolated as deficient once it qualifies as housing a low- or moderate-income family. Since age is so highly correlated with structure deterioration and loss, if in 1980 the unit was more than forty years old and had at least one other negative housing characteristic, it is selected as deficient. If, on the other hand, it was a newer unit in 1980, in the absence of the unit-age qualification, two or more negative structural characteristics signal housing deficiency.

Multiple deficient characteristics in a single housing unit is an important concept. Using multiple indicators results in a high probability of isolating bad housing, yet a very low probability of classifying good housing as bad.<sup>11</sup>

This procedure of establishing housing deficiency is: (1) drawn from the literature of the field; (2) encompasses a broad array of physical insufficiency including such items as indirect access, incomplete kitchen, burdensome walk-ups, etc.; (3) ensures against erroneous inclusion of good units, and (4) provides a very high probability that the housing identified, at least in relative terms, is clearly less than adequate.

Due to confidentiality protection and data availability, the procedure to specify indigenous need can be estimated only to each of 52 subregions of the state.<sup>12</sup> It is taken down to the community level by three housing quality variables available at both the subregional level and the community level. These are:<sup>13</sup>

- (1) Plumbing Facilities — non-exclusive use of complete plumbing;
- (2) Heating Facilities — non-presence of central heat or vented room heaters; and
- (3) Persons per Room — space inadequacy, i.e., 1.01 or more persons per room.

The pool of low- and moderate-income families living in deficient housing once calculated at the subregional level is distributed to individual communities on the basis of the share of three indices of deficient housing at the local level to the total at the regional level. At the local level, these latter variables cannot be cross-tabulated with age or income in the same way as information at the subregional level can. Thus, the best available information and the most rigorous procedures are used to isolate deficient housing at the subregional level, and this is taken to the

municipal level through other housing quality variables less complete in terms of isolating housing deficiency but found at a variety of geographic levels.<sup>14</sup>

In order to address present need with some lead time appropriate for planning and implementation, present need is actually projected to be estimated as if July 1, 1987 were the current period and the sample of housing deficiencies was taking place at this time. This is done by reproducing the incidence rates of deterioration associated with certain age groups and household types in 1980, and projecting these households and their associated housing conditions to the 1987 period. The new array and number of households in 1987 carry with them the deterioration noted in 1980.

As noted earlier, for communities with severe housing deficiencies, their deficiencies are capped at the regional average percentage of deficiencies as a proportion of total occupied housing. The excess over this regional percentage is distributed to all communities in the growth area of the region.\* This is covered below.

Municipal surveys to determine indigenous need may be presented to the Council as an alternative method to this procedure. (See Section 10 — Fair Housing Act.) The Council will provide guidance as to the appropriate form and scale of such surveys.

#### INDIGENOUS NEED BY REGION†

Northeast	34,217
Northwest	21,894
West Central	7,486
East Central	4,692
Southwest	9,208
South-Southwest	6,627
<b>STATE TOTAL</b>	<b>85,134</b>

†See the following figure for mapped display of regions

#### Reallocated Present Need

Reallocated present need is the share of excess deterioration in a region transferred to all communities in the growth area of the region with the exception of selected Urban Aid Cities. (See Attachment.) Urban Aid Cities, almost all of which are densely populated and have a higher-than-average proportion of low-and-moderate income families living in deteriorated housing, are not expected to have this regional burden reinforced by future low- and moderate-income housing requirements.<sup>15</sup> Therefore, when the reallocated present need pool for the region is computed from an average deficiency percentage for the entire region, Urban Aid

\*Communities which originally contributed to the pool due to excess deficiency, if not selected Urban Aid Cities, can receive additional units from the pool via the reallocation formula.

**FIGURE**

**THE COUNCIL ON AFFORDABLE HOUSING REGIONS**

**Region 1 -  
Northeast**

Bergen  
Hudson  
Passaic

**Region 2 -  
Northwest**

Essex  
Morris  
Sussex  
Union

**Region 3 -  
West Central**

Hunterdon  
Middlesex  
Somerset  
Warren

**Region 4 -  
East Central**

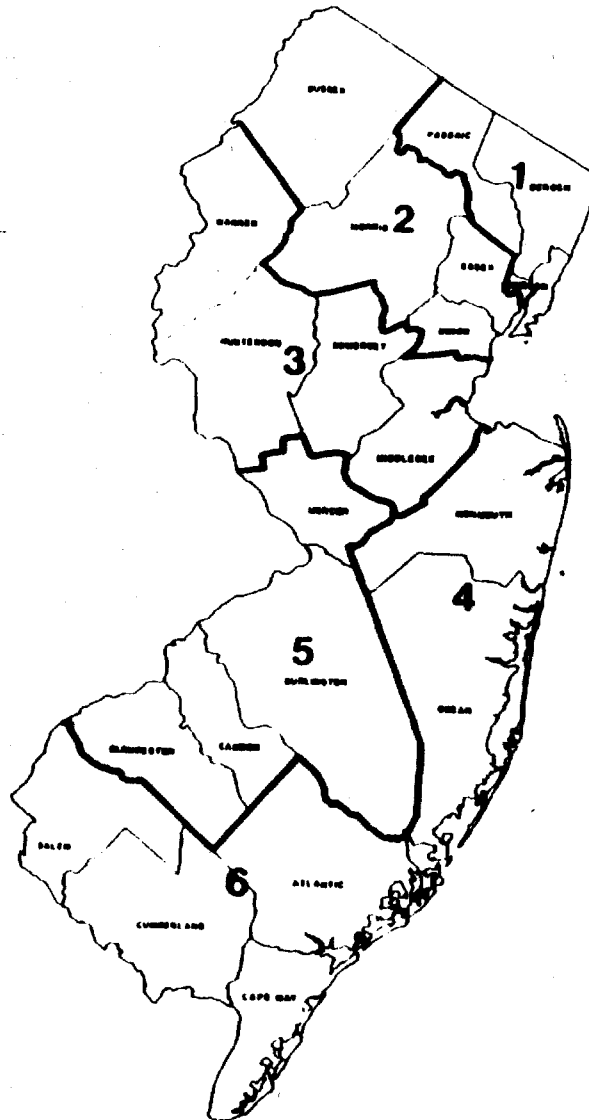
Monmouth  
Ocean

**Region 5 -  
Southwest**

Burlington  
Camden  
Gloucester  
Mercer

**Region 6 -  
South-Southwest**

Atlantic  
Cape May  
Cumberland  
Salem



Source: RUTGERS UNIVERSITY Center for Urban Policy Research,  
Winter, 1983

Cities are not expected to share in that pool. Instead, the excess of deficient units over the regional percentage of deficiencies is redistributed to all municipalities with any growth area in the region. The exact procedure for redistribution is covered under Distribution of Low- and Moderate-Income Housing Need.

**REALLOCATED PRESENT NEED BY REGION**

Northeast	17,476
Northwest	8,829
West Central	1,631
East Central	750
Southwest	4,060
South-Southwest	1,465
<b>STATE TOTAL</b>	<b>34,411</b>

**PRESENT NEED**

Present need is the sum of indigenous and reallocated present need in a municipality. It represents individual municipal housing responsibility reflective of its own housing inadequacy/deficiency (except where it is regionally excessive) and regional responsibilities in terms of its share of the pool of housing replacement/repair that must be undertaken by growth area communities due to excess deterioration in the region.

**PRESENT NEED BY REGION**

Northeast	51,903
Northwest	31,723
West Central	9,117
East Central	5,442
Southwest	13,268
South-Southwest	8,092
<b>STATE TOTAL</b>	<b>119,545</b>

**PROSPECTIVE NEED**

Prospective need is the share of the total projected population that will qualify for low- and moderate-income housing. It is obtained by projecting the population by age cohort from 1987 to 1993 through the following steps:

- (1) A 1987 base is established by bounding it at one end by the age cohort distributions of the 1984 Population Estimates for New Jersey<sup>16</sup> from the New Jersey Department of Labor.\* The other end is bounded by the distribution of the projected population for 1990 by age cohort under the New Jersey Department of Labor's Historical Migration Model.<sup>18</sup> These two population distributions by each age cohort are added together and divided by two to obtain the age distribution of the base population for the mid-period 1987.
- (2) A July 1, 1993 projection-year end is also arrayed by age distribution. This is done in the following way:
- (a) 1990 and 1995 age distributions for the New Jersey Department of Labor's Historical Migration Model are distributed by their respective eight age cohorts and three-fifths of the distance between 1990 and 1995 is used for each age cohort for 1993. The age cohorts are as follows:

**AGE COHORT**

Less than 25 years  
 25-29 years  
 30-34 years  
 35-44 years  
 45-54 years  
 55-64 years  
 65-74 years  
 75 years and over

- (3) Both the population age cohorts for the base year (1987) and the projection-end year (1993) are multiplied by 1980 New Jersey county-specific headship rates by age cohort.<sup>19</sup> Two distributions of total households emerge.
- (4) Total households for each period are converted to low- and moderate-income households by carrying forward the income characteristics of all households in 1980 to 1987 and 1993 by age cohort. Low- and moderate-income households are sorted by applying the Section 8 household size/income qualification criteria that were used in 1980 to a different number of households that exist in each cohort in 1987 and 1993. Thus, to the degree that age cohorts are differently composed and growing differently, the low- and moderate income population will also change as it ages into the future.

- (5) Low- and moderate income households for 1987 are subtracted from low- and moderate income households in 1993 to obtain the change in low- and moderate-income households from 1987 to 1993. This is done for eight age cohorts specific to each of 21 counties. The result is prospective low- and moderate-income housing need.

**PROSPECTIVE NEED BY REGION**

Northeast	5,509
Northwest	9,759
West Central	13,661
East Central	23,752
Southwest	18,179
South-Southwest	9,561
<b>STATE TOTAL</b>	<b>80,421</b>

**DISTRIBUTION OF LOW- AND MODERATE-INCOME HOUSING NEED**

Low- and moderate-income housing need is distributed to each community using the economic and land-use factors listed below. These factors in the first two cases represent measures of *responsibility*, i.e., the labor force drawn to the municipality needing housing. In the second two cases, they represent measures of *capacity*, i.e., the physical and fiscal capacity to absorb and provide for such housing.<sup>20</sup> The first three factors are used to distribute excess *present* need (reallocated present need); the full four factors are used to distribute prospective need. The first three factors are identical for present and prospective need. All factors operate individually, are equally weighted, and involve only those municipalities in the growth area of the region.

- (1) Covered employment growth within a municipality over the period 1977-84, as a percentage of regional covered employment growth for the same period (this is the most stable period to measure change in employment)<sup>21</sup>
- (2) Covered employment in a municipality as a percentage of regional covered employment (1984)
- (3) Municipal area in the growth area as a percentage of growth area in the region as included on the official State Department Guide Plan (SDGP).<sup>22</sup> Pinelands and Coastal Zone areas are added to the SDGP Growth Area according to the following designations:<sup>23</sup>

\*These are available by county from the New Jersey Department of Health<sup>17</sup>

(a) Pinelands — All areas in Regional Growth Areas and Pinelands Towns.

(b) Coastal Zone — All areas in Development Regions and Extension Regions, the latter including Central Corridor Barrier Islands

(4) Municipal 1983/1984 aggregate per capita income as a percentage of 1983/1984 regional aggregate per capita income<sup>24</sup>

Neither prospective need nor reallocated present need are directed to Urban Aid municipalities which have the characteristics of older core areas to avoid reconcentrations of low- and moderate-income families in these fiscally/economically stressed locations.<sup>25</sup>

The criteria for determining the Urban Aid municipalities to be exempt from any housing need beyond indigenous need are summarized as follows:<sup>26</sup>

(a) Designated "Urban Aid" by the State for funding year 1986. In addition, they must meet one of the following:

(1) Level of existing low- and moderate-income housing deficiency, according to the six housing deficiency criteria, that exceeds average regional low- and moderate-income housing deficiency for the region in which the Urban Aid municipality is located

(2) Population density of greater than 10,000 persons per square mile or 14.1 per acre

(3) Population density of 6,000 to 10,000 persons per square mile or 9.4 to 14.1 per acre plus less than five per cent of vacant, non-farm, municipal land as measured by the average of the percentage of vacant land valuation and vacant land parcels of all local land valuation/parcels in the 1984 *Statement of Financial Condition of Counties and Municipalities* (Trenton, NJ: New Jersey Department of Community Affairs, 1985).<sup>27</sup>

## TOTAL NEED

Total need 1987 to 1993 is composed of indigenous need, reallocated present need, and prospective need. It is the total municipal need number before demand increases for demolitions and demand reductions for secondary sources of supply are introduced. In a very few cases, negative prospective need in a community, reflective of reduced housing demand due to employment loss, lessens present need demand and, as such, reduces total need.

<sup>24</sup>1983/1984 aggregate per capita income is obtained by multiplying 1983 per capita income by the 1984 Population Estimates for the growth area municipality and all municipalities in the growth area of the region.

## TOTAL NEED (PRESENT AND PROSPECTIVE) BY REGION

Northeast	57,412
Northwest	41,482
West Central	22,778
East Central	29,194
Southwest	31,447
South-Southwest	17,653
STATE TOTAL	199,966

## SECONDARY SOURCES OF HOUSING SUPPLY/DEMAND

### Background

Secondary sources of housing supply/demand reflect the adjustments of the housing market to the unevenness and spontaneity of primary supply/demand. As housing ages or as it falls prey to accident, natural disasters, or publicly/privately initiated changes in land use, it may become obsolete and be removed from the stock. The term for this selective pruning is *demolition*. Demolitions occur regularly and affect various markets differently. In strong markets, demolitions are low; in weaker markets, they are proportionally higher. In both situations, demolitions add to future housing demand.

As housing is added by private developers to the upper and middle price categories of the stock, a large share of consumers who already occupy housing within the market are attracted to this housing. When they occupy the new housing through purchase or rental agreements, they release housing within the local market that is inferior to the new housing that has been built. This causes housing to be available to a lower round of consumers, often at a reduced price. The process is termed *filtering*. Filtering reduces future demand as a greater proportion of formerly higher priced housing is now available at potentially lower prices. Filtering takes place in active housing markets, especially those receiving a significant influx of new housing.

In selected submarkets, a demand may exist for smaller units, and this need may not be responded to by normal market operations. The market adjusts to this need by creating additional smaller units from larger ones. This is termed *residential conversion* and most often occurs in housing stocks containing larger structures that can be adapted to smaller units yet not destroy or significantly alter the value of adjacent units in the process. The older, urban two- to four-family home is an ideal conversion unit. Four or six units may be created where only one half this number may have existed in this type of structure previously. Often these units are termed illegal conversions, not because they are not safe, sound housing, but rather because the enlarged structure no longer conforms to the unit restrictions of the zoning ordinance.

Another characteristic of the housing market is for deficient units to be upgraded privately. This also lessens housing demand as a deficient unit is replaced by a sound unit. This happens usually because a market exists for the renovated structure, usually at a higher occupancy cost than when the structure fell into disrepair. *Spontaneous rehabilitation*, as it is called, occurs in stronger, growing markets and affects only a small proportion of the low- and moderate-income housing stock.

## Procedures

In the earlier-discussed allocation and reallocation procedures, only those municipalities in the growth area participated. In the reductions or increases to housing need due to secondary supply and demand, all locations participate. This is true because all municipalities have some type of need, and reductions apply to housing need no matter how the need is generated. Thus, when demand reductions due to filtering are calculated, the reduction for a particular location is based on the share of all multifamily units in the region.

For Urban Aid Cities, the demand reductions are taken before these areas send excess need to the reallocation pool; for all other locations, demand reductions are taken after this point. This is to prevent other less-dense, less-deteriorated, inner-ring cities from receiving a large share of reallocated need without an equivalent chance to participate in secondary demand reductions due to specific characteristics of their housing stock.

## Demolitions

Demolitions are a secondary source of housing demand in that demand is created by households requiring housing because units are lost from the stock. Housing units are lost due to fire, structure abandonment, road improvements, community renewal, land-use change, and other reasons.<sup>28</sup> It is estimated that units lost from the low- and moderate-income stock (both reported and unreported demolitions) are on a par with those added to the stock due to conversion. For the entire housing stock, the ratio of demolitions to conversions may be even higher.<sup>29</sup> It is also true that the level of demolitions is falling in New Jersey. At the beginning of the decade, total reported demolitions for New Jersey municipalities were 4,000-5,000 per year; towards mid-decade the total is closer to 3,000 annually.<sup>30</sup>

In order to estimate the scale of demolitions, reported demolitions for each municipality for the years 1983 and 1984 are averaged and multiplied by six to obtain a six-year demolition estimate by municipality. These are representative years which catch the most recent aspects of the trend in demolitions.<sup>31</sup> Demolitions are adjusted for each municipality to the share of all demolitions that affect the low- and moderate-income housing sector by 150 percent of the subregional share of low- and moderate-income housing. This percentage share of all demolitions that affect low- and moderate-income families is capped at 95 percent. Total demolitions are thus tallied by individual community, and the share affecting low- and moderate-income housing is estimated by a multiple of the subregional low- and moderate-income housing deficiency percentage. This latter factor recognizes that demolitions take place at a much higher rate in the low- and moderate-income housing sector than for all housing locally. Demolitions at a statewide level are essentially offset by conversions for low- and moderate-income households. This latter relationship is covered more fully in a subsequent section.

## DEMOLITION HOUSING NEED BY REGION

Northeast	4,037
Northwest	4,350
West Central	365
East Central	870
Southwest	1,753
South-Southwest	1,992
STATE TOTAL	13,367

## Filtering

Filtering is a downward adjustment of housing which recognizes that the housing requirements of lower-income groups can be served by supply additions to the higher-income sectors of the housing market.<sup>32</sup> During the course of normal market operations, middle- and upper-income households vacate existing housing for new, more desirable units, leaving their units vacant for households of lesser income. Filtering is predicated on the existence of housing surpluses which cause housing prices to drop because of the excess of housing supply over demand.

Filtering is measured using *The American (Annual) Housing Survey* over the nine-year period 1974-1983. *The American (Annual) Housing Survey* sponsored jointly by the U.S. Department of Housing and Urban Development and the U.S. Department of Commerce is particularly useful in that the same unit is measured at various intervals.<sup>33</sup> By specifying Section 8 income eligibility by household size for the years in question, two components of the household population can be specified: those households that meet the *Mount Laurel II* income requirements, and those households whose incomes are above the *Mount Laurel II* income requirements for each observation period.

Viewing the same housing units, it is found that the net filtering (units moving down minus units moving up) to the lower-income population in New Jersey is about 6.5 percent over the course of the observation period.<sup>34</sup> About 18.8 percent of the stock moves down, and 12.3 percent moves up. The figure used for six-year net filtering is 3.25 percent of the non-deteriorated, non-low- and moderate-income housing stock. The 3.25 percent figure is derived by multiplying the actual 4.32 percent six-year rate by 0.75. The latter accounts for those units which filtered down over the period and do not have the same range of affordability as those units that were continuously occupied by low- and moderate-income families. Further, by using the non-deteriorated portion of the housing stock, the units that are counted as moving downward are assumed to be of adequate housing quality. Thus, both affordability and housing condition are controlled for in the filtering estimate.

Through cross-tabulation analysis, and taking into account the dominance of single-family homes in New Jersey, filtering is found to be more active in those locations which have higher percentages of multifamily units, and much less active in locations where there are small percentages of multifamily units.<sup>35</sup> Even though filtering takes place to some degree in all locations, it is much more of an urban than suburban housing phenomenon.



Filtering for the period 1987 to 1993 is estimated by taking 3.25 percent of the 1987 non deteriorated, non-low- and moderate-income housing stock by region and assigning the need reduction to communities within the region according to their share of multifamily housing units (two or more units) of the regions' total multifamily units. A community receives a filtering adjustment to the degree that it contains multifamily housing,\* i.e., the most likely type of housing to filter down.

#### FILTERING HOUSING SUPPLY\* BY REGION

Northeast	- 12,179
Northwest	- 12,661
West Central	- 7,121
East Central	- 6,114
Southwest	- 9,435
South-Southwest	- 3,494
STATE TOTAL	- 51,004

\* Secondary supply sources shows as negative demand contributors

#### Residential Conversion

Conversion is the creation of dwelling units from already existing structures. Almost all conversion consists of additional dwelling units being created from other residential units, and very rarely from nonresidential units. This type, termed residential conversion, is a significant and recognized source of housing supply to low- and moderate-income families. According to the U.S. Department of Housing and Urban Development, as family size has decreased over the past two decades, residential conversion creating multiple smaller units from larger units has also increased.<sup>36</sup>

Converted units are measured through the *American (Annual) Housing Survey* and the *Decennial Census*. Conversions are the difference between the net change in total housing units (end minus beginning of period), minus the net of housing units constructed and demolitions lost over the period. Residential conversion is easily equivalent to 30 percent of all new units constructed, and orders of magnitude higher than the percentage of low- and moderate-income units actually constructed.<sup>37</sup> It is assumed that units made available through conversion will reduce indigenous need by 18 percent during the six-year projection period. Residential conversion is closely related and distributed to municipalities on the basis of their percentage of two- to four-family structures.<sup>38</sup> Residential conversions influence housing supply at the regional level according to an observed share of indigenous need. They are distributed to municipalities within regions according to the presence of structure types conducive to conversion, i.e., two- to four-family units.\*

\*1980 instead of 1987 is used as a base to tabulate the share of multifamily units as demolitions over the period 1980-1985 are not available by structure type. It is possible to estimate total 1987 occupied housing units, but the distribution by structure type cannot be accurately determined without demolition information by structure type.

Residential conversions to low- and moderate-income housing in normal markets are often on a par with demolitions for this income sector. In stronger markets, conversions are more than demolitions; in weaker markets, less. A statewide control of demolitions pairs this variable in approximate magnitude with that of total demolitions.

#### RESIDENTIAL CONVERSION HOUSING SUPPLY BY REGION

Northeast	- 4,897
Northwest	- 3,221
West Central	- 945
East Central	- 483
Southwest	- 1,383
South-Southwest	- 1,174
STATE TOTAL	- 12,102

#### Spontaneous Rehabilitation

Spontaneous rehabilitation is the unsolicited private market reduction of housing need by structure rehabilitation sufficient to render the unit free of deficiencies.<sup>39</sup> Via the *American (Annual) Housing Survey*, over five interim years between 1974 and 1980, spontaneous rehabilitation can be measured by using as a surrogate more than \$200 spent on each of three of four categories of additions, alterations, replacements, or repairs during the course of a single year.<sup>40</sup> This spontaneous rehabilitation happens to about 1.1 percent of the deficient units occupied by low- and moderate-income households annually. For a six-year period, the figure is estimated to be 6.6 percent applied to indigenous need at the regional level.

The key factor associated with rehabilitation of deteriorated units is wealth of the area as interpreted through aggregate income. Reductions for spontaneous rehabilitation are given to each municipality according to the municipality's share of regional aggregate income.\* Larger, less wealthy — and smaller, more affluent — communities will get some measure of a larger relative credit for potential rehabilitation because in the first case, there is more opportunity for rehabilitation to happen, and in the second, there is more money to support it.<sup>41</sup>

Spontaneous rehabilitation at this juncture should not be confused with rehabilitation as a meliorative housing strategy once final need is determined. Spontaneous rehabilitation is a reduction before final need is calculated due to the workings of the private market. Public, publicly assisted, or private rehabilitation as a housing strategy once need is determined is one of several means of response to that need and has nothing to do with the need reduction determined here.

\*1983/1984 aggregate per capita income is used for this ratio.

**SPONTANEOUS REHABILITATION HOUSING SUPPLY  
BY REGION**

Northeast	-	1,839
Northwest	-	1,177
West Central	-	366
East Central	-	221
Southwest	-	499
South-Southwest	-	428
<b>STATE TOTAL</b>	-	<b>4,530</b>

(Includes ten units which would have made total need in a community negative. This accounting measure allows the reduction for this factor to be 4,520.)

**PRE-CREDITED NEED**

Pre-Credited Need is the municipality's estimated obligation under the *Mount Laurel* mandate for the period 1987 to 1993. Relative to other municipalities, and taking into account past growth, growth designation/share, and aggregate income, this is the need to which the municipality must address itself. Under Section 7 of the Fair Housing Act, municipalities may take credit for past provision of public or publicly assisted housing. Pre-Credited Need may be addressed via new construction or a level of rehabilitation to render the deteriorated units adequate. It is a need which, if it is less than 1,000, must be addressed within a six-year period; yet, if more than 1,000, may be spread out over a longer period as per subsequent phasing rules. Pre-Credited Need is solely the low- and moderate-income housing number and does not address the number of market units that might have to be built to support the development of the low- and moderate-income units locally.

**PRE-CREDITED NEED BY REGION**

Northeast	42,534
Northwest	28,773
West Central	14,720
East Central	23,247
Southwest	21,884
South-Southwest	14,549
<b>STATE TOTAL</b>	<b>145,707</b>

**CAPPED NEED**

Low- and moderate-income housing need in a community is capped at 20 percent of occupied housing units in 1987. Should density bonuses be applied and the community actively pursued by developers, under the provision of the 20-percent CAP no community will be required to double over the projection period. The small reduction in need that this capping procedure provides prevents the smaller communities in a region from experiencing significant change while complying with the state's low- and moderate-income housing mandate. Capped need is not a part of a municipality's pre-credited need estimate as this credit (if applicable) may be applied for during the municipal adjustment process.

**CAPPED NEED BY REGION**

Northeast	404
Northwest	24
West Central	34
East Central	153
Southwest	130
South-Southwest	676
<b>STATE TOTAL</b>	<b>1,421</b>

**ATTACHMENT**

**1986 URBAN AID CITIES BY COUNTY THAT MEET THE CRITERIA  
SPECIFIED UNDER DISTRIBUTION OF NEED\***

<b>ATLANTIC</b>	<b>HUDSON</b>	<b>PASSAIC</b>
None	Bayonne City Hoboken City Jersey City (City) North Bergen Township Union City (City) Weehawken Township West New York Town	Passaic City Paterson City
<b>BERGEN</b>		<b>SALEM</b>
Lodi Borough Garfield City		None
<b>BURLINGTON</b>	<b>HUNTERDON</b>	<b>SOMERSET</b>
Pemberton Township	None	None
<b>CAMDEN</b>	<b>MERCER</b>	<b>SUSSEX</b>
Camden City	Trenton City	None
<b>CAPE MAY</b>	<b>MIDDLESEX</b>	<b>UNION</b>
None	Carteret Borough New Brunswick City Perth Amboy City	Elizabeth City Hillside Township Plainfield City Roselle Borough
<b>CUMBERLAND</b>	<b>MONMOUTH</b>	<b>WARREN</b>
Vinceland City Bridgeton City	Asbury Park City Keansburg Borough Long Branch City Neptune Township	Phillipsburg Town
<b>ESSEX</b>	<b>MORRIS</b>	
Belleville Township Bloomfield Township East Orange City Irvington Township Montclair Township Newark City Orange Township	None	
<b>GLOUCESTER</b>	<b>OCEAN</b>	
None	Lakewood Township	

\*These cities do not receive either  
Reallocated Present  
Need or Prospective  
Need

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- U.S. Department of Commerce, Bureau of the Census, *The 1980 Census of Population and Housing, Public Use Sample: New Jersey* (Washington, D.C.: U.S. Government Printing Office, 1982).
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**APPENDIX B**

**Exhibit 1 - Base Data, Municipal Determination of Pre-Credited Need**

**Exhibit 2 - Base Data by Housing Region**

**MUNICIPAL DETERMINATION OF  
PRE-CREDITED NEED**

**(EXHIBIT 1 — BASE DATA)**

**1 May 1986**











EXHIBIT 1  
NEW JERSEY  
COUNCIL ON AFFORDABLE HOUSING  
BASE DATA FOR MUNICIPAL LOW & MODERATE INCOME HOUSING NEED CALCULATION  
MAY 88

COUNTY	NAME	SUBREG	MUNIC	1987							
				% OCCUPIED	% SINGLE	% EMPLOY	% GROWTH	% AGED	% EMPLOY	% NEED	
DECATUR COUNTY											
DECATUR	ADAMS TWP	ADAMS	ADAMS	147	55	22	22	22	22	22	22
	ALLEN TWP	ALLEN	ALLEN	107	15	15	15	15	15	15	15
	ARLINGTON TWP	ARLINGTON	ARLINGTON	107	23	23	23	23	23	23	23
	BALCON TWP	BALCON	BALCON	107	10	10	10	10	10	10	10
	BARRETT TWP	BARRETT	BARRETT	107	15	15	15	15	15	15	15
	BIRCH TWP	BIRCH	BIRCH	107	10	10	10	10	10	10	10
	BONNICK TWP	BONNICK	BONNICK	107	10	10	10	10	10	10	10
	BOWLING GREEN TWP	BOWLING GREEN	BOWLING GREEN	107	10	10	10	10	10	10	10
	BRIDGE TWP	BRIDGE	BRIDGE	107	10	10	10	10	10	10	10
	BRUCE TWP	BRUCE	BRUCE	107	10	10	10	10	10	10	10
	BURNING TREE TWP	BURNING TREE	BURNING TREE	107	10	10	10	10	10	10	10
	CHERRY TWP	CHERRY	CHERRY	107	10	10	10	10	10	10	10
	CLAY TWP	CLAY	CLAY	107	10	10	10	10	10	10	10
	COOPER TWP	COOPER	COOPER	107	10	10	10	10	10	10	10
	DORSET TWP	DORSET	DORSET	107	10	10	10	10	10	10	10
	DUNELM TWP	DUNELM	DUNELM	107	10	10	10	10	10	10	10

COUNTY	NAME	SUBREG	MUNIC	1987							
				% OCCUPIED	% SINGLE	% EMPLOY	% GROWTH	% AGED	% EMPLOY	% NEED	
DECATUR COUNTY											
DECATUR	ADAMS TWP	ADAMS	ADAMS	147	55	22	22	22	22	22	22
	ALLEN TWP	ALLEN	ALLEN	107	15	15	15	15	15	15	15
	ARLINGTON TWP	ARLINGTON	ARLINGTON	107	23	23	23	23	23	23	23
	BALCON TWP	BALCON	BALCON	107	10	10	10	10	10	10	10
	BARRETT TWP	BARRETT	BARRETT	107	15	15	15	15	15	15	15
	BIRCH TWP	BIRCH	BIRCH	107	10	10	10	10	10	10	10
	BONNICK TWP	BONNICK	BONNICK	107	10	10	10	10	10	10	10
	BOWLING GREEN TWP	BOWLING GREEN	BOWLING GREEN	107	10	10	10	10	10	10	10
	BRIDGE TWP	BRIDGE	BRIDGE	107	10	10	10	10	10	10	10
	BRUCE TWP	BRUCE	BRUCE	107	10	10	10	10	10	10	10
	BURNING TREE TWP	BURNING TREE	BURNING TREE	107	10	10	10	10	10	10	10
	CHERRY TWP	CHERRY	CHERRY	107	10	10	10	10	10	10	10
	CLAY TWP	CLAY	CLAY	107	10	10	10	10	10	10	10
	COOPER TWP	COOPER	COOPER	107	10	10	10	10	10	10	10
	DORSET TWP	DORSET	DORSET	107	10	10	10	10	10	10	10
	DUNELM TWP	DUNELM	DUNELM	107	10	10	10	10	10	10	10

EXHIBIT 1  
NEW JERSEY  
COUNCIL ON AFFORDABLE HOUSING  
BASE DATA FOR MUNICIPAL LOW & MODERATE INCOME HOUSING NEED CALCULATION  
MAY 88

COUNTY	NAME	SUBREG	MUNIC	1987							
				% OCCUPIED	% SINGLE	% EMPLOY	% GROWTH	% AGED	% EMPLOY	% NEED	
DECATUR COUNTY											
DECATUR	ADAMS TWP	ADAMS	ADAMS	147	55	22	22	22	22	22	22
	ALLEN TWP	ALLEN	ALLEN	107	15	15	15	15	15	15	15
	ARLINGTON TWP	ARLINGTON	ARLINGTON	107	23	23	23	23	23	23	23
	BALCON TWP	BALCON	BALCON	107	10	10	10	10	10	10	10
	BARRETT TWP	BARRETT	BARRETT	107	15	15	15	15	15	15	15
	BIRCH TWP	BIRCH	BIRCH	107	10	10	10	10	10	10	10
	BONNICK TWP	BONNICK	BONNICK	107	10	10	10	10	10	10	10
	BOWLING GREEN TWP	BOWLING GREEN	BOWLING GREEN	107	10	10	10	10	10	10	10
	BRIDGE TWP	BRIDGE	BRIDGE	107	10	10	10	10	10	10	10
	BRUCE TWP	BRUCE	BRUCE	107	10	10	10	10	10	10	10
	BURNING TREE TWP	BURNING TREE	BURNING TREE	107	10	10	10	10	10	10	10
	CHERRY TWP	CHERRY	CHERRY	107	10	10	10	10	10	10	10
	CLAY TWP	CLAY	CLAY	107	10	10	10	10	10	10	10
	COOPER TWP	COOPER	COOPER	107	10	10	10	10	10	10	10
	DORSET TWP	DORSET	DORSET	107	10	10	10	10	10	10	10
	DUNELM TWP	DUNELM	DUNELM	107	10	10	10	10	10	10	10





EXHIBIT 2 - BASE DATA BY HOUSING REGION

REGION	COLUMN A 1987 REGIONAL AVERAGE PERCENT DETERIORATION	COLUMN B REGIONAL POOL OF EXCESS DEFICIENT HOUSING UNITS	COLUMN C 1991 PROSPECTIVE NEED	COLUMN D 1987-1993 FILTERING ESTIMATES	COLUMN E 1980 MULTIFAMILY UNIT TOTALS	COLUMN F 1987-1993 RESIDENTIAL CONVERSION ESTIMATES	COLUMN G 1980 2-4 FAMILY UNIT TOTALS	COLUMN H 1987-1993 SPONTANEOUS REHABILITATION ESTIMATES	COLUMN I 1983/1984 AGGREGATE PER CAPITA INCOME (\$)
1	.075	17,676	5,509	12,202	410,972	5,118	224,294	1,884	21,112,820,558
2	.047	8,829	9,759	12,678	334,819	3,257	165,631	1,194	22,029,857,240
3	.025	1,611	13,661	7,222	104,428	1,048	50,697	184	12,235,480,836
4	.015	750	23,752	6,706	71,799	662	29,269	243	9,830,614,791
5	.026	4,060	18,179	9,587	121,352	1,478	42,692	542	14,201,442,966
6	.042	1,465	9,561	3,494	57,287	1,174	27,873	411	4,592,475,819

APPENDIX C

Growth Area Allocation Index Totals

**GROWTH AREA ALLOCATION INDEX TOTALS  
UPON WHICH ALLOCATION PERCENTAGES ARE BASED<sup>1</sup>**

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<i>REGION</i>	<i>1984 TOTAL COVERED EMPLOYMENT</i>	<i>1977-1984 REGRESSED ANNUAL COVERED EMPLOYMENT CHANGE</i>
1. Northeast	530,670	9,248
2. Northwest	472,159	13,295
3. West Central	347,443	10,622
4. East Central	187,414	6,618
5. Southwest	362,365	10,249
6. South-Southwest	152,928	6,353
Total	2,052,979	56,385

<i>REGION</i>	<i>GROWTH AREA<sup>2</sup> IN ACRES</i>	<i>1983-1984 AGGREGATE PER CAPITA INCOME</i>
1. Northeast	180,278	\$15,200,259,200
2. Northwest	227,868	\$14,100,784,128
3. West Central	291,294	\$10,539,986,795
4. East Central	301,384	\$ 8,549,553,470
5. Southwest	409,260	\$12,406,160,844
6. South-Southwest	258,254	\$ 3,556,207,381
Total	1,668,338	\$64,352,951,818

*Notes*

1. For all communities in the growth area with the exception of selected Urban Aid Cities. See Technical Appendix, *infra*.
2. Includes applicable growth area designations of the *State Development Guide Plan*, Pinelands Commission, and the Coastal Zone. See Technical Appendix, *infra*.

Source: Rutgers University, Center for Urban Policy Research, 1986

SECTION 8 INCOME LIMITS BY COUNTY

COUNTY		1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
Atlantic	Moderate Income (80%)	\$14,850	\$16,950	\$19,100	\$21,200	\$22,550	\$23,850	\$25,200	\$26,500
	Low Income (50%)	9,300	10,600	11,900	13,250	14,300	15,350	16,450	17,500
Bergen	Moderate Income (80%)	20,380	21,300	26,210	29,210	30,940	32,760	34,580	36,400
	Low Income (50%)	12,740	14,560	16,380	18,200	19,340	20,475	21,610	22,750
Burlington	Moderate Income (80%)	17,100	19,500	21,950	24,400	25,950	27,450	29,000	30,500
	Low Income (50%)	10,700	12,200	13,700	15,250	16,450	17,700	18,900	20,150
Camden	Moderate Income (80%)	17,100	19,500	21,950	24,400	25,950	27,450	29,000	30,500
	Low Income (50%)	10,700	12,200	13,700	15,250	16,450	17,700	18,900	20,150
Cape May	Moderate Income (80%)	14,850	16,950	19,100	21,200	22,550	23,850	25,200	26,500
	Low Income (50%)	9,300	10,600	11,900	13,250	14,300	15,350	16,450	17,500
Cumberland	Moderate Income (80%)	14,300	16,300	18,350	20,400	21,700	22,950	24,250	25,500
	Low Income (50%)	8,950	10,200	11,450	12,750	13,750	14,800	15,800	16,800
Essex	Moderate Income (80%)	19,770	22,590	25,420	28,240	30,010	31,770	33,540	35,300
	Low Income (50%)	12,355	14,120	15,885	17,650	18,755	19,855	20,960	22,065
Gloucester	Moderate Income (80%)	17,100	19,500	21,950	24,400	25,950	27,450	29,000	30,500
	Low Income (50%)	10,700	12,200	13,700	15,250	16,450	17,700	18,900	20,150
Hudson	Moderate Income (80%)	14,050	16,100	18,100	20,100	21,350	22,600	23,850	25,100
	Low Income (50%)	8,800	10,050	11,300	12,550	13,550	14,550	15,550	16,550
Hunterdon	Moderate Income (80%)	21,620	24,700	27,790	30,880	32,810	34,740	36,670	38,600
	Low Income (50%)	13,510	15,440	17,370	19,300	20,505	21,710	22,920	24,125
Mercer	Moderate Income (80%)	18,950	21,700	24,400	27,100	28,800	30,500	32,200	33,900
	Low Income (50%)	11,850	13,550	15,250	16,950	18,300	19,650	21,000	22,350
Middlesex	Moderate Income (80%)	21,620	24,700	27,790	30,880	32,810	34,740	36,670	38,600
	Low Income (50%)	13,510	15,440	17,370	19,300	20,505	21,710	22,920	24,125

-1-

SECTION 8 INCOME LIMITS BY COUNTY

COUNTY		1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
Monmouth	Moderate Income (80%)	17,900	20,500	23,050	25,600	27,200	28,800	30,400	32,000
	Low Income (50%)	11,200	12,800	14,400	16,000	17,300	18,550	19,850	21,150
Morris	Moderate Income (80%)	19,770	22,590	25,420	28,240	30,010	31,770	33,540	35,300
	Low Income (50%)	12,355	14,120	15,885	17,650	18,755	19,855	20,960	22,065
Ocean	Moderate Income (80%)	17,900	20,500	23,050	25,600	27,200	28,800	30,400	32,000
	Low Income (50%)	11,200	12,800	14,400	16,000	17,300	18,550	19,850	21,150
Passaic	Moderate Income (80%)	20,380	21,300	26,210	29,210	30,940	32,760	34,580	36,400
	Low Income (50%)	12,740	14,560	16,380	18,200	19,340	20,475	21,610	22,750
Union	Moderate Income (80%)	17,550	20,300	23,050	25,800	26,650	28,250	29,850	31,450
	Low Income (50%)	11,000	12,550	14,150	15,700	16,450	17,250	18,450	19,650
Somerset	Moderate Income (80%)	21,620	24,700	27,790	30,880	32,810	34,740	36,670	38,600
	Low Income (50%)	13,510	15,440	17,370	19,300	20,505	21,710	22,920	24,125
Sussex	Moderate Income (80%)	19,770	22,590	25,420	28,240	30,010	31,770	33,540	35,300
	Low Income (50%)	12,355	14,120	15,885	17,650	18,755	19,855	20,960	22,065
Wood	Moderate Income (80%)	19,770	22,590	25,420	28,240	30,010	31,770	33,540	35,300
	Low Income (50%)	12,355	14,120	15,885	17,650	18,755	19,855	20,960	22,065
Wyden	Moderate Income (80%)	17,400	19,700	22,000	24,400	26,400	28,400	29,800	31,200
	Low Income (50%)	10,250	11,750	13,200	14,650	15,900	17,100	18,300	19,500

Source: 1. US Dept. of Housing and Urban Development estimates as of October 21, 1985.  
 For areas of unusually high income, a maximum income limit has been established at the national median family income level of \$22,000 applicable to the four person income limit for lower income (moderate) families. These figures above do not reflect this limit or cap.



APPENDIX E  
AVERAGE COST OF REPLACING MAJOR SYSTEMS  
FOR HOUSING REHABILITATION<sup>1</sup>

APPENDIX E

Average Cost of Replacing Major Systems for Housing Rehabilitation

	<u>LOW RISE</u>	<u>HIGH RISE</u>
Plumbing	\$ 3,000	\$ 3,300
HVAC <sup>2</sup>	2,500	5,500
Electric	4,000	6,000
Dry Wall, Carpentry, Insulation	5,000	10,400
Painting	750	850
Roofing, Flashing	1,400	1,300
Windows	550	950
Kitchen Cabinets	850	1,100
Flooring	1,700	1,400
Ceramic Tile	450	450
<b>TOTAL AVERAGE</b>	<b>\$19,200</b>	<b>\$31,250</b>
<b>AVERAGE OF TOTAL AVERAGE</b>	<b>\$ 9,600</b>	<b>\$15,625</b>

<sup>1</sup> These are average figures that are not adjusted by municipality.

<sup>2</sup> Heating, ventilation, air conditioning.

Source: New Jersey Housing and Mortgage Finance Agency, April, 1986

APPENDIX F  
COUNTY REVIEW CHECKLIST

The Act allows a municipality to transfer up to 50% of its low and moderate income housing obligation to a willing receiving municipality. The terms of this transfer are determined by the individual negotiations between willing sending and receiving municipalities within the same housing region as adopted by the Council.

APPENDIX F

County Review Checklists

Recognizing the need for sound regional comprehensive planning, the Act permits the county of the receiving municipality to review the proposed R/A and submit its comments and recommendations to the Council. The Act indicates that this review shall be performed by the county planning board or other designated agency and that in its review, the county "shall consider the master plan and zoning ordinance of the sending and receiving municipalities, its own county master plan and the State development and redevelopment plan"

The Act permits the Council to establish time limits for county review and, since the Council views expedient review of R/As as crucial, it shall impose a 30 day limit for the county to complete its review. The Council may provide a 15 day extension if the county requests such an extension for legitimate reasons. If the county is unable to complete its review within the allotted time, or if there is no county planning board or designated county agency, the Council shall perform the required review.

To facilitate county review, the Council has developed a four section checklist. This checklist is to be completed as part of the county review process.

COUNTY REVIEW CHECKLIST

For Sound Comprehensive Regional Planning  
Of Proposed Low and Moderate Income Housing Sites  
Proposed Through Regional Contribution Agreements

SECTION I ACCESS TO EMPLOYMENT OPPORTUNITIES

A. Does the proposed agreement provide realistic housing opportunities within convenient access to employment opportunities?

	Housing Site(s) Proposed		Check One		If Access Possible, Briefly Explain on Attached Sheet, By Site #
	Loc.	#	Yes	No	
1. Within Receiving Munic.		A	/ /	/ /	/ /
		B	/ /	/ /	/ /
		C	/ /	/ /	/ /
2. Within Sending Munic.		A	/ /	/ /	/ /
		B	/ /	/ /	/ /
		C	/ /	/ /	/ /

B. Is the proposed housing served by available transit?

	Housing Site(s) Proposed		Check Appropriate Boxes If yes, (check Type(s) of Service				If Transit Possible, Briefly Explain On Attached Sheet by Site #
	Loc.	#	Yes	Munic	Inter-Municipal County Inter-co	No	
1. Within Receiving Munic.		A	/	/	/	/	/ /
		B	/	/	/	/	/ /
		C	/	/	/	/	/ /
2. Within Sending Munic.		A	/	/	/	/	/ /
		B	/	/	/	/	/ /
		C	/	/	/	/	/ /

1) These sites represent possible alternate locations of sites within the sending municipality that would be developed for housing in the absence of a successful RCA

SECTION II CURRENTLY ADOPTED AND/OR OFFICIAL LAND USE ELEMENT  
CONSISTENCY REVIEW (ATTACH RELEVANT PAGES OF DOCUMENTS  
CITED BELOW)

	Check One Complies In		Brief Explanation (Attach Additional Sheets As Necessary)
	Whole	Part (Explain)	
A.1. Receiving Munic. (a) Master Plan Of ; Adopted:	/ /	/ /	/ /
(b) Zoning Ordinance Of ; Adopted:	/ /	/ /	/ /
2. Sending Munic. (a) Master Plan Of ; Adopted:	/ /	/ /	/ /
(b) Zoning Ordinance Of ; Adopted:	/ /	/ /	/ /
B.1. Receiving County Land Use Element Of County; Adopted:	/ /	/ /	/ /
2. Sending County (if different from B.1) Land Use Element of County; Adopted:	/ /	/ /	/ /
C.1 Other Regional Plan Land Use Element(s) 2) Affecting; (a) Receiving Munic. ; Adopted:	/ /	/ /	/ /
(b) Sending Munic. ; Adopted:	/ /	/ /	/ /
D.1 State Development Redevelopment Plan (S.D.R.P.) 3) (a) Receiving Munic.	/ /	/ /	/ /
(b) Sending Munic.	/ /	/ /	/ /

2) For example, is site(s) consistent with Hackensack Meadowland Development Commission's Adopted Land Use Element?

3) Use official State Development Guide Plan until S.D.R.P. is adopted.

SECTION III CURRENTLY ADOPTED TRANSPORTATION PLAN AND/OR PROGRAM  
EFFICIENT CONSISTENCY REVIEW (ATTACH RELEVANT PAGES OF  
DOCUMENTS CITED BELOW)

	Check Complies In		Conflicts In Whole	Brief Explanation (Attach Additional Sheets As Necessary)
	Whole	Part (Explain)		
A 1. Receiving Munic				
(a) Plan of , Adopted	/ /	/ /	/ /	
(b) Program of , Adopted	/ /	/ /	/ /	
B 1. Receiving County				
(a) Plan of , Adopted	/ /	/ /	/ /	
(b) Program of , Adopted	/ /	/ /	/ /	
2. Sending County (if different from B 1)				
(a) Plan of , Adopted	/ /	/ /	/ /	
(b) Program of , Adopted	/ /	/ /	/ /	
C Other Regional Plan/Prog 4)				
(a) Receiving Munic				
(1) Plan, Adopted	/ /	/ /	/ /	
(2) Program, Adopted	/ /	/ /	/ /	
(b) Sending Munic				
(1) Plan, Adopted	/ /	/ /	/ /	
(2) Program, Adopted	/ /	/ /	/ /	
D State Plan/Prog 4)				
(a) Plan, Adopted				
(1) Receiving Munic	/ /	/ /	/ /	
(2) Sending Munic	/ /	/ /	/ /	
(b) Program, Adopted				
(1) Receiving Munic	/ /	/ /	/ /	
(2) Sending Munic	/ /	/ /	/ /	

4) For example, US sites consistent with applicable B M P C and/or N J  
Turnpike plans and programs  
5) Use current and official State Transportation Plan and Program as  
prepared by the N J Department of Transportation

SECTION IV CURRENTLY ADOPTED WATER QUALITY  
MANAGEMENT PLAN (208) (ATTACH RELEVANT  
PAGES OF DOCUMENT)

A. Is the proposed housing consistent with the 208 Plan?

	Housing Site(s) Proposed	Check One	
		Yes	No
1. Within Receiving Munic	Loc #	A / / / /	B / / / /
2. Within Sending Munic	Loc #	A / / / /	B / / / /

This review is certified by the undersigned as representing a true and  
accurate statement of fact.

Based on this review, it is found that the following sites are

	Housing Site(s) Proposed	In Keeping With Sound Regional Comprehensive Planning	Not in Keeping With Sound Regional Comprehensive Planning
		Loc #	Loc #
1. Within Receiving Munic	Loc #	A / / / /	B / / / /
2. Within Sending Munic	Loc #	A / / / /	B / / / /

CERTIFIED BY

DATE

TYPE NAME

TITLE

REPRESENTING

PROFESSIONAL  
LICENSE #  
(AS APPLICABLE)

RECEIVED

MAY 1 1986  
DISTRICT OF COLUMBIA  
OFFICE OF THE ATTORNEY GENERAL

**MUNICIPAL PRESENT,  
PROSPECTIVE, AND  
PRE-CREDITED NEED**

The following figures reflect the gross, aggregate and unadjusted fair share calculations for each municipality determined pursuant to the method outlined in Subchapter 5 of the substantive rules and related base data.

These figures are illustrative of the method described and do not account for crediting (Subchapter 6), drastic alterations (Subchapter 7) and adjustments (Subchapter 8) which may apply to individual municipalities, and which may ultimately result in a lower estimate of the municipal obligation.

From N.J. Council on  
Affordable Housing

May 21, 1986

1987-1993 LOW AND MODERATE NEED ESTIMATES BY STATE AND REGION

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- HOUSING DEFICIENT PRESENT NEED -
- HISTORIC MODEL PROSPECTIVE NEED -
- FAIR SHARE PRESENT NEED ALLOCATION -
- FAIR SHARE PROSPECTIVE NEED ALLOCATION -

Accounting for:  
Demolition, Filtering, Residential Conversion,  
and Spontaneous Rehabilitation

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1987 Present Need  
1987-1993 Prospective Need

**CALCULATING NEED**

Indigenous Need	85,134
Reallocated Present Need	34,411
Prospective Need	80,421
Total Need	199,966
Demolition	13,367
Filtering	-51,004
Residential Conversion	-12,102
Spontaneous Rehabilitation	-4,520

**STATEWIDE PRE-CREDITED NEED** 145,707 \*

**REGIONAL NEED**

Northeast	42,534
Northwest	28,773
West Central	14,720
East Central	23,247
Southwest	21,884
South-Southwest	14,549

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\* The Council on Affordable Housing is prepared to adjust municipal housing need such that precredited final need will not exceed twenty percent of a municipality's occupied housing units in 1987. This adjustment is to prevent a municipality from experiencing a drastically altered development pattern as per Section 7 of the Fair Housing Act. The adjustment, if pursued by all municipalities who qualify, will not diminish statewide need by more than 1421 housing units.

# THE MOUNT LAUREL HOUSING REGION COUNTY GROUPS

## Region 1 - Northeast

Bergen  
Hudson  
Passaic

## Region 2 - Northwest

Essex  
Morris  
Sussex  
Union

## Region 3 - West Central

Hunterdon  
Middlesex  
Somerset  
Warren

## Region 4 - East Central

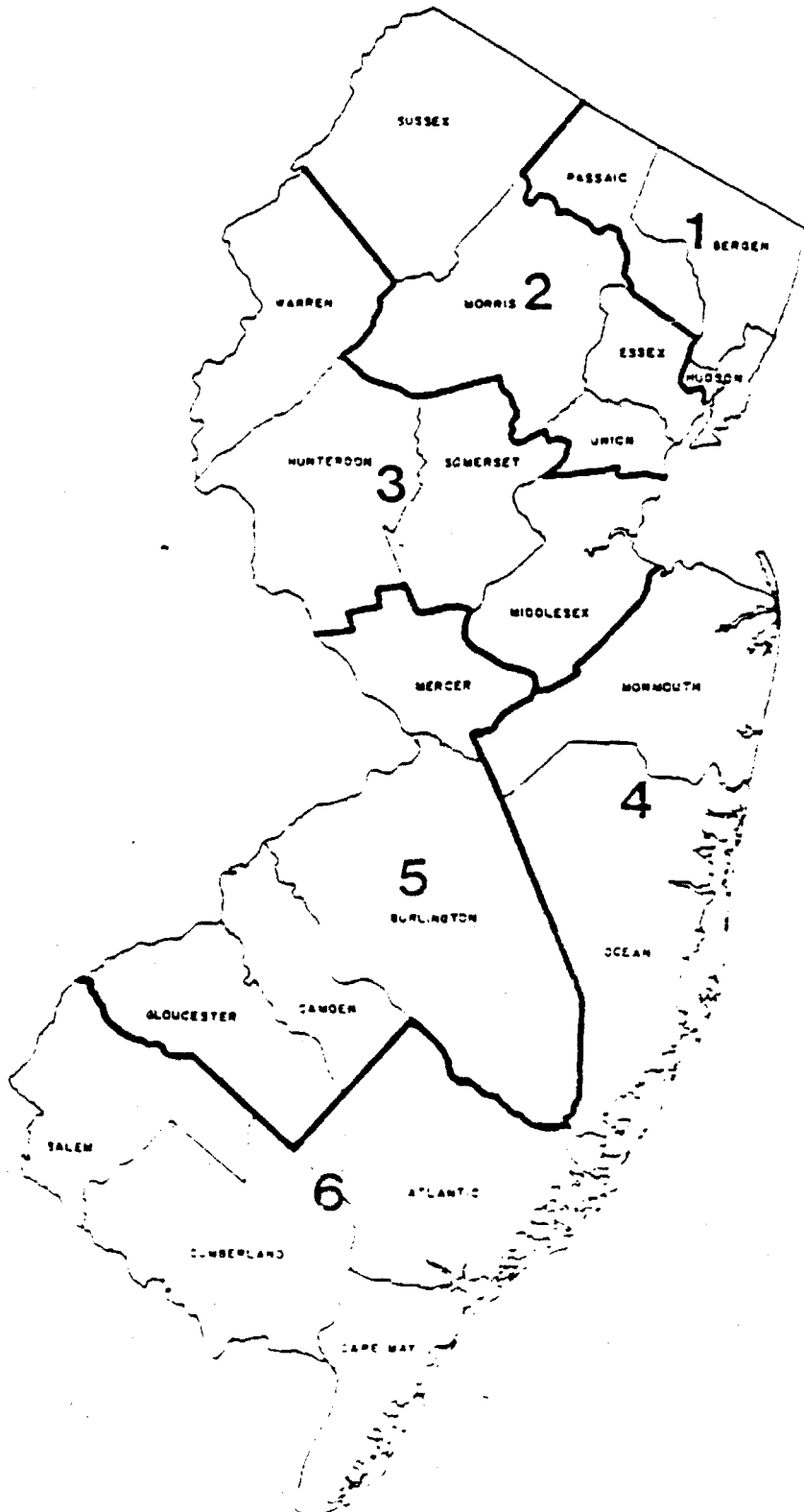
Monmouth  
Ocean

## Region 5 - Southwest

Burlington  
Camden  
Gloucester  
Mercer

## Region 6 - South-Southwest

Atlantic  
Cape May  
Cumberland  
Salem







NEW JERSEY  
COUNCIL ON AFFORDABLE HOUSING  
MUNICIPAL LOW & MODERATE INCOME HOUSING NEED  
01 MAY 86

COUNTY	NAME	ACTUAL DETER- IORATED UNITS	INDIGENOUS NEED	REALLOC. PRESENT NEED	PRESENT NEED	PROSPEC- TIVE NEED (1987/93)	TOTAL NEED 1987-93	D E M O S	F I L T E R	C O N V E R	R E H A B	PRE CREDITED NEED	20% CAP
	FORT LEE BORO	437	437	415	852	195	1048	53	380	61	53	603	0
	FRANKLIN LAKES BORO	11	11	341	352	101	453	3	3	2	20	431	0
	GARFIELD CITY	308	308		308		308	0	266	42	0	0	0
	GLEN ROCK BORO	11	11	168	179	54	233	0	5	4	17	207	0
	HACKENSACK CITY	650	650	629	1279	188	1467	191	374	72	41	1171	0
	HARRINGTON PARK BORO	7	7	78	85	24	109	0	1	1	7	99	0
	HASBROUCK HEIGHTS BO	76	76	131	207	55	261	0	47	20	14	181	0
	HAWORTH BORO	1	1	69	70	20	89	0	1	0	5	83	0
	HILLSDALE BORO	29	29	142	171	42	213	0	8	6	14	185	0
	HO HO-KUS BORO	4	4	78	82	19	101	0	3	2	8	88	0
	LEONIA BORO	48	48	92	140	17	157	15	41	17	11	103	0
	LITTLE FERRY BORO	140	140	108	249	21	270	32	77	28	10	187	0
	LODI BORO	181	181		181		181	2	183	0	0	0	0
	LYNDHURST TWP.	245	245	233	478	86	563	21	132	87	20	345	0
	MAHWAH TWP.	56	56	324	380	43	337	3	20	6	18	296	0
	MAYWOOD BORO	28	28	115	143	37	181	3	35	22	11	116	0
	MIDLAND PARK BORO	34	34	106	140	37	177	3	22	13	8	136	0
	MONTVALE BORO	14	14	216	230	99	329	3	13	4	11	304	0
	MOONACHIE BORO	30	30	134	164	49	213	0	3	3	2	204	0
	NEW MILFORD BORO	38	38	142	180	36	216	2	69	40	18	89	0
	NORTH ARLINGTON BORO	143	143	131	274	27	301	2	115	58	17	112	0
	NORTHVALE BORO	15	15	101	117	61	178	0	7	6	5	160	0
	NORWOOD BORO	16	16	109	125	21	146	0	3	2	6	135	0
	OAKLAND BORO	39	39	245	284	86	370	0	5	4	16	345	0
	OLD TAPPAN BORO	6	6	105	111	42	153	0	2	1	6	144	0
	ORADELL BORO	9	9	146	154	45	199	0	8	4	13	174	0
	PALISADES PARK BORO	211	211	133	343	36	379	39	128	54	15	222	0
	PARAMUS BORO	34	34	761	795	365	1160	2	19	13	31	1097	0
	PARK RIDGE BORO	31	31	131	161	43	204	4	19	9	11	169	0
	RAMSEY BORO	28	28	265	294	102	396	4	23	9	18	350	0
	RIDGEFIELD BORO	94	94	166	260	17	277	0	67	39	11	160	0
	RIDGEFIELD PARK VILL	131	131	126	258	38	296	2	89	39	14	156	0
	RIDGEWOOD VILLAGE	74	74	413	486	139	625	12	47	19	45	526	0
	RIVER EDGE BORO	24	24	125	149	38	186	5	33	20	14	124	0
	RIVER VALE TWP	17	17	159	176	43	220	0	10	1	14	194	0
	ROCHELLE PARK TWP	13	13	91	104	42	146	5	14	6	6	125	0
	ROCKLEIGH BORO	0	0	55	55	18	73	0	0	0	0	72	61
	RUTHERFORD BORO	199	199	239	439	123	562	5	94	36	22	415	0
	SADDLE BROOK TWP	48	48	257	305	61	366	8	42	19	15	298	0
	SADDLE RIVER BORO	6	6	144	150	32	182	4	1	1	8	176	0
	SOUTH HACKENSACK TWP	35	35	78	114	18	131	0	14	11	2	105	0
	TEANECK TWP	196	196	441	637	100	737	5	88	24	49	581	0
	TENAFLY BORO	38	38	231	269	70	340	6	25	13	25	284	0
	TETERBORO BORO	0	0	143	143	121	264	0	0	0	0	264	262
	UPPER SADDLE RIVER B	18	18	211	228	73	302	1	2	1	16	284	0
	WALDWICK BORO	35	35	127	161	36	198	0	11	8	13	166	0
	WALLINGTON BORO	211	211	96	300	26	356	5	110	54	10	187	0
	WASHINGTON TWP	11	11	190	191		191						

NEW JERSEY  
COUNCIL ON AFFORDABLE HOUSING  
MUNICIPAL LOW & MODERATE INCOME HOUSING NEED  
01 MAY 86

COUNTY	NAME	ACTUAL DEFER IORATED UNITS	INDIGENOUS NEED	REALLOC. PRESENT NEED	PRESENT NEED	PROSPEC- TIVE NEED (1987/93)	TOTAL NEED 1987 93	D E M O S	F I L T E R	C O N V E R	R E H A B	PRE CREDITED NEED	20% CAP
	WESTWOOD BORO	49	49	165	214	54	268	2	-40	19	-13	199	0
	WOODCLIFF LAKE BORO	4	4	143	147	54	202	3	-1	1	-10	191	0
	WOOD-RIDGE BORO	38	38	88	126	11	136	7	-23	13	-9	99	0
	WYCKOFF TWP.	24	24	288	312	86	398	1	-7	-5	-25	362	0
COUNTY		5841	5841	12779	18620	3980	22600	571	3731	1361	1021	17057	404
BURLINGTON													
	BASS RIVER TWP.	19	14		14		14	2	-1	-1	0	14	0
	BEVERLY CITY	32	27	7	35	51	86	0	-20	-7	-1	58	0
	BORDENTOWN CITY	55	48	11	59	34	93	0	56	13	-2	22	0
	BORDENTOWN TWP.	30	30	33	63	173	236	7	-58	-6	-3	175	0
	BURLINGTON CITY	106	104	31	136	83	219	39	83	16	-4	156	0
	BURLINGTON TWP.	97	97	71	167	451	619	5	130	7	-4	482	0
	CHESTERFIELD TWP.	12	12	9	21	49	70	0	-5	-2	-1	62	0
	CINNAMINSON TWP.	46	46	59	105	293	397	2	-11	-3	-8	377	0
	DELANCO TWP.	14	14	12	26	44	70	2	-18	6	-1	47	0
	DELTRAN TWP.	69	69	44	113	238	351	2	108	8	-6	230	0
	EASTAMPTON TWP.	17	17	13	30	48	78	2	-43	3	2	32	0
	EDGEWATER PARK TWP	48	48	21	68	48	116	2	118	0	0	0	0
	EVESHAM TWP.	27	27	88	115	518	633	0	105	-9	-12	508	0
	FIELDSBORO BORO	4	4	2	6	4	2	0	0	0	0	2	0
	FLORENCE TWP.	69	69	37	106	191	296	0	69	-14	-3	210	0
	HAINESPORT TWP	24	24	21	45	68	113	6	-7	2	1	110	0
	LUMBERTON TWP	28	28	19	47	60	107	2	72	3	2	32	0
	MANSFIELD TWP	22	22	21	43	88	131	0	8	-3	1	119	0
	MAPLE SHADE TWP	65	65	48	114	254	368	1	348	21	0	0	0
	MEDFORD TWP.	41	41	72	113	373	486	0	-58	-6	-10	412	0
	MEDFORD LAKES BORO	16	16	10	26	33	59	0	1	-1	-2	55	0
	MOORESTOWN TWP.	21	21	123	144	655	799	0	-68	14	-10	707	0
	MOUNT HOLLY TWP.	89	89	43	132	190	322	35	72	22	-4	259	0
	MOUNT LAUREL TWP.	47	47	104	151	510	661	2	-70	-11	-11	571	0
	NEW HANOVER TWP.	31	31		31		31	2	-33	0	0	0	0
	NORTH HANOVER TWP	58	58		58		58	0	-58	0	0	0	0
	PALMYRA BORO	43	43	18	61	77	138	0	52	13	3	70	0
	PEMBERTON BORO	10	10		10		10	2	12	0	0	0	0
	PEMBERTON TWP	298	298		298		298	19	131	24	9	152	0
	RIVERSIDE TWP	77	77	20	97	26	122	0	59	16	3	44	0
	RIVERTON BORO	26	26	9	36	17	52	0	25	7	1	19	0
	SHAMONG TWP	28	28	10	39	35	74	0	2	1	2	69	0
	SOUTHAMPTON TWP.	35	35	19	54	76	130	0	10	1	4	114	0
	SPRINGFIELD TWP	25	25	11	37	44	80	2	11	4	1	67	0
	TABERNACLE TWP.	42	42	16	58	67	125	8	5	2	2	124	0
	WASHINGTON TWP.	19	8		8		8	6	1	0	0	12	0
	WESTAMPTON TWP	15	15	31	46	95	141	2	13	1	2	127	0
	WILLINGBORO TWP	106	106	75	181	213	411	1	11	1	15	387	0

NEW JERSEY  
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COUNTY	NAME	ACTUAL DEFER- IATED UNITS	INDIGENOUS NEED	REALLOC PRESENT NEED	PRESENT NEED	PROSPEC- TIVE NEED (1987/93)	TOTAL NEED 1987-93	D E M O S	T I L E R	C O N V E R	R E H A B	PRE CREDITED NEED	20% CAP
	WRIGHTSTOWN BORO	33	27		27		27	10	-37	0	0	0	0
COUNTY		1871	1820	1108	2929	5116	8045	161	1998	-248	131	5830	0
CAMDEN													
	AUDUBON BORO	22	22	20	42	57	99	0	-78	-19	-1	0	0
	AUDUBON PARK BORO	8	8	2	10	4	14	0	-3	-1	0	9	0
	BARRINGTON BORO	62	62	18	80	2	82	2	-74	-9	0	0	0
	BELLMAWR BORO	82	82	32	114	142	256	0	-78	8	-5	166	0
	BERLIN BORO	26	26	27	52	196	249	2	-28	10	-2	210	0
	BERLIN TWP.	26	26	17	43	46	89	0	-25	4	-2	58	0
	BROOKLAWN BORO	7	7	5	12	29	41	0	-10	-3	-1	27	0
	CAMDEN CITY	3413	608		608		608	879	-675	123	16	672	0
	CHERRY HILL TWP.	229	229	330	559	2076	2635	38	318	22	-38	2295	0
	CHESILHURST BORO	12	12	5	17	17	34	0	2	1	0	31	0
	CLEMENTON BORO	37	37	16	53	75	129	7	-66	5	-2	62	0
	COLLINGSWOOD BORO	136	136	31	167	133	300	3	277	-26	0	0	0
	GIBBSBORO BORO	10	10	13	23	91	115	0	-4	-1	-1	109	0
	GLOUCESTER TWP.	150	150	121	271	453	724	9	-367	26	18	321	0
	GLOUCESTER CITY CITY	98	98	22	120	38	158	21	-78	-22	4	75	0
	HADDON TWP.	64	64	37	101	129	229	1	-151	31	-7	42	0
	HADDONFIELD BORO	21	21	49	70	291	361	4	-58	-15	-8	284	0
	HADDON HEIGHTS BORO	37	37	19	56	66	122	4	-65	-16	-4	41	0
	HILL NELLA BORO	9	9	2	11	4	15	0	-15	0	0	0	0
	LAUREL SPRINGS BORO	14	14	6	20	24	44	0	-15	-2	-1	26	0
	LAWNSIDE BORO	36	28	10	38	27	65	0	-19	-5	-1	40	0
	LINDENWOLD BORO	109	109	35	144	154	299	3	302	0	0	0	0
	MAGNOLIA BORO	19	19	10	28	43	71	0	-36	-3	-2	30	0
	MERCHANTVILLE BORO	42	42	9	51	23	74	3	-57	13	-2	6	0
	MOUNT EPHRAIM BORO	19	19	10	30	60	89	0	-30	-7	-2	51	0
	OAKLYN BORO	18	18	9	27	34	61	0	-52	-9	0	0	0
	PENNSAUKEN TWP.	275	275	146	422	610	1032	43	-169	-49	-13	843	0
	PINE HILL BORO	62	62	18	80	63	144	5	106	8	3	32	0
	PINE VALLEY BORO	0	0	2	2	9	11	0	0	0	0	11	9
	RUNNEMEDA BORO	44	44	19	63	75	139	0	73	8	3	54	0
	SOMERDALE BORO	32	32	17	49	152	201	4	40	2	-2	160	0
	STRATFORD BORO	29	29	21	50	110	160	5	59	4	-3	99	0
	TAVISTOCK BORO	0	0	1	1	8	10	0	0	0	0	10	9
	VOORHEES TWP.	37	37	80	117	398	516	0	-146	3	10	357	0
	WATERFORD TWP.	35	35	24	59	86	145	3	12	5	3	129	0
	WINSTON TWP.	161	161	78	239	235	473	10	62	11	-7	404	0
	WOODLYNNE BORO	17	17	3	20	9	29	1	-18	6	1	6	0
COUNTY		5398	2585	1267	3852	5970	9822	1048	3570	477	162	6660	18

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COUNTY	NAME	ACTUAL DETERIORATED UNITS	INDIGENOUS NEED	REALLOC. PRESENT NEED	PROSPEC. LIVE NEED (1987/93)	TOTAL NEED 1987 93	D E M O S	F I L T S	C O N V A	R E H A B	PRE CREDITED NEED	20% CAP
<b>CAPE MAY</b>												
	AVALON BORO	25	25	14	39	82	32	-39	21	-3	90	0
	CAPE MAY CITY	51	51	18	69	126	4	-56	19	-5	120	0
	CAPE MAY POINT BORO	7	7	1	8	4	0	1	1	0	10	0
	DENNIS TWP.	114	57	56	113	286	2	-5	3	4	389	119
	LOWER TWP.	304	290	63	353	297	13	-33	-11	-15	605	0
	MIDDLE TWP.	221	177	118	295	621	2	-33	14	-10	861	17
	NORTH WILWOOD CITY	89	89	15	104	115	23	-75	39	-4	124	0
	OCEAN CITY CITY	159	159	48	207	291	316	-243	118	-18	435	0
	SEA ISLE CITY CITY	26	26	10	36	61	41	-33	-18	-3	84	0
	STONE HARBOR BORO	20	20	6	27	36	21	-21	8	-2	52	0
	UPPER TWP.	112	112	51	163	267	2	-14	10	-7	401	0
	WEST CAPE MAY BORO	28	21	3	24	13	0	-7	-4	-1	25	0
	WEST WILWOOD BORO	9	6	1	7	7	21	-4	-2	0	28	0
	WILWOOD CITY	151	95	24	119	110	47	93	41	-3	139	0
	WILWOOD CREST BORO	53	53	14	67	84	2	54	26	-4	68	0
	WOODBINE BORO	38	24	11	34	64	4	-10	-4	1	86	0
COUNTY		1408	1213	454	1667	2463	529	-722	340	80	3516	136
<b>CUMBERLAND</b>												
	BRIDGETON CITY	340	340		340		12	-133	-57	-12	150	0
	COMMERCIAL TWP	191	71		71		0	-6	-4	-3	57	0
	DEERFIELD TWP.	45	38	6	44	52	0	-3	2	-2	89	0
	DOWNE TWP	77	31		31		0	-1	-1	-1	28	0
	FAIRFIELD TWP	128	78	9	87	23	14	3	1	-4	116	0
	GREENWICH TWP.	28	15		15		0	0	0	-1	14	0
	HOPWELL TWP.	36	36	10	45	46	0	8	-4	-4	76	0
	LAWRENCE TWP	68	34		34		0	3	-1	-2	29	0
	MAURICE RIVER TWP	121	54		54		6	4	3	3	50	0
	MILLVILLE CITY	321	321	114	435	479	33	172	51	21	703	0
	SHILOH BORO	7	7		7		0	2	-1	0	4	0
	STOW CREEK TWP	29	21		21		0	1	0	1	19	0
	UPPER DEERFIELD TWP	70	70	17	87	89	6	14	3	6	159	0
	VINELAND CITY	826	826		826		116	294	93	42	534	0
COUNTY		2287	1942	155	2097	691	207	644	222	101	2027	0
<b>FISHER</b>												
	BELLEVILLE TWP	578	578		578		14	309	101	20	162	0
	BLOOMFIELD TWP	581	581		581		29	416	142	30	23	0
	CALLWELL TWP	17	37	48	85	57	0	66	13	6	57	0
	CLIPPER GROVE TWP	17	17	95	112	85						

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COUNTY	NAME	ACTUAL DETER MINED UNITS	INDIGENOUS NEED	REALLOC. PRESENT NEED	PRESENT NEED	PROSPEC- TIVE NEED (1987/93)	TOTAL NEED 1987-93	D E M O S	F I L T E R	C O N V E R	R E H A B	PRE CREDITED NEED	20% CAP
	ESSEX FELLS TWP.	4	4	24	28	21	49	1	-1	0	-3	45	0
	FAIRFIELD TWP.	22	22	190	212	299	511	9	4	2	-6	508	24
	GLEN RIDGE TWP.	29	29	42	71	35	106	0	-13	3	-7	83	0
	IRVINGTON TOWN	2021	2021		2021		2021	45	824	299	30	973	0
	LIVINGSTON TWP.	32	32	335	366	385	751	2	3	1	-27	722	0
	MAPLEWOOD TWP.	173	173	144	317	110	427	4	-83	34	18	296	0
	MILLBURN TWP.	27	27	261	289	285	574	2	49	-10	29	488	0
	MONTECLAIR TWP.	575	575		575		575	31	-300	75	-33	199	0
	NEWARK CITY	15735	6908		6908		6908	3252	4158	1015	102	4885	0
	NORTH CALDWELL TWP.	4	4	51	55	43	97	1	-1	1	6	90	0
	NUTLEY TWP.	282	282	179	461	147	608	7	-160	40	19	396	0
	CITY OF ORANGE TWP	837	837		837		837	97	-400	-81	16	437	0
	ROSELAND BORO	8	8	87	95	180	275	7	-16	1	5	260	0
	SOUTH ORANGE VILLAGE	123	123	122	245	123	368	6	-55	-9	-16	294	0
	VERONA TWP.	42	42	90	131	91	222	0	71	12	-12	127	0
	WEST CALDWELL TWP.	15	15	116	131	140	271	1	-14	-2	-9	246	0
	WEST ORANGE TWP.	247	247	319	566	379	945	22	-205	56	-32	673	0
COUNTY		23321	14493	2102	16595	2379	18974	3768	8174	2033	468	12067	-24
GLOUCESTER													
	CLAYTON BORO	86	53	17	70	65	135	13	-31	6	-2	110	0
	DEPTFORD TWP.	304	214	84	298	401	700	23	-120	-9	-8	585	0
	EAST GREENWICH TWP	39	39	32	71	111	182	0	-13	5	-2	163	0
	ELK TWP.	63	30	17	47	75	122	2	-2	-1	-1	121	0
	FRANKLIN TWP.	215	122		122		122	23	-21	-6	-4	113	0
	GLASSBORO BORO	201	129	42	171	239	410	6	-170	26	4	215	0
	GREENWICH TWP.	34	34	33	67	155	222	0	-16	-6	-2	199	0
	HARRISON TWP	48	36	10	46	60	107	15	-23	-4	-1	93	0
	LOGAN TWP.	42	34	59	94	240	334	2	-5	-1	-1	329	63
	MANTUA TWP	91	78	44	123	179	301	0	-14	-6	3	277	0
	MONROE TWP	238	204	67	271	277	547	4	-84	-14	-7	446	0
	NATIONAL PARK BORO	43	29	5	35	21	56	0	-5	2	-1	47	0
	NEWFIELD BORO	15	14		14		14	0	6	-2	-1	6	0
	PAULSBORO BORO	115	63	20	83	-2	82	19	-52	17	-2	29	0
	PITMAN BORO	57	57	28	84	66	150	2	-63	-19	-4	65	0
	SOUTH HARRISON TWP	24	15		15		15	0	-4	-1	-1	9	0
	SWEDENSBORO BORO	56	20	9	29	46	75	4	-19	-7	1	52	0
	WASHINGTON TWP.	114	114	90	205	370	574	11	-103	8	12	463	0
	WENONAH BORO	11	11	6	18	15	33	2	8	3	1	23	0
	WEST DEPTFORD TWP	110	110	70	180	266	446	34	157	9	7	307	0
	WESTVILLE BORO	32	32	16	49	83	132	4	54	14	2	67	0
	WOODBURY CITY	121	103	42	145	222	367	0	104	24	4	215	0
	WOODBURY HEIGHTS BOR	16	16	10	27	44	71	0	9	3	1	57	0
	WOODWICH TWP	31	12	26	38	93	130	11	2	1	0	139	50
COUNTY		2107	1570	730	2300	1617	5128	103	1083	191	71	111	50

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COUNTY	NAME	ACTUAL DETER- IORATED UNITS	INDIGENOUS NEED	REALLOC. PRESENT NEED	PRESENT NEED	PROSPEC- TIVE NEED (1987/93)	TOTAL NEED 1987 93	D E M O S	F I L T E R	C O N V E R	R E H A B	PRE- CREDITED NEED	20% CAP
<b>HUDSON</b>													
	BAYONNE CITY	2277	2277	.	2277	.	2277	18	-658	-322	-59	1256	0
	EAST NEWARK BORO	85	51	25	75	4	79	0	-17	-12	-1	49	0
	GUTTENBERG TOWN	408	246	70	316	27	343	11	-112	-27	-11	205	0
	HARRISON TOWN	563	356	133	489	11	501	29	-120	71	-10	329	0
	HOBOKEN CITY	4601	1710	.	1710	.	1710	117	-483	-118	-29	1197	0
	JERSEY CITY CITY	14356	7670	.	7670	.	7670	1636	-2311	858	-149	5988	0
	KEARNY TOWN	834	834	485	1319	-34	1285	16	-287	-169	-31	814	0
	NORTH BERGEN TWP.	2020	2020	.	2020	.	2020	17	-474	-192	-42	1329	0
	SECAUCUS TOWN	212	212	479	691	330	1020	25	-105	-56	18	866	0
	UNION CITY CITY	4505	2388	.	2388	.	2388	17	-608	-205	-36	1556	0
	WEEHAWKEN TWP.	691	616	.	616	.	616	0	141	-61	-12	402	0
	WEST NEW YORK TOWN	2860	1709	.	1709	.	1709	37	-449	-110	-28	1158	0
<b>COUNTY</b>		<b>33411</b>	<b>20088</b>	<b>1191</b>	<b>21279</b>	<b>339</b>	<b>21618</b>	<b>1924</b>	<b>-5765</b>	<b>-2202</b>	<b>-426</b>	<b>15149</b>	<b>0</b>
<b>HUNTERDON</b>													
	ALEXANDRIA TWP.	54	26	.	26	.	26	0	-8	-2	-1	15	0
	BETHLEHEM TWP.	49	24	2	27	21	48	4	-3	-1	1	46	0
	BLOOMSBURY BORO	13	7	2	9	14	24	0	-3	-1	0	19	0
	CALIFON BORO	21	8	.	8	.	8	0	-3	-1	0	5	0
	CLINTON TOWN	16	16	4	21	52	72	0	-16	-2	-1	53	0
	CLINTON TWP.	61	61	24	85	167	252	0	-13	-3	-3	234	0
	DELAWARE TWP.	61	33	.	33	.	33	0	-8	3	-2	21	0
	EAST AMWELL TWP.	65	32	.	32	.	32	0	-13	-3	-1	14	0
	FLEMINGTON BORO	65	46	12	58	133	191	0	-80	-11	-2	98	0
	FRANKLIN TWP.	30	21	2	23	18	41	0	-5	-1	-1	34	0
	FRENCHTOWN BORO	19	14	.	14	.	14	0	-14	0	0	0	0
	GLEN GARDNER BORO	15	10	.	10	.	10	0	-7	-1	0	2	0
	HAMPION BORO	22	14	.	14	.	14	0	-14	0	0	0	0
	HIGH BRIDGE BORO	54	36	5	41	36	77	0	-18	-4	-1	54	0
	HOLLAND TWP.	68	38	.	38	.	38	0	-7	2	-2	28	0
	KINGWOOD TWP.	74	25	.	25	.	25	0	-9	-2	-1	14	0
	LAMBERTVILLE CITY	81	40	.	40	.	40	0	-39	1	0	0	0
	LEBANON BORO	7	7	3	9	17	27	0	-5	1	0	20	0
	LEBANON TWP.	131	44	.	44	.	44	0	-14	4	-2	24	0
	MILFORD BORO	20	12	.	12	.	12	0	9	2	0	0	0
	RARITAN TWP.	71	71	30	101	277	378	4	-16	3	-4	358	0
	READINGTON TWP.	87	87	24	110	180	290	0	18	3	-5	265	0
	STOCKTON BORO	11	6	.	6	.	6	0	6	0	0	0	0
	TEWKSBURY TWP.	55	36	7	43	57	100	2	7	2	3	90	0
	UNION TWP.	53	24	.	24	.	29	0	19	2	2	7	0
	WEST AMWELL TWP.	31	19	.	19	.	19	0	9	2	1	6	0







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COUNTY	NAME	ACTUAL DETER IORATED UNITS	INDIGENOUS NEED	RELATD. PRESENT NEED	PRESENT NEED	PROSPEC. LIVE NEED (1987/93)	TOTAL NEED 1987-93	D E M O S	F I L T E R	C O N V E R S I O N	R E H A B	PRE CREDITED NEED	20% CAP
	SOUTH BELMAR BORO	22	10	1	11	31	42	0	-14	2	0	25	0
	SPRING LAKE BORO	24	24	4	28	136	164	0	-15	3	-2	145	0
	SPRING LAKE HEIGHTS	22	22	4	26	146	172	2	-81	4	-2	87	0
	TUNTON FALLS BORO	42	42	12	54	575	629	2	-34	4	-2	590	0
	UNION BEACH BORO	98	32	4	35	81	117	0	-13	-2	-1	100	0
	UPPER FREEHOLD TWP	10	10		10		10	4	-10	3	-1	0	0
	WALL TWP	124	110	23	133	801	934	19	-78	6	-5	865	0
	WEST LONG BRANCH BOR	14	14	9	22	293	315	4	-32	4	-2	281	0
COUNTY		3853	3214	448	3662	14804	18466	348	-4326	-274	-141	14073	-153

MORRIS

	BOONTON TOWN	62	62	59	121	43	164	3	-52	-19	-5	90	0
	BOONTON TWP	22	22	50	72	14	86	0	-3	-1	-3	79	0
	BUTLER BORO	31	21	43	74	21	96	0	-32	-10	-5	48	0
	CHAHAM BORO	26	26	69	95	69	164	0	-27	6	-8	123	0
	CHAHAM TWP	15	15	85	100	79	179	5	20	-2	-11	151	0
	CHESTER BORO	8	8		8		8	0	-3	0	-1	3	0
	CHESTER TWP	32	32		32		32	6	-4	-1	-4	29	0
	DENVILLE TWP	41	41	181	222	218	439	4	-13	-3	10	417	0
	DOVER TOWN	222	222	95	318	52	370	0	-84	-31	-8	246	0
	EAST HANOVER TWP	18	18	146	164	206	370	3	-5	-2	-6	360	0
	FLORHAM PARK BORO	5	5	170	175	273	448	2	-9	-3	-8	430	0
	HANOVER TWP	14	14	214	228	252	480	5	-8	-4	-9	465	0
	HARDING TWP	5	5	74	79	86	165	0	-2	-1	-7	156	0
	JEFFERSON TWP	142	142	46	188	41	229	3	-18	-4	-10	200	0
	KINNELTON BORO	21	21	48	69	43	112	1	-23	0	8	104	0
	LINCOLN PARK BORO	22	22	65	87	49	136	0	-5	-3	5	105	0
	MADISON BORO	78	78	118	196	129	325	5	-59	-18	-13	240	0
	MENDHAM BORO	17	17		17		17	1	-7	-3	-5	3	0
	MENDHAM TWP	24	24	24	47	20	68	0	-3	-1	-5	58	0
	MINE HILL TWP	19	19	33	53	30	83	1	-4	-2	-2	76	0
	MONTEVILLE TWP	35	35	166	200	205	406	7	-6	-2	-12	393	0
	MORRIS TWP	72	72	209	281	187	468	2	-41	-10	20	399	0
	MORRIS PLAINS BORO	17	17	98	115	178	292	3	-10	-3	-5	277	0
	MORRISTOWN TOWN	253	253	256	509	498	1007	17	168	38	12	806	0
	MOUNTAIN LAKES BORO	3	3	48	51	44	95	2	0	0	5	92	0
	MOUNTAIN ARLINGTON BORO	24	24	17	40	14	55	0	-13	-3	-3	36	0
	MOUNT OLIVE TWP	105	105	113	218	125	342	8	104	6	13	227	0
	NETCONG BORO	22	22	20	43	9	52	0	-24	-4	-2	21	0
	PARSIPPANY TROY HILL	126	126	480	606	739	1345	14	278	17	36	1028	0
	PASSAIC TWP	25	25	103	128	90	217	0	-9	-4	6	198	0
	PLAZANOWK TWP	24	24	113	136	120	296	4	13	3	10	233	0
	RANDOLPH TWP	114	114	204	318	220	538	13	74	10	15	452	0
	RIVERDALE BORO	12	12	30	42	28	70	0	6	3	2	59	0
	RIDGWAY BORO	28	28	51	79	51	131	1	24	4	5	47	0
	RIDGWAY TWP	69	69	69	69	69	69	1	24	4	5	47	0



NEW JERSEY  
COUNCIL ON AFFORDABLE HOUSING  
MUNICIPAL LOW & MODERATE INCOME HOUSING NEED  
OF MAY 86

COUNTY	NAME	ACTUAL DETER- IORATED UNITS	INDEGENOUS NEED	REALLOC. PRESENT NEED	PRESENT NEED	PROSPEC TIVE NEED (1987/93)	TOTAL NEED 1987-93	D E M O S T R	F I L T E R	C O N V E R S I O N	R E H A B I T A T I O N	PRE CREDITED NEED	20% CAP
	CLIFTON CITY	1130	1130	1026	2156	382	2537	14	451	265	79	1756	0
	HALEDON BORO	67	67	73	140	15	155	1	-54	-37	-6	60	0
	HAWTHORNE BORO	108	108	227	335	65	400	15	-96	-64	19	235	0
	LITTLE FALLS TWP.	51	51	194	244	57	301	4	-51	-19	14	221	0
	NORTH HALEDON BORO	28	28	123	151	33	184	0	-9	6	9	161	0
	PASSAIC CITY	3403	2128		2128		2128	72	513	-178	-35	1474	0
	PATERSON CITY	7036	3958		3958		3958	1388	1219	-623	-80	3424	0
	POMPTON LAKES BORO	38	38	140	178	38	217	0	28	9	-12	167	0
	PROSPECT PARK BORO	71	71	32	104	4	107	0	-46	-36	-4	21	0
	RINGWOOD BORO	66	66		66		66	1	-4	-3	-13	47	0
	IOWA BORO	50	50	256	306	88	394	0	-28	21	-11	335	0
	WANAQUE BORO	69	69	88	158	20	178	0	-18	12	-9	179	0
	WAYNE TWP.	134	134	1146	1280	385	1665	24	69	-17	-59	1544	0
	WEST MILFORD TWP.	262	262	131	393	43	436	8	11	6	23	405	0
	WEST PATERSON BORO	76	76	145	221	34	254	12	66	-30	-11	159	0
COUNTY		12651	8298	3706	12004	1190	13195	1543	-2683	-1334	393	10328	0
SALEM													
	ALLOWAY TWP.	60	41		41		41	0	-4	3	-2	32	0
	CARNEYS POINT TWP.	72	72	22	94	99	193	0	50	9	8	126	0
	ELMER BORO	12	12		12		12	4	-8	-5	1	2	0
	EL SINBORO TWP.	21	21	3	23	15	38	2	-2	-1	-1	36	0
	LOWER ALLOWAYS CREEK	38	26		26		26	0	-1	1	-1	23	0
	MANNINGTON TWP.	50	25		25		25	0	-2	1	-1	21	0
	OLDMANS TWP.	22	22	20	42	108	150	2	-4	-3	-2	144	9
	PENNS GROVE BORO	132	93	11	104	49	153	43	-53	-15	-3	124	0
	PENNSVILLE TWP.	140	140	48	188	93	281	26	-48	-12	-13	234	0
	PILES GROVE TWP.	48	45		45		45	6	-3	-2	-3	44	0
	PITTS GROVE TWP.	85	85	10	95	38	134	2	4	-2	-6	123	0
	QUINTON TWP.	63	46		46		46	0	-4	-3	-2	37	0
	SALEM CITY	142	119	21	140	-19	122	2	-69	21	-5	28	0
	UPPER PITTS GROVE TWP.	53	47		47		47	0	-1	1	-3	42	0
	WOODSTOWN BORO	32	32		32		32	4	24	-11	-1	0	0
COUNTY		969	826	134	960	385	1345	90	277	88	53	1017	9
SOMERSET													
	BEDMINSTER TWP.	29	29	19	48	133	181	0	13	3	3	163	40
	BERNARDS TWP.	33	33	42	74	433	508	3	24	4	8	475	0
	BERNARDSVILLE BORO	42	42	16	58	105	163	0	33	7	-5	119	0
	BOUND BROOK BORO	158	85	13	98	3	101	1	102	0	0	0	0
	BRANCHBURG TWP.	7	7	22	29	184	213	7	13	1	4	200	0
	BRIDGEWATER TWP.	125	125	78	204	452	656	28	55	10	14	605	0
	FAR HILLS BORO	6	6	2	8	25	31	0	5	1	1	27	0
	FRANKLIN TWP.	71	71	68	139	11	150	0	0	0	0	128	0



NEW JERSEY  
COUNCIL ON AFFORDABLE HOUSING  
MUNICIPAL LOW & MODERATE INCOME HOUSING NEED  
01 MAY 86

COUNTY	NAME	ACTUAL DETER- IORATED UNITS	INDIGENOUS NEED	REALLOC. PRESENT NEED	PRESENT NEED	PROSPEC- TIVE NEED (1987/93)	TOTAL NEED 1987 93	D F M O S	F I L T E R	C O N V E R	R E H A B	PRE CREDITED NEED	20% CAP
	CLARK TWP	39	39	132	171	107	278	0	43	6	12	216	0
	CRANFORD TWP	104	104	190	294	234	528	8	-68	-21	-18	429	0
	ELIZABETH CITY	3019	3019		3019		3019	190	-1257	-346	-50	1556	0
	FANWOOD BORO	15	15	42	57	43	101		-5	2	-6	87	0
	GARWOOD BORO	46	46	37	83	43	127		-32	-14	-3	84	0
	HILLSIDE TWP	154	154		154		154	14	-111	-49	-7	0	0
	KENILWORTH BORO	19	19	90	109	82	191	2	-23	-12	-5	154	0
	LINDEN CITY	226	226	352	578	244	822	31	-272	-102	-22	456	0
	MOUNTAINSIDE BORO	8	8	101	109	96	205	3	-2	-1	-7	198	0
	NEW PROVIDENCE BORO	33	33	147	180	190	370	1	-34	-9	-11	318	0
	PLAINFIELD CITY	901	901		901		901	27	327	90	-24	488	0
	RAHWAY CITY	377	377	177	554	168	721	48	-152	-40	-16	560	0
	ROSELLE BORO	115	115		115		115	2	117	0	0	0	0
	ROSELLE PARK BORO	48	48	58	106	52	158	14	-92	-19	-8	53	0
	SCOTCH PLAINS TWP	76	76	169	245	163	408	1	-30	-10	-18	351	0
	SPRINGFIELD TWP	54	54	159	213	179	392	1	67	15	-12	300	0
	SUMMIT CITY	119	119	228	347	249	596	46	106	25	-25	486	0
	UNION TWP	105	105	403	509	337	846	10	-193	78	-33	552	0
	WESTFIELD TOWN	134	134	212	346	200	545	0	-78	24	29	414	0
	WINFIELD TWP	33	33	5	38	5	43	0	-17	9	-1	16	0
COUNTY		5643	5643	2631	8274	2525	10798	405	-3031	873	321	6978	0
WARREN													
	ALLAMUCHY TWP	23	23		23		23	0	17	-2	2	3	0
	ALPHA BORO	27	25	4	29	26	55	0	-16	3	1	35	0
	BELVIDERE TOWN	25	25		25		25	0	-22	3	0	0	0
	BLAIRSTOWN TWP	105	45		45		45	0	-10	3	2	30	0
	FRANKLIN TWP	40	20	2	22	11	33	2	-7	2	-1	26	0
	FRELINGHUYSEN TWP	33	14		14		14	0	4	1	-1	9	0
	GREENWICH TWP	28	15	10	25	68	93	0	-7	-2	-1	84	0
	HACKETTSTOWN TOWN	104	82	18	100	164	264	0	-78	-12	-3	172	0
	HARDWICK TWP	39	9		9		9	0	-1	0	0	7	0
	HARMONY TWP	60	23	4	28	35	63	2	-6	2	1	57	0
	HOPE TWP	32	15		15		15	4	-3	-1	0	14	0
	INDEPENDENCE TWP	46	28	2	31	21	51	0	22	1	1	27	0
	KNOWLTON TWP	52	20	2	22	16	38	2	6	2	1	32	0
	LIBERTY TWP	40	17		17		17	0	-6	1	1	10	0
	LOPATCONG TWP	42	42	9	51	42	93	4	32	1	2	62	0
	MANSFIELD TWP	88	61	5	66	28	93	0	64	3	2	24	0
	OXFORD TWP	41	15		15		15	0	3	1	0	11	0
	PAHAQUARRY TWP	0	0		0		0	0	0	0	0	0	0
	PHILLIPSBURG TOWN	214	214		214		214	10	-168	-28	4	24	0
	POHATCONG TWP	61	34	9	44	71	114	0	12	1	1	98	0
	WASHINGTON BORO	91	67	8	74	37	112	0	71	12	2	27	0
	WASHINGTON TWP	70	41	10	50	71	121	0	9	2	2	108	0
	WHITE TWP	54	30		30		30	11	0	1	1		

NEW JERSEY  
 COUNCIL ON AFFORDABLE HOUSING  
 MUNICIPAL LOW & MODERATE INCOME HOUSING NEED  
 01 MAY 86

COUNTY	NAME	ACTUAL DETER- IORATED UNITS	INDIGENOUS NEED	REALLOC. PRESENT NEED	PRESENT NEED	PROSPEC- TIVE NEED (1987/93)	TOTAL NEED 1987-93	D E M O S	F I L T E R	C O N V E R	R E C R E D I T E D H A B	PRE- CREDITED NEED	20% CAP
COUNTY		1315	864	84	948	588	1537	35	-573	85	26	889	0

1.-8. (No change.)

(d) (No change.)

(e) Conditions of the annual permit:

1. The "annual permit" may be issued for building, fire protection, electrical, or plumbing work or any combination of those classifications of work, providing that the individual responsible for work done under the annual permit possesses knowledge "as" "[of]" evidenced in accordance with N.J.A.C. 5:23-2.14(c)5, in the technical work classification for which the annual permit is sought.

i. An approved copy of the annual permit application shall be kept at "[the]" "a" facilities maintenance office "within the municipality having jurisdiction" for review by the Construction Official and appropriate subcode official. "The Construction Official shall be notified of the location of the facilities maintenance office."

2.-4. (No change.)

5. A permanent work log, approved by the construction official, of all work done under the "annual permit" must be maintained at "[the]" "a" facilities maintenance office "on site or must be available at the time of the inspection upon 24 hours notice of such inspection". The log must contain the date, a brief description of the work, photographs for any work which was not inspected prior to closing as set forth in 8 below, and the name of the person supervising the work. The log shall be retained for three years.

6. Architectural or engineering drawings, as required by law for work done under the annual permit, shall be prepared by a registered architect or licensed engineer as defined by the statutory requirements of the professional registration laws of this State and shall be kept permanently on file and be made available to the Construction Official and appropriate subcode official, for review upon request.

7. (No change.)

8. Work that is normally inspected prior to closing shall be ordered to be reopened by the facility upon written notice from the Construction Official or appropriate subcode official if he has reason to believe that a violation is present. A photograph shall be taken of any work intended to be enclosed without inspection.

9.-11. (No change.)

12. The following work is not permitted under an annual permit:

i.-vi. (No change.)

vii. Any modification work, other than routine maintenance, that affects life safety systems, such as, but not limited to:

- (1) Emergency lighting systems;
- (2) Smoke and heat detection systems;
- (3) Stand-by generator systems;
- (4) Emergency smoke evacuation systems.

viii. Any work which would disturb asbestos and require a permit to perform.

5:23-4.18 Standards for municipal fees

(a) General:

1.-3. (No change.)

4. The fee to be charged for an annual construction permit shall be charged annually. This fee shall be a flat fee based upon the number of maintenance workers employed by the facility and who are primarily engaged in work that is governed by a subcode. Managers, engineers and clericals shall not be considered maintenance workers for the purposes of establishing the annual construction permit fee. Annual permits may be issued for building, fire protection, electrical and plumbing. Annual permit fees shall be non-refundable.

5. Prior to the issuance of the annual permit, a training registration fee of \$100 per subcode shall be submitted by the applicant to the municipal construction official, who shall forward the fee to the Department of Community Affairs, Bureau of Construction Code Enforcement, Training Section along with copies of the construction permit (Form F-170). Checks shall be made payable to "Treasurer, State of New Jersey".

(b)-(e) (No change.)

5:23-4.20 Department fees

(a)-(b) (No change.)

(c) Department (enforcing agency) fees:

1.-11. (No change.)

12. Prior to the issuance of the annual permit, a training registration fee of \$100 per subcode shall be submitted by the applicant to the Department of Community Affairs, Bureau of Construction Code Enforcement, "T" "raining" "S" "s" ection along with a copy of the construction permit (Form F-170). Checks shall be made payable to "Treasurer, State of New Jersey".

(a)

**NEW JERSEY COUNCIL ON AFFORDABLE HOUSING****Procedural Rules****Adopted New Rules: N.J.A.C. 5:91**

Proposed: April 21, 1986 at 18 N.J.R. 821(a).

Adopted: May 22, 1986 by the Council on Affordable Housing.  
Arthur R. Kondrup, Chairman.

Filed: May 23, 1986 as R.1986 d.221, with substantive and technical changes not requiring additional public notice and comment (see N.J.A.C. 1:30-4.3).

Authority: N.J.S.A. 52:27D-301, et seq., specifically, N.J.S.A. 52:27D-308.

Effective Date: June 16, 1986.

Expiration Date: June 16, 1991.

**Summary of Public Comments and Agency Responses:**

**COMMENT:** The proposed rules refer both to the "promulgation" and "adoption" of substantive criteria and guidelines by the Council as the date which will trigger certain time periods in the procedural rules, notably the period within which a municipality must file its housing element. For purposes of consistency, the rules should refer to either the "promulgation" or "adoption" of the substantive rules, even though those terms may be considered to be equivalent.

**RESPONSE:** The Council agrees with this suggestion and has modified all references to the "adoption" of substantive rules to refer to the "promulgation" of those rules.

**COMMENT:** N.J.A.C. 5:91-3.2, regarding transferred cases, requires transferred municipalities to submit a housing element within five months from the date of transfer or promulgation of criteria and guidelines by the Council, whichever is later, but thereafter provides that all time periods will be calculated to commence from the date of transfer alone. The rules should provide that the time periods will run from the date of transfer or from the adoption of criteria and guidelines whichever is later.

**RESPONSE:** The published proposal erroneously omitted the phrase "or from the promulgation of substantive criteria and guidelines by the Council, whichever is later", from the final sentence of N.J.A.C. 5:91-3.2: the phrase has been added upon adoption as part of the rule.

**COMMENT:** The proposed rules provide that a municipality include within its housing element and fair share plan any proposed regional contribution agreement. The rules should also clarify that a municipality may negotiate or enter into such an agreement at any time, with the Council's approval, and not only upon receiving substantive certification.

**RESPONSE:** The Council agrees with the comment and has clarified N.J.A.C. 5:91-12.1 by adding a new subsection (d).

**COMMENT:** The Council should propose rules which define the responsibility of the mediator and outline the scope of mediation.

**RESPONSE:** Subchapter 7 of the procedural rules addresses the scope of mediation, provides for a review of the mediation process, and requires that the mediator submit a report and recommendation to the Council. Consequently, the scope of the mediation process is defined, and the Council has determined not to restrict the role of any designated mediator by regulation, but prefers to provide a wide range of latitude in the conduct of the mediation process. Moreover, the Council is advised that the Office of Administrative Law is promulgating rules and regulations to govern mediation which may be undertaken by that office: upon the promulgation of such rules the Council may incorporate the procedures contained therein or may in fact propose and adopt its own rules respecting the conduct of mediation as it may find necessary.

**COMMENT:** The proposed regulations provide that an interested party may participate in the administrative process before the Council, and may receive notice of submissions made by municipalities. Therefore, Subchapter 2 should provide that interested parties may request notice and copies of documents filed with the Council within two weeks of the effective date of the regulations, and that municipalities shall provide such notice within two weeks of a request therefor.

**RESPONSE:** Although the rule directs municipalities to provide notice to interested parties "at the time it files a resolution of participation or at the time these rules are adopted, whichever is later," the rule does not prohibit an interested party from making a request for such notice at

any time thereafter. Of course, the timeliness of any such requests may be a factor in the Council's consideration of any objections to a municipality's housing element and fair share plan. In any event, the rule simply establishes a time frame within which requests for notice should be made and does not preclude any party from making a request for such notice at any time during the administrative proceedings.

**COMMENT:** The filing of a municipal housing element and fair share plan should be considered a request for substantive certification in all cases, not just in transferred cases, as set forth in N.J.A.C. 5:91-3.2.

**RESPONSE:** The suggestion is contrary to Section 13 of the Fair Housing Act and cannot properly be included as a requirement of these rules.

**COMMENT:** Proposed N.J.A.C. 5:91-8.1(a) appears to give the Council some discretion in deciding whether to refer matters to the Office of Administrative Law. This would be inappropriate since Section 15 of the Fair Housing Act requires referral to the OAL whenever mediation is unsuccessful.

**RESPONSE:** Section 15 of the Fair Housing Act provides for the referral of cases to the Office of Administrative Law "as a contested case as defined in the Administrative Procedure Act;" thus, the Council must determine whether the matter is "contested," under the APA. Moreover, the Council may also exercise its discretion to hear the matter itself as the reviewing agency.

**COMMENT:** With regard to the right to file motions, set forth in Subchapter 13, who has the right to file a motion with the Council? Who must be served with the notice of motion? How will the Council decide a motion?

**RESPONSE:** Motions will be considered on a case by case basis; the Council will conduct itself in a manner similar to that of a court of law and will require all parties to demonstrate standing and that all interested persons or individuals which may be affected by the relief requested have been notified of the motion and given an opportunity to be heard. The Council will decide all motions by a majority vote.

**COMMENT:** The proposed regulations do not create any kind of priority system among municipal applications; transferred cases should have some kind of priority.

**RESPONSE:** The Council will implement a system for the administration of cases upon initial review of the matters which come before it, and will devise a means to address all cases in an expeditious fashion.

#### Summary of Changes:

The rules as adopted by the Council was modified, as reflected above, to clarify that a municipality may enter into or negotiate a regional contribution agreement at any time, not just when the municipality has petitioned for certification of its housing element. Lastly, the rules as adopted include a descriptive heading within certain subparagraphs to further clarify the scope of the rule.

Full text of the adoption follows (additions to proposal shown in boldface with asterisks \***thus**\*; deletions from proposal shown in brackets with asterisks \*[thus]\*).

### CHAPTER 91 PROCEDURAL RULES OF THE NEW JERSEY COUNCIL ON AFFORDABLE HOUSING

#### SUBCHAPTER 1. GENERAL PROVISIONS

##### 5:91-1.1 Short title

The provisions of this chapter shall be known as "the procedural rules of the New Jersey Council on Affordable Housing."

##### 5:91-1.2 Definitions

The following words and terms, when used in this chapter shall have the following meanings unless the context clearly indicates otherwise.

"Act" means the Fair Housing Act of 1985, L. 1985, c. 222, (C. 52:27D-301, et seq.).

"Agency" means the New Jersey Housing and Mortgage Finance Agency established by L. 1983, c. 530 (C. 55:14K-1 et seq.).

"Council" means the New Jersey Council on Affordable Housing established under the Act, and which has primary jurisdiction for the administration of housing obligations in accordance with sound regional planning considerations in this State.

"Fair Share Plan" means that plan or proposal, which is in a form that may readily be converted into an ordinance, by which a municipality proposes to satisfy its obligation to create a realistic opportunity to meet the low and moderate income housing needs of its region, and which details the affirmative measures the municipality proposes to undertake

to achieve its fair share of low and moderate income housing, as provided in sections 9 and 14 of the Act, and as further described and defined in N.J.A.C. \*5:92\* \*[(substantive rules)]\*.

"Filed" means accepted for filing by the Council.

"Housing element" means that portion of a municipality's master plan, consisting of reports, statements, proposals, maps, diagrams and text, designed to meet the municipality's fair share of its region's present and prospective housing needs, particularly with regard to low and moderate income housing, as further described and defined by N.J.A.C. \*5:92\* \*[(substantive rules)]\*.

"Housing region" means a geographic area, determined by the Council, of no less than two nor more than four contiguous, whole counties which exhibit significant social, economic and income similarities, and which constitute to the greatest extent practicable the primary metropolitan statistical areas as last defined by the United States Census Bureau prior to July 2, 1985.

"Petition for Substantive Certification" means that petition which a municipality files, or is deemed to have filed, which engages the Council's mediation and review process.

"Receiving municipality" means, for purposes of a regional contribution agreement (RCA), a municipality which agrees to assume a portion of another municipality's fair share obligation.

"Sending municipality" means, for purposes of a regional contribution agreement (RCA), a municipality which seeks to transfer a portion of its fair share obligation to another willing municipality.

#### SUBCHAPTER 2. RESOLUTIONS OF PARTICIPATION

##### 5:91-2.1 Form

(a) \***General:**\* A resolution of participation shall express the intention of the municipality to participate in the administrative procedures outlined in the Act and in these rules and shall contain such information and be in such form as the Council may from time to time prescribe.

(b) \***Notice:**\* At the time it files a resolution of participation, or at the time these rules are adopted, whichever is later, each participating municipality shall provide notice that it has submitted such a resolution to any interested party which has requested to receive such notice.

(c) \***Filed:**\* A resolution of participation will be filed upon receipt by the Council.

##### 5:91-2.2 Action equivalent to a resolution of participation

A municipality in an exclusionary zoning lawsuit transferred to the Council by the courts shall be considered to have filed a resolution of participation as of the date of the transfer.

#### SUBCHAPTER 3. HOUSING ELEMENT AND FAIR SHARE PLAN

##### 5:91-3.1 Development of housing element

(a) \***General:**\* A municipality which files a resolution of participation within four months after the effective date of the Act shall, within five months after the Council's \*[adoption]\* \***promulgation**\* of its substantive criteria and guidelines, prepare and file with the Council a housing element and any fair share housing ordinance introduced and given first reading and second reading in a hearing pursuant to N.J.S.A. 40:49-2 which implements the housing element.

(b) \***Letter of Intent:**\* A municipality which files a resolution of participation under this subchapter shall, within 30 days after the Council's \*[adoption]\* \***promulgation**\* of its substantive criteria and guidelines, file with the Council, and serve upon any interested party which has so requested, a letter or report, in such form as the Council may from time to time determine, which contains, at a minimum, the following items:

1. The municipality's calculations of its fair share of its region's present and prospective need, as determined by a formula or methodology established by the Council; and

2. A statement of those specific adjustments to the calculation set forth in Section 7 of the Act, which the municipality intends to rely upon to alter the initial calculation, and the general reasons therefor; and

3. A proposed schedule for the preparation of a draft housing element and fair share plan, together with a description of all expert reports or studies upon which the municipality intends to rely in support of any proposed adjustments and a proposed schedule for the submission of such expert reports or studies; and

4. A description of all efforts the municipality has undertaken to provide notice to interested parties and the public that it has engaged the administrative procedures of the Act and will propose a housing element and fair share plan for the Council's review.



(c) **\*Objectors:\*** Within 15 days of receipt of a municipality's letter of intent, any interested party or potential objector shall file with the Council a statement of those portions of the report to which it objects, and shall state the reasons therefor.

(d) **\*Draft Housing Element and Fair Share Plan:\*** A municipality which files a resolution of participation under this subchapter shall, within three months after the Council's **\*[adoption]\* \*promulgation\*** of its substantive criteria and guidelines, file with the Council, and serve upon any interested party which has so requested, a draft housing element and fair share plan, which addresses in detail those items and factors identified in the municipality's letter of intent. The draft report shall be in a form as the Council may from time to time determine and shall include at least the following:

1. A statement of those factors set forth in Section 7 of the Act upon which the municipality will rely to adjust its calculated fair share of its region's present and prospective need for low and moderate income housing; and

2. A description and explanation of the expert reports and studies upon which the municipality relies and which supports its request for such adjustments; and

3. A copy of all such expert reports and studies or a status report of all such documents; and

4. Documentation of all efforts at premediation with interested parties and objectors, as well as any premediation conferences with Council staff, as well as documentation of any and all public hearings held in the development of a draft housing element and fair share plan.

(e) **\*Objectors:\*** Within 15 days after receipt of a municipality's draft housing element and fair share plan, any interested party or potential objector which disputes any findings or statements contained in the draft shall notify the Council and the participating municipality of its objections and a summary of the reasons therefor. Any interested party or potential objector shall also document all efforts at premediation with the participating municipality, including any participation at public hearings conducted by the municipality regarding the draft housing element and fair share plan.

(f) **\*Housing Element and Fair Share Plan:\*** A municipality which files a resolution of participation under this subchapter shall, within five months after the Council's **\*[adoption]\* \*promulgation\*** of its substantive criteria and guidelines, file with the Council and serve upon any interested party which has so requested, the municipality's proposed housing element and fair share plan, as well as any fair share housing ordinance introduced and given first reading and second reading in a hearing pursuant to N.J.S.A. 40:49-2 which implements the housing element. The proposed housing element and fair share plan shall be in a form determined by the Council and shall include at least the following:

1. A complete description of the municipality's calculation of its fair share of its region's present and prospective need for low and moderate income housing, pursuant to a methodology or formula determined by the Council; and

2. A complete and final statement of any and all adjustments, set forth in Section 7 of the Act, which the municipality relies upon in its calculation, as well as a summary of all support documentation, expert reports, studies and technical data; and

3. Copies of all such expert reports, studies or technical data; and

4. A response to objections to the municipality's draft housing element and fair share plan; and

5. Documentation of all efforts at premediation with potential objectors or interested parties, all efforts at premediation conferences with the Council, and all public hearings undertaken in the development of the municipality's proposed housing element and fair share plan.

#### 5:91-3.2 Transferred cases

A municipality in an exclusionary zoning lawsuit transferred to the Council by the courts pursuant to section 16 of the Act, shall within five months from the date of transfer or promulgation of substantive criteria and guidelines by the Council, whichever is later, prepare and file with the Council a housing element and fair share plan. Any such municipality shall adhere to the procedures and time constraints specified in N.J.A.C. 5:91-3.1; all time periods set forth therein shall be calculated to commence from the date of transfer\*, or from the promulgation of substantive criteria and guidelines by the Council, whichever is later\*.

#### 5:91-3.3 Dismissal

In the event that a municipality fails to timely submit its housing element and fair share plan, or undertake those actions required pursuant to N.J.A.C. 5:91-3.1, the Council shall no longer retain jurisdiction and shall dismiss the matter.

#### 5:91-3.4 Municipality which does not file \*a\* resolution \*of participation\* and is not in an exclusionary zoning lawsuit

A municipality which does not file a resolution of participation within four months after the effective date of the Act, and which is not in an exclusionary zoning lawsuit, may do so at any time thereafter. Upon filing a resolution of participation, the municipality shall request the Council to establish a schedule for the submission of the municipality's housing element and fair share plan, and any proposed regional contribution agreement.

### SUBCHAPTER 4. PETITIONS FOR SUBSTANTIVE CERTIFICATION

#### 5:91-4.1 Petition

(a) A petition for substantive certification shall be in such form and shall contain such information as the Council may from time to time determine.

(b) A municipality may, at any time within six years after it has filed a housing element and fair share plan with the Council, petition for substantive certification.

#### 5:91-4.2 Action equivalent to a petition for substantive certification

A municipality in any exclusionary zoning lawsuit transferred to the Council by the courts shall be deemed to have filed a petition for substantive certification upon the timely submission of the municipality's housing element and fair share plan as required pursuant to N.J.A.C. 5:91-3.2.

#### 5:91-4.3 Notice

(a) A municipality which has filed a petition for substantive certification, or is deemed to have so filed, shall publish notice of this petition in a newspaper of general circulation within the municipality and the county.

(b) The Council shall publish an updated list of all petitions for substantive certification it has received monthly in newspapers of general circulation within the State.

#### 5:91-4.4 Inspection

A municipality which has filed a petition for substantive certification and proposed housing element and fair share plan with the Council shall make available for public inspection within the municipality, during business hours, copies of the proposal and supporting documentation, and shall include in its notice made pursuant to N.J.A.C. 5:91-4.3 the times, and places within the municipality at which the proposal will be made available for public inspection.

### SUBCHAPTER 5. OBJECTIONS TO A PROPOSED HOUSING ELEMENT AND FAIR SHARE PLAN

#### 5:91-5.1 Objection

(a) **\*General:\*** Within 45 days of publication of the notice of a municipality's petition for substantive certification, any person shall file objections with the Council. These objections shall be in a form as may be determined by the Council and shall include at least:

1. A statement as to each and every aspect of the municipality's proposed final housing element and fair share plan with which the person disputes; and

2. An explanation of the basis for each and every such dispute or objection, including, where appropriate, citations to expert reports, studies, or other data relied upon; and

3. Copies of all such expert reports, studies and data relied upon; and

4. Proposed modifications, changes, or other measures which will resolve the objection or dispute consistent with the Council's criteria and guidelines; and

5. A statement documenting all efforts at premediation, participation in conferences, or public hearings and a summary of the results of any such efforts.

(b) **\*Completeness:\*** An objection shall constitute as completely as possible a full statement of all issues, or matters contained in the proposed housing element and fair share plan, with which the objector is in dispute.

### SUBCHAPTER 6. CONSIDERATION OF A MUNICIPALITY'S HOUSING ELEMENT AND FAIR SHARE PLAN WHERE NO OBJECTIONS ARE FILED

#### 5:91-6.1 Council review

(a) **\*General:\*** Unless an objection to a municipality's proposed housing element and fair share plan is filed within 45 days of the publication of the notice of the municipality's petition for substantive certification, the Council shall review the petition and shall issue substantive certification if it shall find that:

1. The municipality's proposed housing element and fair share plan is consistent with the rules and criteria adopted by the Council and is not inconsistent with achievement of the low and moderate income housing needs of the region as adjusted pursuant to the Council's criteria and guidelines; and

2. The combination of the elimination of unnecessary housing cost generating features from the municipal land use ordinances and regulations, and the affirmative measures in the final proposed housing element and fair share plan make the achievement of the municipality's fair share of low and moderate income housing realistically possible after allowing for the implementation of any regional contribution agreement approved by the Council.

#### 5:91-6.2 Conference

In conducting its review of a petition for substantive certification the Council may meet with the municipality.

#### 5:91-6.3 Grant, denial or conditional denial of substantive certification

(a) Upon a review of a petition for substantive certification the Council may grant the petition, deny the petition, or condition its denial of certification upon changes in the municipality's proposed housing element or fair share plan. Any such denial or conditions for approval shall be in writing and shall set forth the reasons for the denial or the imposition of conditions.

(b) If, within 60 days of the Council's denial or conditional denial of a petition for substantive certification, the municipality refiles its petition with changes satisfactory to the Council, the Council shall issue substantive certification.

(c) Within 45 days after the Council has granted substantive certification the municipality shall adopt its fair share housing ordinance as approved by the Council.

### SUBCHAPTER 7. MEDIATION

#### 5:91-7.1 General

(a) The Council shall engage in mediation where a timely objection to a municipality's petition for substantive certification is filed. The Council may appoint a designee to conduct mediation, and the Council or its designee shall meet with the representatives of the municipality and the objectors and attempt to mediate a resolution of the dispute.

#### 5:91-7.2 Scope of mediation

(a) Within 10 days after a matter is referred to the Council for mediation, the Council, or its designee, shall meet with representatives of the municipality and the objector and shall establish a schedule for mediation.

(b) The Council or its designee shall meet with the municipality and the objectors as often as the Council or its designee shall determine necessary and may impose such deadlines for the submission of information, reports, studies or other documentation as the Council or its designee shall find necessary.

(c) The Council or its [mediator]\* \*designee\* may, upon notice to the parties, during the course of any mediation, rely upon or use any interim adjudications previously entered by a trial court in the matter, or any stipulations previously entered into by the parties in any such litigation.

(d) The Council may during the mediation, determine to review itself or to refer to the Office of Administrative Law any issue which may facilitate a satisfactory conclusion to the mediation process. This review shall be conducted as an adjudication complying with all applicable due process requirements.

(e) Mediation before the Council or its designated mediator may be conducted for a period of not more than 60 days after the time for the receipt of objections to a petition for substantive certification has expired. If the Council is dissatisfied with the progress of the mediation proceedings, or determines that the parties have reached an impasse, and that mediation could not resolve the dispute, the Council may declare an end to the mediation process and refer the matter to the Office of Administrative Law for adjudication as a contested case as provided in N.J.A.C. 5:91-8. The period for mediation established in this section may be extended by the Council for good cause shown.

#### 5:91-7.3 Review of mediation

(a) Before the conclusion of the 60-day mediation period, if such mediation was conducted by a mediator designated by the Council, the mediator shall prepare a report and recommendation to the Council, detailing the following factors:

1. The progress of the mediation proceedings; and
2. The issues in dispute between the parties; and
3. The stipulations or other agreements between the parties; and

4. A recommendation that the Council either grant, deny, or conditionally deny substantive certification, and the reasons therefor, or a recommendation that the matter be referred to the Office of Administrative Law for adjudication as a contested case.

(b) The Council shall determine whether to grant, deny or conditionally deny substantive certification, or to refer the matter to the Office of Administrative Law for adjudication as a contested case.

(c) If the matter is referred to the Office of Administrative Law, the parties shall be bound by any agreements entered into during the mediation.

### SUBCHAPTER 8. REFERRAL TO OFFICE OF ADMINISTRATIVE LAW (OAL)

#### 5:91-8.1 General

(a) In the event mediation efforts are unsuccessful the Council shall determine whether to refer the matter to the Office of Administrative Law (OAL) for resolution as a contested case. Upon determining that the matter shall be referred to the Office of Administrative Law for adjudication as a contested case, the Council shall transmit the matter to the OAL together with the mediation report, the result of any adjudication under N.J.A.C. 5:91-7.2(d), the municipality's petition for substantive certification and any objections thereto.

(b) The Office of Administrative Law shall expedite its hearing process as much as practicable in accordance with N.J.S.A. 52:27D-315(c).

(c) A written transcript of all oral testimony and copies of all exhibits introduced into evidence shall be submitted to the Council by the Office of Administrative Law simultaneously with a copy of the initial decision. The costs of the transcript shall be shared equally by the municipality and the objectors.

### SUBCHAPTER 9. COUNCIL'S REVIEW OF THE INITIAL DECISION

#### 5:91-9.1 Review

Within 45 days after the issuance of an initial decision from the Office of Administrative Law, the Council shall, upon review of the record submitted by the Administrative Law Judge, adopt, reject or modify the recommended report and decision. Unless the Council modifies or rejects the initial decision within this period of time, the decision of the Administrative Law Judge shall be deemed adopted. For good cause shown, upon certification by the Director of the Office of Administrative Law and the Council, the time limit established under this subchapter may be extended pursuant to N.J.A.C. 1:1-16.6.

### SUBCHAPTER 10. GRANT, DENIAL OR CONDITIONAL DENIAL OF SUBSTANTIVE CERTIFICATION

#### 5:91-10.1 Substantive certification

(a) Substantive certification, shall be issued if:

1. The municipality's proposed housing element and fair share plan is consistent with the rules and criteria adopted by the Council and not inconsistent with the obligation to create a realistic opportunity to meet the low and moderate income housing needs of its region as adjusted pursuant to the Council's criteria and guidelines; and

2. The combination of, the elimination of unnecessary housing cost generating features from the municipal land use ordinances and regulations, and, affirmative measures in the housing element and fair share plan make the achievement of the municipality's fair share of low and moderate income housing realistically possible after allowing for the implementation of any regional contribution agreement approved by the Council.

(b) Upon conducting the review set forth in (a) above, the Council may deny the petition for substantive certification, or condition a grant of substantive certification upon specific changes in the housing element or fair share plan. Any denial or conditions for approval shall be in writing and shall set forth the reasons for the denial or conditions. If, within 60 days of the Council's denial or conditional denial, the municipality refiles its petition with changes satisfactory to the Council, the Council shall issue substantive certification.

(c) In conducting its review set forth in this section, the Council may meet with the municipality and any objector thereto.

(d) Within 45 days of the grant of substantive certification, the municipality shall adopt its fair share housing ordinance as approved by the Council. The Council's grant of certification will be void and of no force and effect in the event that any municipality fails to timely adopt its fair share ordinance.

## SUBCHAPTER 11. GENERAL POWERS

## 5:91-11.1 Restraining Orders

At any time, upon its own determination, or upon the application of any interested party, and after a hearing and opportunity to be heard, the Council may issue such orders as may be necessary to require that a participating municipality take appropriate measures to preserve scarce resources that may be essential to the satisfaction of the municipality's obligation to provide for its fair share of its region's present and prospective need for low and moderate income housing.

## 5:91-11.2 Accelerated denial of substantive certification

At any time, upon its own determination, or upon the application of any interested party, and after a hearing and opportunity to be heard, the Council may deny substantive certification without proceeding further with the mediation and review process.

## SUBCHAPTER 12. REGIONAL CONTRIBUTION AGREEMENTS (RCAs)

## 5:91-12.1 Terms of agreement

(a) **\*General:\*** A municipality may propose to transfer up to 50 percent of its fair share to another municipality within its housing region by means of a contractual agreement into which two municipalities voluntarily enter. A sending municipality which is required to submit its housing element and fair share plan within five months, as provided in N.J.A.C. 5:91-3.1, shall include in its letter of intent and draft housing element and fair share plan the following:

1. **\*Letter of Intent:\*** A sending municipality which proposes to transfer a portion of its fair share to another receiving municipality shall include within its letter of intent:

- i. A statement of reasons for the proposed regional contribution agreement; and
- ii. A summary of the proposed agreement, including an estimation of the number of units to be transferred, and an explanation or description of any proposed compensation for the acceptance of such units by a receiving municipality; and

2. **Draft Housing Element and Fair Share Plan:** A sending municipality shall include within its draft report a detailed statement of the terms and conditions of a proposed regional contribution agreement which shall include specific information regarding the factors enumerated in 1. above, and which shall further specify the range of costs associated with such a proposed agreement and the source of any funds or resources upon which the sending municipality will rely. The draft shall also contain an alternative plan by which the municipality will achieve its fair share in the event the municipality fails to enter into its proposed regional contribution agreement.

(b) **\*Housing Element and Fair Share Plan:\*** A municipality which proposes to enter into a regional contribution agreement shall include within its proposed housing element and fair share plan a statement of the terms and conditions of any proposed agreement, including:

1. The number of units to be transferred; and
2. The amount of compensation to be paid in return for such a transfer, the nature of such compensation, and the source of such compensation; and
3. A draft or final form of contract which includes all terms and conditions of the regional contribution agreement; and

4. A memorandum of understanding with a receiving municipality that such receiving municipality will enter into the proposed regional contribution agreement with the sending municipality and will execute an agreement substantially embodying the terms and conditions set forth above, and which includes a schedule for the submission of a project plan by the receiving municipality to the Agency for review, as set forth in section 12(e) of the Act.

(c) A regional contribution agreement, the substance of which has been approved by the Council in granting a petition for substantive certification, may be entered into upon the Council awarding substantive certification or thereafter.

**\*d) Nothing in this subchapter shall be construed to prohibit any municipality from negotiating or proposing to enter into a regional contribution agreement at any time.\***

## 5:91-12.2 Review by county planning boards or agencies

(a) Regional contribution agreements shall be reviewed by the county planning board or agency of the county in which the receiving municipality is located. The county planning board or agency shall consider whether or not the transfer agreement is in accordance with sound comprehensive regional planning, in accordance with the terms of the master

plan and zoning ordinance of both sending and receiving municipalities, its own county master plan, and the State Development and Redevelopment Plan (SDRP) or State Development Guide Plan (SDGP) if the SDRP is not completed.

1. In the event that there is no county planning board or agency in the county in which the receiving municipality is located, the Council shall determine whether or not the agreement is in accordance with sound comprehensive regional planning.

(b) All determinations of a county planning board or agency shall be in writing and shall be made within such time limits as the Council may prescribe, beyond which the Council shall make those determinations. No fee shall be paid to the county planning board or agency for its review pursuant to this subsection.

## 5:91-12.3 Review by the Council

(a) Upon review of a proposed regional contribution agreement, by the county planning board or agency in which the receiving municipality is located, and which has been approved in substance by the Council in granting substantive certification of a municipality's petition, the Council shall determine whether or not the proposed agreement creates a realistic opportunity for the provision of low and moderate income housing, within convenient access to employment opportunities, as set forth in the municipality's petition.

(b) Upon the recommendation of the Agency, the Council may approve as part of the regional contribution agreement a provision that the time limitations for contractual guarantees or resale controls for low and moderate income units included in the proposed project be for less than 30 years if the Agency determines that modification is necessary to assure the economic viability of the project.

(c) The Council shall approve a proposed regional contribution agreement upon a finding that:

1. The agreement provides a realistic opportunity for low and moderate income housing within convenient access to employment opportunities; and
2. That the agreement is consistent with sound comprehensive regional planning; and
3. That the receiving municipality's project plan is a feasible and viable means of achieving the purposes of the agreement, as determined by the Agency.

(d) The Council shall approve all regional contribution agreements by resolution; the Council shall set forth in its resolution a schedule of the contributions to be appropriated annually by the sending municipality. A copy of the adopted resolution shall be filed promptly with the Division of Local Government Services in the Department of Community Affairs and the Director shall thereafter not approve an annual budget of a sending municipality if it does not include appropriations necessary to meet the terms of the resolution.

## 5:91-12.4 Receiving municipalities

(a) **\*Statements of Intent:\*** Municipalities which may intend to enter into a regional contribution agreement as a receiving municipality shall notify the Council of their interest and of any proposed conditions or requirement for their participation.

1. Statements of intent submitted under this section shall be in the form of a resolution adopted by the municipality.

2. Statements of intent filed with the Council pursuant to this section shall not preclude any receiving municipality from negotiating with any potential sending municipality.

3. No receiving municipality shall be required to accept a greater number of low and moderate income units through an agreement than it has expressed a willingness to accept in its statement, but the number stated shall not be less than a reasonable minimal number of units, as determined by the Council, not to exceed 100.

(b) **\*Memorandum of Understanding:\*** A municipality which intends to enter into a regional contribution agreement as a receiving municipality shall, before a sending municipality submits its proposed housing element and fair share plan to the Council, enter into a memorandum "[or]" "of" understanding with the sending municipality which:

1. Outlines the terms and conditions of the proposed regional contribution agreement; and
2. Includes a schedule of when the project plan will be submitted to the Agency for review as required by (c), below.

(c) **\*Project Plan:\*** A receiving municipality shall submit a proposed project plan, which shall be in such form and contain such information as the Agency may require, to the Agency pursuant to the schedule contained in the municipality's memorandum of understanding with the

sending municipality. The Council or the Agency may impose time limitations for the submission of a project plan, or any updates or additions thereto.

(d) \*Feasibility review by the Agency:\* The Agency may undertake such review as is necessary, including scheduling meetings or hearings and requiring further information, studies or reports, in order to render a timely feasibility analysis of a proposed project for the Council's review. Failure of the receiving municipality to promptly or properly comply with the requirements of the Agency may result in the Agency's refusal to certify the feasibility of the proposed project.

5:91-12.5 Enforcement of a regional contribution agreement

The Council shall take such actions as may be necessary to enforce a regional contribution agreement.

SUBCHAPTER 13. MOTIONS

5:91-13.1 Form of motion

An application to the Council for an order shall be by motion. A motion shall be by notice of motion in writing, unless the Council permits it to be made orally. Every motion shall state the time and place when it is to be presented to the Council, the grounds upon which it is made, the nature of the relief sought, and shall be accompanied by a proposed form of order. When a matter becomes a contested case, motions shall be pursuant to N.J.A.C. 1:1-9.

5:91-13.2 Oral argument

A movant's request for oral argument shall be made either in his moving papers or reply. A respondent's request for oral argument shall be made in his answering papers. All requests for oral argument shall state the reasons therefor\*[e].

5:91-13.3 Affidavits, briefs and supporting statements

Motions and answering papers shall be accompanied by all necessary supporting affidavits and briefs or supporting statements. All motions and answering papers shall be supported by affidavits for facts relied upon which are not of record or which are not the subject of official notice. Such affidavits shall set forth only facts to which the affiants are competent to testify. Properly verified copies of all papers or parts of papers referred to in such affidavits may be annexed thereto.

5:91-13.4 Time for serving and filing motions and affidavits or briefs

A notice of motion shall be served and filed not later than 20 days before the time specified for the return date unless otherwise ordered by the Council. If a motion is supported by affidavit or brief, the affidavit or brief shall be served and filed with the motion. Any opposing affidavits or briefs, or any cross-motions, shall be served and filed not later than 10 days before the return date. Answers or responses to any opposing affidavits or briefs, or to any cross-motions, shall be served and filed not later than five days before the return date unless the Council otherwise orders.

5:91-13.5 Orders

The Council shall render a decision on the motion by issuing the proposed order filed with the motion or by instructing the prevailing party to prepare and submit an appropriate order. If the Council has made findings of fact and conclusions of law explaining its disposition of the motion, the order shall so indicate.

**ENVIRONMENTAL PROTECTION**

**(a)**

**OFFICE OF THE COMMISSIONER**

**Hazardous Substance Discharges: Reports and Notices**

**Adopted New Rule: N.J.A.C. 7:1-7**

Proposed: August 5, 1985 at 17 N.J.R. 1826(a).

Adopted: May 22, 1986 by Richard T. Dewling, Commissioner, Department of Environmental Protection.

Filed: May 23, 1986 as R.1986 d.229, with technical and substantive changes not requiring additional public notice or comment (N.J.A.C. 1:30-4.3).

Authority: N.J.S.A. 13:1K-15 et seq. (P.L. 1984, c.210).

Effective Date: June 16, 1986.

Expiration date: September 16, 1990.

DEP Docket No. 037-85-06.

**Summary of Public Comments and Agency Responses:**

On August 5, 1985 the New Jersey Department of Environmental Protection ("NJDEP" or "Department") proposed a new rule to implement the provisions of N.J.S.A. 13:1K-15 et seq. (P.L. 1984, c. 210), commonly known as the "Hazardous Substance Discharge—Reports and Notices Act" ("Act"). NJDEP held open a public comment period for written comments until September 4, 1985. Four written comments and one oral comment by telephone were received on the proposed new rule during the public comment period.

The Department's changes to the rules upon adoption consist of clarification of text and format. For example, N.J.A.C. 7:1-7.5(b) 9 has been revised pursuant to several comments informing NJDEP that the submittal of a Discharge Prevention Containment and Countermeasure Plan ("DPCC") for a company should not be required unless a DPCC plan has not been previously submitted to the Department. NJDEP has clarified the various reporting requirements for all interested parties at N.J.A.C. 7:1-7.5, 7.7 and 7.8. Also, the telephone number and mailing address for NJDEP's Field Operations, Compliance and Enforcement in Yardville, New Jersey has been updated in N.J.A.C. 7:1-7.4 and 7.5(c) and (d). NJDEP summarizes and responds to the comments received and explains the revisions upon adoption to N.J.A.C. 7:1-7 as follows:

**COMMENT:** One commenter felt that the definition of an industrial establishment was too broad and requested clarification of the exemption process for industrial establishments detailed in N.J.A.C. 7:1-7.9(c). This commenter felt that the definition of an industrial establishment should be limited to only those locations where employees are stationed during normal working hours.

**RESPONSE:** The regulatory definition of "industrial establishment" at N.J.A.C. 7:1-3 is identical to the statutory definition at N.J.S.A. 13:1K-15(c). The Department does not have the authority to either limit or expand the scope of the definition of industrial establishment inconsistent with the provisions of the Act. However, N.J.A.C. 7:1-7.9, titled "Procedure for Inclusions or Exemption of Groups Within SIC Codes from the Definition of an Industrial Establishment," does provide at N.J.A.C. 7:1-7.9(c) through (g) a process for exempting Standard Industrial Classification ("SIC") codes from the scope of the definition of industrial establishments. The Department believes that the exemption process at N.J.A.C. 7:1-7.9 does not require any further clarification. Interested parties should prepare an SIC exemption request, including all appropriate documentation, evidence and other proofs available, for submission to the Department at the address specified in the "General Program Information" section at N.J.A.C. 7:1-7.4.

**COMMENT:** Most commenters questioned the definition of a reportable hazardous discharge and suggested the inclusion of de minimis requirements.

**RESPONSE:** The statutory definition of "hazardous discharge" specified in the Act has been incorporated into N.J.A.C. 7:1-7.3. Both the Act and N.J.A.C. 7:1-7 derive a definition of "hazardous discharge" from any discharge required to be reported pursuant to the Spill Compensation and Control Act, N.J.S.A. 58:10-23.11 et seq. ("Spill Act"), and any regulations promulgated thereto but not reported to NJDEP prior to the Act's December 10, 1984 effective date. N.J.S.A. 58:10-23.11(b) defines "discharge" broadly without de minimis criteria except the requirements that said discharge may result in damages to the lands, waters or natural resource of New Jersey. A "reportable discharge" for Spill Act purposes pursuant to N.J.A.C. 7:1E-2.1(a) is "any discharge of a hazardous substance which is in such quantity or concentration as may be harmful or which poses a foreseeable risk of harm to public health or welfare, or to natural resources". The Department cannot unilaterally change the definition of hazardous discharge, including the addition of de minimis criteria, without appropriate statutory amendments to the Spill Act. The lack of de minimis criteria for hazardous discharges in both the Act and the Spill Act reflect the reality that even small quantities of certain hazardous contaminants can pose a substantial risk to the public health, safety and environment.

**COMMENT:** Several commenters felt that the reporting process of N.J.A.C. 7:1-7 was cumbersome and duplicative. These commenters feel that the information requested under the Act and N.J.A.C. 7:1-7 is already required to be submitted under the Spill Act and Spill Act Regulations, N.J.A.C. 7:1E.

**RESPONSE:** The Department recognizes that the Act and the Spill Act cover the same universe of hazardous discharges. The purpose of this Act and N.J.A.C. 7:1-7 is not to create duplicative hazardous discharge reporting requirements. The Act and N.J.A.C. 7:1-7 were created to enhance the communications between the industrial community, local officials and NJDEP regarding hazardous discharges. The Department

SUPERIOR COURT OF NEW JERSEY  
APPELLATE DIVISION  
DOCKET NO. A-1628-85T7  
(Consolidated)

Civil Action

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)  
IN THE MATTER OF CERTAIN  
AMENDMENTS TO THE ADOPTED AND )  
APPROVED SOLID WASTE MANAGE- )  
MENT PLAN OF THE MORRIS )  
COUNTY SOLID WASTE MANAGEMENT )  
DISTRICT )

On Appeal from the Adoption  
by Morris County and the  
Approval by the Department  
of Environmental Protection  
of an Amendment to the  
Morris County Solid Waste  
Management Plan

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BRIEF OF STATE OF NEW JERSEY,  
DEPARTMENT OF ENVIRONMENTAL PROTECTION

---

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Advocate and the Township, it will insure satisfaction by the Township of its fair share of the region's housing need. A variety of differences may be evident. First, because the Council may utilize different definitions of region and need and may allocate the region's need according to a different formula than that utilized previously in litigation, the Township's fair share obligation might differ from the 1,135 units specified in the settlement agreement. Ja350. Second, the Township's housing element may utilize different techniques to meet the fair share obligation, accounting for the legislative authorization of subsidies and regional contribution agreements. Finally, if the Township is correct in its claim that it will be unable to meet its fair share obligation because of the lack of vacant, developable land,\* it can

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\* Although the Township claims that it will be unable to meet its fair share obligation without utilization of Site 6-1B, the Public Advocate avoids making such a direct claim, asserting instead that the Site is the keystone of the settlement agreement and relying heavily on Judge Skillman's statement that "there appear not to be other prime sites for lower income housing" in Rockaway Township. See Public Advocate's Brief at 8, 22-23. The Advocate's reluctance to state that no other sites exist in the Township is understandable because, in the event that he is unsuccessful in this current litigation and Site 6-1B is developed for landfill purposes, he will likely argue in further administrative or judicial proceedings that Rockaway Township must identify other lands for Mt. Laurel housing. Further, the Advocate's reliance on Judge Skillman's statement seeks to stretch the statement beyond its obvious limits. Judge Skillman never found and could not have found on the basis of the testimony before him that no other sites were available for Mt. Laurel housing; instead, the court focused on prime sites and only commented that there do not "appear" to be other prime sites, recognizing the uncontested nature of the testimony of the Township planner upon which the court's conclusions were reached. Further, Judge Skillman's comments were made in the course of a judicial proceeding prior to the adoption of the Fair Housing Act, which created an administrative structure to allocate the region's fair share obligations and that provided additional techniques to each

(Footnote Continued On Following Page)



10 seek to adjust its fair share obligation by convincing the Affordable Housing Council of this fact. This adjustment will not adversely affect those families seeking affordable housing in the region because, as noted by Judge Skillman in Morris County Fair Housing Council v. Boonton Township, 209 N.J. Super. 393, 428 n.13 (Law Div. 1985), aff'd Mt. Laurel III, slip op. at 64 n.13 (RDEPa167), the Affordable Housing Council will be required to devise a method through which any downward adjustment in one municipality's fair share will be offset by an increase elsewhere in the same housing region.

20 Consequently, upon the transfer of the Rockaway Township matter to the Affordable Housing Council, the Township's Mt. Laurel obligations will be assessed in a manner that allocates to the Township a fair share of the region's need and assists it in devising a housing element that provides a realistic opportunity to meet that need. As part of "a coherent, consistent plan to provide a realistic opportunity for lower income housing," the Township will be able to meet its fair share of the region's need for affordable  
30 housing. Mt. Laurel III, slip op. at 71 (RDEPa174). By definition, if the Township is unable to provide for its allocation of the fair share because of a lack of available, developable land, its fair share must be adjusted -- and the Fair Housing Act provides for such adjustment. Any other requirement would be illogical, incon-

40 \_\_\_\_\_  
(Footnote Continued From Previous Page)

municipality to meet its fair share. Accordingly, even the tentative and limited finding made by Judge Skillman cannot support the Public Advocate's position in light of this recent legislation.

EXHIBIT LL

TABLE A-18

RANDOLPH TOWNSHIP

	% of all renters	% paying less than 20% of income as rent	% paying 20-24% of income as rent	% paying 25-34% of income as rent	% paying over 34% of income as rent
Earning under \$5000	5.9	--	--	--	100
Earning \$5-9,999	9.0	0	0	6.3	93.6
Earning \$10-14,999	17.8	6.5	17.0	58.6	15.2
Earning \$15-19,999	21.4	21.6	34.0	42.3	1.9
Earning \$20,000 and over	45.2	80.2	18.3	1.3	0

RANDOLPH

GEOGRAPHY: STATE: 34 SMSA: 56 COUNTY: 027 MCD: 160 PLACE: TRACT: BG: ED: UA: CD:

26. SPECIFIED RENTER-OCCUPIED HOUSING UNITS BY GROSS RENT (29)

LESS THAN \$60	0
\$60 TO \$79	0
\$80 TO \$99	0
\$100 TO \$119	0
\$120 TO \$149	0
\$150 TO \$169	0
\$170 TO \$199	38
\$200 TO \$249	106
\$250 TO \$299	318
\$300 TO \$349	772
\$350 TO \$399	434
\$400 TO \$499	170
\$500 OR MORE	75
MEDIAN	\$ 332
MEAN	\$ 345
NO CASH RENT	42

27. SPECIFIED RENTER-OCCUPIED PAYING CASH RENT AND VACANT-FOR-RENT HOUSING UNITS BY OCCUPANCY STATUS (12.29)

RENTER OCCUPIED	1913
MEAN CONTRACT RENT	\$ 313
VACANT FOR RENT	68
MEAN RENT ASKED	\$ 282

28. SPECIFIED OWNER-OCCUPIED NON-CONDOMINIUM HOUSING UNITS BY MORTGAGE STATUS AND SELECTED MONTHLY OWNER COSTS

WITH A MORTGAGE:		NOT MORTGAGED:	
LESS THAN \$100	0	LESS THAN \$50	0
\$100 TO \$149	0	\$50 TO \$74	0
\$150 TO \$199	9	\$75 TO \$99	0
\$200 TO \$249	0	\$100 TO \$124	0
\$250 TO \$299	34	\$125 TO \$149	5
\$300 TO \$349	142	\$150 TO \$199	32
\$350 TO \$399	214	\$200 TO \$249	181
\$400 TO \$449	242	\$250 OR MORE	372
\$450 TO \$499	297	MEDIAN	\$ 251
\$500 TO \$599	657		
\$600 TO \$749	662		
\$750 OR MORE	808		
MEDIAN	\$ 590		

29. SPECIFIED RENTER-OCCUPIED HOUSING UNITS BY RACE AND SPANISH ORIGIN OF HOUSEHOLDER BY GROSS RENT (11.29)

	LESS THAN \$100	\$100 TO \$199	\$200 TO \$299	\$300 OR MORE	NO CASH RENT
WHITE	0	38	404	1342	42
BLACK	0	0	11	52	0
AMERICAN INDIAN, ESKIMO, ALEUT	0	0	0	0	0
ASIAN AND PACIFIC ISLANDER (4)	0	0	9	47	0
SPANISH ORIGIN (ANY RACE)	0	0	4	36	0

30. SPECIFIED RENTER-OCCUPIED HOUSING UNITS BY HOUSEHOLD INCOME IN 1979 BY GROSS RENT AS PERCENTAGE OF INCOME (29)

	LESS THAN \$5000	\$5000 TO \$9999	\$10000 TO \$14999	\$15000 TO \$19999	\$20000 OR MORE
LESS THAN 20 PERCENT	0	0	29	89	694
20 TO 24 PERCENT	0	0	58	140	159
25 TO 34 PERCENT	0	11	200	174	12
35 PERCENT OR MORE	113	162	54	8	0
NOT COMPUTED (31)	10	10	16	9	7

31. SPECIFIED OWNER-OCCUPIED NONCONDOMINIUM HOUSING UNITS BY HOUSEHOLD INCOME IN 1979 BY SELECTED MONTHLY OWNER COSTS AS PERCENTAGE OF INCOME (32.33.34)

	LESS THAN \$5000	\$5000 TO \$9999	\$10000 TO \$14999	\$15000 TO \$19999	\$20000 OR MORE
LESS THAN 20 PERCENT	0	0	13	66	1765
20 TO 24 PERCENT	0	6	31	29	646
25 TO 34 PERCENT	0	14	46	97	535
35 PERCENT OR MORE	70	40	91	62	137
NOT COMPUTED	7	0	0	0	0

32. SPECIFIED OWNER-OCCUPIED NONCONDOMINIUM HOUSING UNITS BY RACE AND SPANISH ORIGIN OF HOUSEHOLDER BY MORTGAGE STATUS AND SELECTED MONTHLY OWNER COSTS (11.32.33)

	WITH A MORTGAGE					NOT MORTGAGED
	LESS THAN \$200	\$200 TO \$299	\$300 TO \$399	\$400 TO \$499	\$500 OR MORE	
WHITE	9	34	356	534	2023	590
BLACK	0	0	0	5	22	0
AMERICAN INDIAN, ESKIMO, ALEUT	0	0	0	0	0	0
ASIAN AND PACIFIC ISLANDER	0	0	0	0	77	0
SPANISH ORIGIN	0	0	0	0	51	3



NEW JERSEY

GEOGRAPHY: STATE: 34 SMSA: COUNTY: MCD: PLACE: TRACT: BG: ED: UA: CD:

## 51. INCOME IN 1979

	HOUSEHOLDS	FAMILIES
LESS THAN \$2,500	86780	43106
\$2,500 TO \$4,999	185888	71018
\$5,000 TO \$7,499	167598	90869
\$7,500 TO \$9,999	167951	104016
\$10,000 TO \$12,499	181656	119684
\$12,500 TO \$14,999	157487	111287
\$15,000 TO \$17,499	178032	133368
\$17,500 TO \$19,999	162736	130709
\$20,000 TO \$22,499	175719	146524
\$22,500 TO \$24,999	144143	125796
\$25,000 TO \$27,499	148798	131845
\$27,500 TO \$29,999	117215	106133
\$30,000 TO \$34,999	201654	185390
\$35,000 TO \$39,999	141269	131573
\$40,000 TO \$49,999	161792	151066
\$50,000 TO \$74,999	123868	115483
\$75,000 OR MORE	47704	44241
MEDIAN	\$ 19801	\$ 22907
MEAN	\$ 23261	\$ 26338

## 52. INCOME IN 1979 (54)

UNRELATED INDIVIDUALS 15 YEARS AND OVER	
LESS THAN \$1,000	59287
\$1,000 TO \$1,999	35936
\$2,000 TO \$2,999	53823
\$3,000 TO \$3,999	75864
\$4,000 TO \$4,999	61311
\$5,000 TO \$5,999	48885
\$6,000 TO \$6,999	43327
\$7,000 TO \$7,999	39299
\$8,000 TO \$9,999	38602
\$9,000 TO \$9,999	34699
\$10,000 TO \$11,999	66377
\$12,000 TO \$14,999	78057
\$15,000 TO \$24,999	135353
\$25,000 TO \$49,999	45236
\$50,000 OR MORE	7100
MEDIAN	\$ 7843
MEAN	\$ 10269

## 53. FAMILIES BY RACE OF HOUSEHOLDER BY INCOME IN 1979

	WHITE	BLACK	AMERICAN INDIAN ESKIMO, ALEUT	ASIAN AND PACIFIC ISLANDER
LESS THAN \$5,000	65330	37157	225	1210
\$5,000 TO \$7,499	64850	20436	210	707
\$7,500 TO \$9,999	79877	19219	250	790
\$10,000 TO \$14,999	187317	34144	496	2052
\$15,000 TO \$19,999	226655	28774	437	2743
\$20,000 TO \$24,999	241156	24099	356	3178
\$25,000 TO \$34,999	381512	31345	316	6847
\$35,000 TO \$49,999	260241	16042	207	5022
\$50,000 OR MORE	150769	5263	101	3206
MEAN	\$ 27774	\$ 17306	\$ 19238	\$ 30941

54. FAMILIES WITH SPANISH ORIGIN  
HOUSEHOLDER BY INCOME IN 1979

LESS THAN \$5,000	21882
\$5,000 TO \$7,499	10948
\$7,500 TO \$9,999	9888
\$10,000 TO \$14,999	19346
\$15,000 TO \$19,999	18611
\$20,000 TO \$24,999	14609
\$25,000 TO \$34,999	15785
\$35,000 TO \$49,999	7340
\$50,000 OR MORE	2742
MEAN	\$ 16922

55. HOUSEHOLDS WITH INCOME IN 1979  
BY INCOME TYPE

	TOTAL	MEAN
EARNINGS	2072479	\$ 23964
WAGE OR SALARY	2014139	\$ 23045
NONFARM SELF- EMPLOYMENT	205697	\$ 15399
FARM SELF-EMPLOYMENT	17590	\$ 4582
INTEREST, DIVIDEND OR NET RENTAL INCOME	1216295	\$ 2904
SOCIAL SECURITY	682155	\$ 4423
PUBLIC ASSISTANCE	190335	\$ 2926
ALL OTHER	653919	\$ 3903

56. FAMILIES WITH WORKERS IN 1979  
BY WORKERS AND MEAN FAMILY INCOME

	TOTAL	MEAN
NO WORKERS	243688	\$ 10472
1 WORKER	636426	\$ 23013
2 OR MORE WORKERS	1061094	\$ 31971

57. PER CAPITA INCOME IN 1979 OF  
PERSONS 15 YEARS AND OVER BY  
INMATE STATUS (41,44)

	PER CAPITA
TOTAL	\$ 8129
NONINSTITUTIONAL	\$ 8184

58. MEAN HOUSEHOLD INCOME IN 1979 FOR  
OCCUPIED UNITS BY TENURE

TOTAL	\$ 23119
RENTER OCCUPIED	\$ 15209
OWNER OCCUPIED	\$ 27967

**Table 20. Financial Characteristics for Townships of 10,000 to 50,000 Inhabitants: 1970—Continued**

(For minimum base for derived figures (percent, median, etc.) and meaning of symbols, see text)

**Townships of 10,000 to 50,000 Inhabitants**

	Passaic	Placet- way	Princeton	Randolph	Rock- away	Rosbury	Saddle Brook	Scotch Plains	South Brun- swick	Sparta
<b>VALUE</b>										
<b>Specified owner occupied¹</b>	3 994	6 348	2 737	3 415	4 027	3 495	3 011	5 201	2 546	2 499
Less than \$5,000	1	1	3	—	6	9	—	1	4	9
\$5,000 to \$7,499	2	19	4	4	18	23	—	4	14	33
\$7,500 to \$9,999	10	33	5	12	14	41	4	10	26	41
\$10,000 to \$12,499	33	95	20	29	66	109	4	29	40	82
\$12,500 to \$14,999	31	175	13	47	111	141	17	36	43	98
\$15,000 to \$17,499	105	421	38	71	198	267	52	115	119	146
\$17,500 to \$19,999	178	712	46	151	319	387	164	237	209	184
\$20,000 to \$24,999	727	1 681	128	375	1 038	835	880	917	808	472
\$25,000 to \$34,999	1 500	2 483	359	844	1 612	1 165	1 487	1 773	1 034	652
\$35,000 to \$49,999	714	518	684	737	558	468	360	1 278	186	519
\$50,000 or more	93	110	1 437	145	85	50	43	881	43	215
Median	\$29 100	\$25 000	\$50000+	\$31 100	\$26 500	\$24 600	\$27 600	\$32 300	\$25 100	\$27 600
<b>Specified vacant for sale¹</b>	8	27	26	46	15	25	—	10	8	41
Less than \$5,000	1	—	—	—	—	—	—	—	—	1
\$5,000 to \$9,999	—	—	—	1	—	—	—	—	1	5
\$10,000 to \$14,999	—	1	—	2	—	—	—	—	—	4
\$15,000 to \$19,999	—	6	—	1	—	—	—	—	—	10
\$20,000 to \$24,999	2	7	1	4	1	7	—	1	2	7
\$25,000 to \$34,999	2	9	1	1	5	11	—	—	3	5
\$35,000 to \$49,999	4	4	2	27	8	6	—	4	2	4
\$50,000 or more	3	—	20	10	—	—	—	4	—	4
Median price asked	\$30 000	\$24 600	\$50000+	\$42 800	\$35 900	\$29 100	—	\$46 300	\$28 300	\$20 600
<b>With all plumbing facilities:</b>										
<b>Specified owner occupied¹</b>	3 382	6 196	2 728	2 291	3 942	3 451	2 993	5 254	2 522	2 451
Less than \$5,000	1	1	2	—	3	9	—	1	3	3
\$5,000 to \$9,999	9	47	8	10	25	48	4	13	35	62
\$10,000 to \$14,999	62	264	33	73	166	242	20	63	75	172
\$15,000 to \$19,999	282	1 117	83	220	503	648	213	348	323	336
\$20,000 to \$24,999	725	1 673	127	371	1 028	828	874	912	804	465
\$25,000 or more	2 303	3 094	2 472	1 717	2 237	1 676	1 882	3 917	1 282	1 415
Median	\$29 100	\$25 000	\$50000+	\$31 200	\$26 600	\$24 700	\$27 600	\$32 300	\$25 200	\$27 700
<b>Specified vacant for sale¹</b>	7	27	26	46	15	25	—	10	8	41
Less than \$5,000	—	—	—	—	—	—	—	—	—	1
\$5,000 to \$9,999	—	—	—	1	—	—	—	—	—	5
\$10,000 to \$14,999	—	1	—	2	—	—	—	—	—	10
\$15,000 to \$19,999	—	6	—	1	—	7	—	—	—	7
\$20,000 to \$24,999	2	7	1	4	1	11	—	—	2	5
\$25,000 or more	5	13	23	38	13	17	—	8	5	17
Median price asked	\$32 500	\$24 600	\$50000+	\$42 800	\$35 900	\$29 100	—	\$46 300	\$28 300	\$20 600
<b>CONTRACT RENT</b>										
<b>Specified renter occupied²</b>	276	3 730	1 108	1 258	836	685	924	699	691	488
Less than \$30	13	15	13	13	14	22	4	20	27	2
\$30 to \$39	1	2	—	2	5	13	2	1	4	3
\$40 to \$59	2	19	186	7	22	22	11	15	22	1
\$60 to \$79	13	272	36	24	36	69	31	23	29	4
\$80 to \$99	21	210	84	50	51	63	42	50	60	3
\$100 to \$119	30	259	145	79	78	125	79	66	88	2
\$120 to \$149	55	1 475	232	391	169	139	329	239	117	7
\$150 to \$199	99	1 124	200	533	253	63	354	184	199	7
\$200 to \$249	19	240	80	71	41	17	26	21	81	4
\$250 or more	15	24	139	22	34	14	14	35	17	2
No cash rent	48	80	75	58	133	58	32	45	47	4
Median	\$139	\$141	\$132	\$153	\$146	\$114	\$145	\$139	\$144	\$150
<b>Specified vacant for rent²</b>	—	42	21	24	7	13	3	11	6	21
Less than \$40	—	—	—	—	—	—	—	—	—	—
\$40 to \$59	—	—	—	1	1	—	—	—	—	—
\$60 to \$79	—	—	—	—	—	3	—	—	—	—
\$80 to \$99	—	—	—	1	—	3	—	—	—	—
\$100 to \$149	—	14	8	18	3	5	—	6	2	—
\$150 to \$199	—	23	9	9	2	1	—	3	—	—
\$200 or more	—	5	3	5	—	—	—	—	—	—
Median rent asked	—	\$165	\$158	\$141	\$128	\$95	\$158	\$125	\$100	\$113
<b>With all plumbing facilities:</b>										
<b>Specified renter occupied²</b>	268	3 694	1 108	1 238	792	568	919	687	675	39
Less than \$40	14	15	13	15	12	33	6	21	30	2
\$40 to \$59	2	16	184	4	17	19	11	15	18	1
\$60 to \$79	12	267	34	23	25	44	31	21	29	3
\$80 to \$99	18	205	84	50	48	60	40	48	57	3
\$100 to \$149	85	1 727	376	468	241	257	406	300	202	10
\$150 or more	93	1 387	418	625	324	94	393	239	296	14
No cash rent	39	77	74	53	125	53	32	43	43	4
Median	\$140	\$141	\$132	\$153	\$148	\$116	\$145	\$139	\$145	\$14
<b>Specified vacant for rent²</b>	—	42	21	24	7	9	3	11	6	21
Less than \$40	—	—	—	—	—	—	—	—	—	—
\$40 to \$59	—	—	—	1	1	—	—	—	—	—
\$60 to \$79	—	—	—	—	—	3	—	—	—	—
\$80 to \$99	—	—	—	1	—	3	—	—	—	—
\$100 to \$149	—	14	8	18	3	5	—	6	2	—
\$150 or more	—	28	12	14	2	—	—	3	—	—
Median rent asked	—	\$165	\$158	\$141	\$128	\$123	\$158	\$125	\$100	\$14
<b>DURATION OF VACANCY</b>										
<b>Year-round vacant for sale</b>	8	34	26	46	18	26	3	10	9	4
Less than 2 months	4	11	13	24	4	10	—	1	7	1
2 up to 6 months	1	12	4	15	11	8	—	5	—	—
6 months or more	1	11	9	7	3	8	—	4	2	—
<b>Year-round vacant for rent</b>	3	49	21	26	8	13	5	11	8	1
Less than 2 months	—	34	7	24	3	8	4	5	5	1
2 up to 6 months	—	4	9	7	2	1	1	5	2	—
6 months or more	—	4	5	5	3	4	—	1	1	—

¹Limited to one-family homes on less than 10 acres and no business on property. ²Excludes one-family homes on 10 acres or more.



EXHIBIT N

SUPERIOR COURT OF NEW JERSEY  
LAW DIVISION - MORRIS COUNTY  
Docket No. L-6001-78-P.W.

MORRIS COUNTY FAIR HOUSING COUNCIL,  
et al.,

Plaintiffs

-v-

BOONTON TOWNSHIP, et al.,

Defendants

CIVIL ACTION

Deposition testimony of ADRIAN HUMBERT  
taken stenographically in the above-entitled matter  
before Virginia Floyd, Certified Shorthand Reporter  
and Notary Public of the State of New Jersey, at the  
law offices of VILLORESI and JANSEN, Attorneys at  
Law, 360 Hawkins Place, Boonton, New Jersey on  
Tuesday, January 3, 1984, commencing at 10:00 A.M.

A P P E A R A N C E S

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I N D E X

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Q You mean subsidized under the Section 8 existing housing program?

A Yes.

Q And so if you were doing the plan now you would make a further adjustment and subtract out those units also?

A Yes, I would also adjust the bungalow conversions year-round that have been made.

Q Tell me about them.

A There have been two. One was through an approval by the Planning Board to subdivide a former bungalow colony with small lots. There are 14 units that are available there. And another approval which was granted to the Diocese of Paterson for another 12 units by the Board of Adjustment, total of 26.

Q These were both done by variances?

A Yes, one was done by use variance, Board of Adjustment. The other was done by variance and bulk and set back variances in the case of Planning Board approval.

Q The Diocese of Paterson is Board of Adjustment? That's a use variance?

A That was a use variance, yes. And then

1  
2 the other bungalow approval was a subdivision,  
3 preliminary subdivision application and multiple  
4 bulk variance, lot size and so forth. That was  
5 Planning Board approval.

6 Q Now, looking first at the Diocese of  
7 Paterson, when was that variance granted?

8 A Most recent one was '82 or '83, and it  
9 was approval of a 5-year variance that had been  
10 given on a temporary basis, I think, in '78 or '79.  
11 It maybe in our previous discussions on this case.

12 Q Let me understand exactly what the  
13 status of these units were. These were preexisting  
14 summer bungalows?

15 A Yes.

16 Q Which in '78 or '79 or thereabouts were  
17 converted to year around use?

18 A Correct, for moderate, low moderate  
19 income housing by people -- the program is called  
20 Campus Ministry. I don't know that much about it.  
21 It was for low priced units to be rented and  
22 occupied by these people.

23 Q This is administered by?

24 A By the Diocese of Paterson.

25 Q So in '82 or '83 this variance that

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had been previously approved was continued definitely or for another fixed period?

A Yes, it was, I'm not sure.

Q The other project, the 14 units, does that have a name or something we can call it by?

A The area is called Green Hunt Park. The man who did it is Michael Licslowski.

Q Green Hunt Park, those 14 units were also preexisting units that were used as summer units?

A Yes.

Q And they were converted to year-round units?

A Yes.

Q Have they actually been converted at this point?

A He has converted most of the units. Physically, he could not occupy them. He still can't. He does not have final approval. He has preliminary approval.

He is in the process of completing a water line and other items, and he has a preliminary approval which is good for 3 years.

Q What makes this low or moderate income

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housing?

A The size of the units and the people who would use them. He's been renting them and his intention, I guess, is to keep renting them, but he now has the ability to sell them when he gets final approval or to continue to use them for rental units as he has been.

Q Has he been renting them illegally on a year-round basis?

A Well, he's rented them beyond the time whether he had to have them vacated as seasonal for several years.

Q Do you know what rents he's charging?

A No.

Q Let's just talk about bungalows generally. How many bungalows are there in Randolph?

A Now?

Q Yes.

A Excluding these?

Q Excluding these.

A Probably 30 to 50 left.

Q Excluding these, are they all at this point restricted to seasonal use?

A The ones that are physically able to be

1  
2 occupied at this time are not in such horrendous  
3 condition that they are totally dilapidated.

4 Yes, they are subject --

5 Q Approximately what proportion are  
6 sufficiently not dilapidated that they could be used?

7 A Maybe 30.

8 Q To your knowledge, are any of these  
9 units being illegally used for year-round housing?

10 A One is, one area, maybe 20 units.

11 Q Are there any plans to legitimize?

12 A There have been a couple of attempts by  
13 this particular party to legitimize, but they have  
14 not been.

15 He hasn't provided plans in a  
16 reviewable form that any Board could deal with as  
17 the other two applicants have done. So he's been in  
18 municipal court for the violations and he's been  
19 advised to prepare plans and submit them to the  
20 appropriate board, as the other two applicants have  
21 done. He's somewhere in this process now and I  
22 don't know exactly where.

23 Q Has he actually filed an application at  
24 this point?

25 A He did file an application with the

1  
2 Board of Adjustment at one time, and then he came  
3 back in and the court had already heard this  
4 application, so they dismissed the second one.

5 Q So he has nothing pending at the  
6 present time?

7 A Not as far as I know.

8 Q Now, you mentioned before that there  
9 had been a Bungalow Task Force?

10 A Yes.

11 Q Did the Bungalow Task Force make any  
12 recommendations on the subject?

13 A Yes, in fact the one that, the Green  
14 Hunt Park application, this man essentially followed  
15 the recommendations of the Task Force.

16 The other matter that has been approved  
17 was both before and after the Bungalow Task Force  
18 Report, essentially that one went along with it, too.

19 Q Now, has anybody actually been evicted  
20 from any of the bungalows now restricted to seasonal  
21 use?

22 A I think so.

23 Q Do you know if that's happened in the  
24 past 3 years?

25 A I believe it has.

**FILED**

**JUL 15 1986**

**STEPHEN SKILLMAN,**

**JSC**

Supplemental Attachments\*

Exhibit

Proposed Substantive Regulation of the Council on Affordable Housing, June 2, 1986.	I
Municipal Present, Prospective and Pre-Credited Need as Estimated by the Council on Affordable Housing, May 21, 1986.	J
Procedural Rules, Council on Affordable Housing, June 16, 1986.	K
Brief of the Attorney General, <u>In The Matter of Certain Amendments to the Adopted And Approved Solid Waste Management Plan of The Morris County Solid Waste Management District, Dkt. No. A-1628 (App. Div., Filed June 16, 1986) Pp. 54-55.</u>	L
Proportion of Income Paid Households By Income in Randolph Twp. For Gross Rent, U. S. Census 1980.	LL
Median Contract Rent For Renters in Randolph Township, Median Family Income in New Jersey, U. S. Census 1970, 1980.	M
Transcript of Deposition of Adrian Humbert, January 3, 1984, Pp. 39-44.	N

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\* Exhibits are lettered consecutively with the exhibits in plaintiffs' attachments in support of their application concerning Randolph Township. All exhibits in this supplemental attachments are submitted in support of plaintiffs' applications concerning both Denville Township and Randolph Township.



DEPARTMENT OF COMMUNITY AFFAIRS

NEW JERSEY COUNCIL ON AFFORDABLE HOUSING

SUBSTANTIVE RULES

PROPOSED NEW RULES N.J.A.C. 17:27

Authorized by Arthur R. Kondrup, Chairman, Council on Affordable Housing

FAIR SHARE HOUSING CRITERIA AND GUIDELINES  
ADMINISTRATIVE RULES N.J.A.C. 17:27.301 ET SEQ.

Authority N.J.A.C. 52:27D 301 et seq. Specifically 52:27D-307

Proposal Number: PRN 1986-270

Public hearings concerning this proposal will be held on

June 19, 1986 at

1:30 P.M. to 4:30 P.M.  
Bergen County Court House  
Administration Building  
Main Street  
Hackensack, New Jersey

June 23, 1986 at

1:30 P.M. to 4:30 P.M.  
Somerset County College  
Route 28  
Welpe Theatre  
North Branch, New Jersey

June 26, 1986 at

1:30 P.M. to 4:30 P.M.  
Cherry Hill Inn  
Route 38 and Haddonfield Road  
Cherry Hill, New Jersey

Submit comments by July 2, 1986 to:  
Douglas V. Lipalski, Executive Director  
New Jersey Council on Affordable Housing  
375 West State Street  
Trenton, New Jersey 08618

Date: May 5, 1986

EXHIBIT I

The agency proposal follows:

#### SUMMARY

The Fair Housing Act, N.J.S.A. 52:27D-601 et seq., enacted by the New Jersey Legislature in 1985, establishes a nine member Council on Affordable Housing. The Council is directed to prepare a comprehensive planning and implementation response to the constitutional obligation to provide, through municipal land use regulations, a realistic opportunity for a fair share of regional present and prospective needs for housing for low and moderate income households. The law specifies that the Council will estimate state and regional fair share and establish guidelines and criteria

officials at the municipal level shall determine fair share need and prepare a municipal housing element that incorporates that need. The Council is directed to review the local fair share need and housing element and is empowered to certify the housing element.

The proposed new rules implement the intent of the legislature to provide for timely achievement of an appropriate fair share of the regional need for low and moderate income housing.

The Council has also included primary background studies and data that are provided in a Technical Appendix to this rule. The studies and data are illustrative of the rule and are published as a matter of public information.

The Technical Appendix includes the following:

- A. Approach 1987 1993 Low and Moderate Income Housing Need Estimates;
- B. Exhibit 1 - Base Data, Municipal Estimation of Fair Share Need, Exhibit 2 - Base Data by Housing Region;
- C. Growth Area Allocation Index Totals;
- D. Section 8 Income Limits;
- E. Average Cost of Replacing Major Systems for Housing Rehabilitation;
- F. County Review Checklists.

#### ECONOMIC IMPACT

Creation of housing units affordable to low and moderate income households will provide them access to sound shelter within their means. Location of such housing at many sites may, with the option to reserve such housing for local employees who are nonresidents, reduce commuting distances. Reduced distances will lower individuals' commuting cost and help conserve the state's costly and scarce highway network including many roads reaching or exceeding design capacity. In-fill housing and rehabilitation may reduce expenditures on sewer and water extensions by utilizing existing systems with excess capacity.

#### SOCIAL IMPACT

The public will benefit since the rules will be the basis for creation of additional housing affordable to low and moderate income households. The existence of a variety of housing types in all municipalities will increase consumer choice. Hardship conditions due to high housing costs or housing unavailability in some areas will be lessened. Residents in deficient housing will particularly benefit from increased housing choice. This may exacerbate long term trends of urban out-migration and decline. However, Regional Contribution Agreements (RCAs) are possible. RCAs are intended to provide municipalities that exhibit extensive deficient housing and limited financial resources with additional means to upgrade or otherwise provide sound housing opportunities within their existing neighborhoods and community.

#### ENVIRONMENTAL IMPACT

The environmental impact of higher density and secondary development affordable to low and moderate income households will be less if located under a comprehensive and consistent local housing element and master plan and if located with reference to applicable county, regional and state plans. The regulations provide for consistency with applicable policies, plans and programs of the New Jersey Department of Environmental Protection including Green Acres, Coastal Zone Management, the Pinelands Commission and the Hackensack Meadowlands.

Full text of the proposed new rules follows.

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Subchapter 9 - Prioritizing

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- 5.92-12.8 Eligible Capital Improvements
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- 5.92-12.10 Excess Proceeds Upon Foreclosure

Technical Appendix

CHAPTER 9,  
SUBSISTENT RULES OF THE NEW JERSEY  
CODE OF AFFORDABLE HOUSING

SUBCHAPTER 1. GENERAL PROVISIONS

5.92 - 1.1 Short title

The provisions of this chapter will be known as "the substantive code and regulations of the New Jersey Code of Affordable Housing."

5.92 - 1.2 Severability clause

If any part of this chapter shall be held invalid, the holding shall not affect the validity of remaining parts of these rules. If a part of these rules is held invalid in one or more of their applications, the rules shall remain in effect in all valid applications that are severable from the invalid application.

5.92 - 1.3 Definitions

The following words and terms, when used in this chapter, shall have the following meaning unless the context clearly indicates otherwise:

"Act" means the Fair Housing Act of 1988, P. 1988, c. 257 (C. 52:27D-301 et

seq.)

"development" means a reduction and/or deferral of the municipal law and moderate income housing obligation.

"Agency" means the New Jersey Housing and Mortgage Finance Agency established by P. L. 1983, c. 530 (C. 55:14K-1 et seq.).

"Affordable" means a sales price or rent within the means of a low or moderate income household as defined in Subchapter 12, controls on Affordability.

"Alternative living arrangement" means a structure in which households maintain private rooms yet share kitchen and plumbing facilities, central heat and common areas. Alternative living arrangement includes, but is not limited to, Class C boarding houses as regulated by the New Jersey Department of Community Affairs, residential health care facilities as regulated by the New Jersey Department of Health, and congregate living arrangements.

"Approvable site" means a site that may be developed for low and moderate income housing in a manner consistent with the regulations of all agencies with jurisdiction over the site. A site may be approvable although not currently zoned for low and moderate income housing.

"Available site" means a site with clear title, free of encumbrances, which preclude development for low and moderate income housing, upon which the owner has expressed a willingness to build low and moderate income housing, or to convey the land for this purpose, at a reasonable price, in keeping with comparable land sales in the area.

"Census subregion" means a geographic subdivision of the State by the United States Bureau of the Census.

"Conversion" means the conversion of existing commercial, industrial or residential structures for low and moderate income housing purposes where a substantial percentage of the housing units is provided for a reasonable income range of low and moderate income households.

"Council" means the New Jersey Council on Affordable Housing established under the Act and which has primary jurisdiction for the administration of housing obligations in accordance with sound regional planning considerations in this State.

"Covered employment" means those employees covered by the New Jersey Unemployment Compensation Law, P.L. 1936, c.270, as amended, (C.43; 21-1, et. seq.), and as further described in New Jersey Covered Employment Trends, December 1985, New Jersey Department of Labor, Division of Planning and Research, Office of Demographic and Economic Analysis.

"Covered employment change" means the yearly change in covered employment from 1977 through 1984 as measured by a linear regression equation.

"Deficient unit" means a housing unit that is not decent, safe or sanitary as further determined through census surrogates or on-site inspection and does not comply with local codes or other housing standards and is determined pursuant to the method described in N.J.A.C. 5 92-5.2.

"Developable site" means a site that has access to appropriate water and sewer infrastructure, and has received water consistency approvals from the New Jersey Department of Environmental Protection or its designated agent authorized by law to issue such approvals.

"Fair share plan" means that plan or proposal, which is in a form that may readily be converted into an ordinance, by which a municipality proposes to satisfy its obligation to create a realistic opportunity to meet its fair share of low and moderate income housing needs of its region and which details the affirmative measures the municipality proposes to undertake to achieve its fair share of low and moderate income housing, as provided in sections 9 and 14 of the Act.

"Gross density" means the total number of dwelling units existing or permitted on a housing site divided by the total area of the tract. The result is expressed as dwelling units per acre.

"Growth area" means the lands so designated by the 1980 State Development Guide Plan as updated by the State Development and Redevelopment Plan.

"Growth area" shall also refer to lands designated as Regional Growth Areas and Pinelands Towns by the Pinelands Commission and areas designated as Development Regions and Extension Regions (including Central Corridor Barrier Islands) by the Division of Coastal Resources.

"Household" means the person or persons occupying a housing unit.

"Housing element" means that portion of a municipality's master plan consisting of reports, statements, proposals, maps, diagrams and text designed to meet the municipality's fair share of its region's present and prospective housing needs, particularly with regard to low and moderate income housing and which contains at least those items identified in section 10 of the Act

"Housing region" means a geographic area, determined by the Council, of no less than two nor more than four contiguous, whole counties which exhibit significant social, economic and income similarities and which constitute, to the greatest extent practicable, the Primary Metropolitan Statistical Areas (PMSA) as last defined by the United States Census Bureau prior to July 2, 1985.

"Inclusionary development" means a residential housing development in which a substantial percentage of the housing units is provided for a reasonable income range of low and moderate income households

"Indigenous need" means deficient housing units occupied by low and moderate income households within a municipality and is a component of present need. Municipal indigenous need, as a percentage of the total 1987 occupied housing stock, shall not exceed the percentage derived from dividing the deficient housing units occupied by low and moderate income households by the total 1987 occupied housing stock for the housing region in which the municipality is located.

"Inventory" means that calculation undertaken by a municipality in developing its housing element which accounts for its housing stock by age, condition, purchase or rental value, occupancy characteristics and type, including the

number of units affordable to low and moderate income households in substandard housing capable of being rehabilitated, as provided for in section 10a of the Act

"Low income housing" means housing affordable according to federal Department of Housing and Urban Development or other recognized standards for home ownership and rental costs, and occupied or reserved for occupancy by households with a gross household income equal to 50 percent or less of the median gross household income for households of the same size within the housing region in which the housing is located, and is subject to affordability controls.

"Moderate income housing" means housing affordable according to federal Department of Housing and Urban Development or other recognized standards for home ownership and rental costs, and occupied or reserved for occupancy by households with a gross household income equal to or more than 50 percent but less than 80 percent of the median gross household income for households of the same size within the housing region in which the housing is located, and is subject to affordability controls.

"Multifamily unit" means a structure containing two or more dwelling units

"Municipal present need" means the sum of indigenous need and the municipal share of reallocated present need.

"Net density" means the total number of dwelling units within a designated portion of a tract divided by the total land area of the designated portion of

the tract, including the open space, roadways, parking areas and common facilities devoted exclusively to that portion of the tract. The result is expressed as dwelling units per acre.

"Open space" means any parcel or area of water or land essentially unimproved and set aside, dedicated, designated or reserved for public or private use or enjoyment or for the use and enjoyment of owners and occupants of land adjoining or neighboring such open space, provided that such areas may be improved with only those buildings, structures, streets and offstreet parking and other improvements that are designed to be incidental to the natural openness of the land.

"Petition for substantive certification" means that petition which a municipality files, or is deemed to have filed, which engages the Council's mediation and review process.

"Present need" means the total number of deficient housing units occupied by low or moderate income households as of July 1, 1987. "Present need" is the sum of indigenous need and reallocated present need.

"Prospective need" means a projection of low and moderate housing needs based on development and growth which is reasonably likely to occur in a region or a municipality, as the case may be, as determined and further described in Subchapter 4, Estimated Present and Prospective Need and Subchapter 5, Municipal Determination of Present and Prospective Need. In determining prospective need, consideration shall be given to approvals of development applications, real property transfers and economic projections

prepared by the State Planning Commission established by P.L. 1987, c. 308 (N.J.S.A. 52:18A-196 et seq.)

"Reallocated present need" means that portion of a housing region's present need that is redistributed to designated growth areas.

"Receiving municipality" means, for purposes of a RCA, a municipality which agrees to assume a portion of another municipality's fair share obligation.

"Rehabilitated unit" means a previously deficient housing unit which has undergone significant renovation to meet municipal or other applicable housing code standards as further described in Subchapter 11, Regional Contribution Agreements (RCAs).

"Resolution of participation" means a resolution adopted by a municipality in which the municipality chooses to prepare a fair share plan and housing element in accordance with the Act.

"Section 8 income limits" means a schedule of income limits that define 50 percent and 80 percent of median income by household size. When used herein, Section 8 income limits shall refer to the "uncapped" schedule as contained in the Technical Appendix, infra.

"Sending municipality" means for purposes of a RCA, a municipality which transfers a portion of its fair share obligation to another willing municipality.



"Set aside" means the percentage of housing units devoted to low and moderate income households within an inclusionary development.

"State Development Guide Plan (SDGP)" means the officially recognized State plan for development, dated 1980, and promulgated by the New Jersey Department of Community Affairs pursuant to P.L. 1961 c. 4/(C. 13:1B-15.52).

"State Development/Redevelopment Plan (SDRP)" means the State plan for development promulgated by the State Planning Commission pursuant to P.L. 1985 c. 398 (C. 52:18A-196 et. seq.).

"Statement of intent" means a resolution adopted by a municipal governing body expressing an intent to enter into a RCA.

"Substantive certification" means a determination by the Council approving a municipality's housing element and fair share plan in accordance with the provisions of the Act and the rules and criteria as set forth herein. A grant of substantive certification shall be valid for a period of six years in accordance with the terms and conditions contained therein.

"Suitable site" means a site that is adjacent to compatible land uses, has access to appropriate streets and is consistent with the environmental policies delineated in Subchapter 8, Municipal Adjustments.

"Surrogate" means a census indicator of deficient housing used in the calculation of present need as defined in Subchapter 5, Municipal Determination of Present and Prospective Need.

"Survey" means that independent determination of need undertaken by a municipality in preparing its housing element, which is developed and produced in a manner and in such form as is acceptable to the Council.

"Vacant land" means: 1. Undeveloped and unused land area; 2. Any non-residential areas with significant amounts of land not covered by impervious surfaces on site, as determined by the Council; 3. Land suitable for redevelopment or infill at higher densities; and 4. Residential areas with lot sizes in excess of two acres where environmental factors permit higher densities.

(a) A municipality's housing element shall be designed to achieve the goal of access to affordable housing to meet present and prospective housing needs, with particular attention to low and moderate income housing, and shall contain at least:

1. An inventory of the municipality's housing stock by age, condition, purchase or rental value, occupancy characteristics and type, including the number of units affordable to low and moderate income households and substandard housing capable of being rehabilitated;

2. A projection of the municipality's housing stock, including the probable future construction of low and moderate income housing, for the next six years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands;

3. An analysis of the municipality's demographic characteristics, including but not limited to, household size, income level and age;

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

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

present and prospective housing needs, including its fair share for low and moderate income housing.

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

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

8. Copies of necessary applications for sewer service and water quality management plans submitted pursuant to Sections 201 and 208 of the Federal Clean Water Act, 33 U.S.C. §1251, et. seq.;

9. A copy of the most recently adopted municipal master plan and the immediately preceding, adopted master plan;

10. A copy of appropriate National Wetlands Inventory maps provided by U.S. Fish and Wildlife Service for designated sites;

11. A copy of appropriate U.S.G.S Topographic Quadrangles for designated sites; and

12. Any other documentation as may be required by the Council.

5:92 - 1.5 Substantive certification

Any grant of substantive certification may contain such conditions and terms as the Council considers necessary and which makes the achievement of a municipality's fair share obligation realistically possible.

SUBCHAPTER 2. HOUSING REGIONS

5:92 - 2.1 Regions defined

The housing regions of the State shall be composed of the following counties:

<u>Region</u>	<u>Constituent Counties</u>
1. Northeast	Bergen; Hudson; Passaic
2. Northwest	Essex; Morris; Sussex; Union
3. West Central	Hunterdon; Middlesex; Somerset; Warren
4. East Central	Monmouth; Ocean
5. Southwest	Burlington; Camden; Gloucester; Mercer
6. South Southwest	Atlantic; Cape May; Cumberland; Salem

5:92 - 2.2 Uses of regions

(a) The housing regions as set forth in N.J.A.C. 5:92-2.1 provide a definitive geographic base for the following uses:

1. The regions provide a housing market framework for determining population and household estimates and projections, as set forth in N.J.A.C. 5:92-3, and
2. The regions provide a framework within which estimates of the present and prospective need for low and moderate income housing may be made, as set forth in N.J.A.C. 5:92-4, and
3. The regions provide a structure for the allocation of fair share to the municipal level, as set forth in N.J.A.C. 5:92-5, and
4. The regions provide a basis for the negotiation of RCAs, as set forth in N.J.A.C. 5:92-11, and
5. The regions provide a framework for the appropriation of State funds made available under section 20 of the Act

SUBCHAPTER 3. POPULATION AND HOUSEHOLDS

5:92 - 3.1 Purpose

This subchapter establishes population and household projections for the State and housing regions. These projections are drawn from the historical migration model, New Jersey Department of Labor, Division of Planning and Research, Office of Demographic and Economic Analysis, "Population Projections for New Jersey and Counties: 1990 to 2020, Volume 1, November 1985," see: Technical Appendix, infra.

5:92 - 3.2 Population and household estimates  
and projections

The Council establishes the following population and household estimates and projections for the State and housing regions:

<u>Region</u>	<u>Population</u>		
	<u>April 1</u>	<u>July 1</u>	
	<u>1980</u>	<u>1987</u>	<u>1993</u>
1. Northeast	1,849,900	1,845,841	1,820,525
2. Northwest	1,879,100	1,880,134	1,880,199
3. West Central	971,700	1,021,999	1,057,058
4. East Central	849,400	945,499	1,046,059
5. Southwest	1,342,000	1,418,557	1,484,565
<u>6. South-Southwest</u>	<u>473,900</u>	<u>507,749</u>	<u>542,858</u>
New Jersey	7,366,000	7,619,779	7,831,264

Households

<u>Region</u>	<u>April 1</u>		<u>July 1</u>	
	<u>1980</u>	<u>1987</u>	<u>1993</u>	
1. Northeast	663,080	693,661	704,281	
2. Northwest	647,760	679,679	703,785	
3. West Central	323,880	366,051	397,744	
4. East Central	299,360	356,037	412,151	
5. Southwest	454,280	510,636	555,293	
6. <u>South-Southwest</u>	<u>172,960</u>	<u>193,974</u>	<u>214,628</u>	
New Jersey	2,560,320	2,800,038	2,987,882	

Source: The April 1, 1980 population and household estimates have been aggregated from the 1980 New Jersey Public Use Sample, U.S. Census Bureau.

SUBCHAPTER 4. ESTIMATED PRESENT AND PROSPECTIVE NEED

5:92 - 4.1 Need

The Council establishes the following estimation of present and prospective need for low and moderate income housing at the State and regional levels:

1987-1991 Present and Prospective Need

(Statewide and by Region)

<u>Region</u>	<u>Need</u>
1. Northeast	42,514
2. Northwest	28,773
3. West Central	14,720
4. East Central	23,247
5. Southwest	21,884
6. South-Southwest	14,549
<u>New Jersey</u>	<u>145,707</u>

SUBCHAPTER 5. MUNICIPAL DETERMINATION OF PRESENT AND PROSPECTIVE NEED

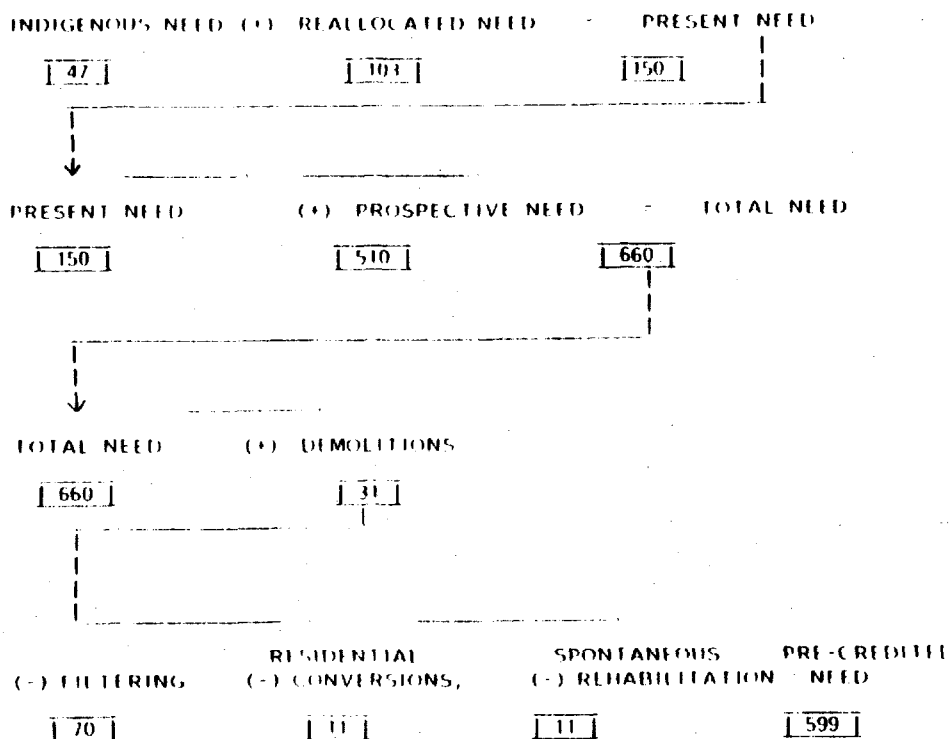
5:92 - 5.1 General

(a) Municipal present and prospective need shall be calculated by summing municipal indigenous need and the municipal share of the appropriate housing region's reallocated present need and prospective need. The resulting total shall be modified for secondary sources of supply/demand as described in this subchapter (see Technical Appendix, infra.) The result of this process is the determination of municipal pre-credited need. This is the figure municipalities shall address in their housing elements.

An example for Johnsonville is provided to illustrate each of the specified calculations. The following flow diagram summarizes the sequence of calculations enroute to the determination of pre-credited need.

FLOW DIAGRAM FOR THE CALCULATION OF  
LOW- AND MODERATE-INCOME HOUSING NEED

Using The Johnsonville Example



(b) Exhibit 1 in the Technical Appendix, *infra*, provides municipal specific base data that may be employed to determine municipal present and prospective need. Data for a hypothetical municipality, "Johnsonville," precedes the municipal base data for illustrative purposes. Exhibit 2 in the Technical Appendix, *infra*, duplicates the base data for each housing region that is presented in Columns A through E in this subchapter.

(c) The data contained in Exhibit 1 shall be used by parties appearing before the Council unless it can be shown that more appropriate data exist that justify a substitution. The Council shall determine, based on the documentation presented, which data shall be used to determine municipal present and prospective need.

(d) Selected municipalities receiving state aid (urban aid cities) pursuant to P.L. 1978, C. 14 (N.J.S.A. 52:27D-178 et. seq.) as defined in N.J.A.C. 5:92-5.3 (b) shall calculate municipal pre-credited need as per the procedures delineated in N.J.A.C. 5:92-5.13.

(e) Filtering, residential conversions and spontaneous rehabilitation estimates by housing region as expressed in this subchapter differ slightly from those presented in the Technical Appendix, *infra*. This is because a municipality's total pre-credited need cannot be reduced below zero. Therefore, if the reduction to pre-credited need due to filtering, residential conversions and/or spontaneous rehabilitation reduces municipal pre-credited need to less than zero, the need for this municipality is maintained at zero.

(a) Indigenous need in a municipality is actual or capped deficient housing occupied by low and moderate income households as further defined in 5-92-1.3. Municipal indigenous need shall be determined from the total of deficient housing units occupied by low and moderate income households for the census subregion in which the municipality is located. The data, derived from a multiple index approach, are not available at the municipal level. To determine the municipal share of need from the census subregion total, it is necessary to use a single-index approach using surrogates of deficient housing available at both the municipal and census subregion level. To calculate municipal indigenous need:

1. Locate the appropriate municipality in Exhibit 1 in the Technical Appendix, *infra*. Example: Johnsonville in Region 5 (Southwest)

2. Divide Column 2 (municipal single-index need) by Column 3 (subregional single-index need). The resulting percentage yields the municipal share of the census subregion's total of deficient housing units occupied by low and moderate income households.

Example:

Johnsonville single index need 144/984 = 14.6  
 Subregional single index need

3. Multiply the result of the quotient obtained in 2 above by the number in Column 1 (subregional multiple index need). Example:

Subregional Multiple Index Need	Municipal Share of Need
93	16

This is the count of actual low and moderate income deficient units in a municipality.

4. Column A, below, displays the percentage for each housing region that is obtained by dividing the actual deficient housing units occupied by low and moderate income households in the region by the estimated total of 1987 occupied housing units in the region.

COLUMN A  
 1987 Regional Average  
Percent Deficiency

Region	Percent Deficiency
1 Northeast	0.75
2 Northwest	0.47
3 West Central	0.25
4 East Central	0.15
5 Southwest	0.6
6 South-Southwest	0.17

Multiply this percentage by the municipal projection of PRR occupied housing stock in Exhibit 1, Column 4. Example:

Johnsonville Total Occupied Housing Estimate	Region 5 Percentage of Low and and Moderate Income Deficiency		
8,922	X	0.6	232

5. Municipal indigenous need shall be the smaller number resulting from the calculations in 3. and 4. above.

Example: Johnsonville's indigenous need = 47.

6. If the calculation in 3. above is larger than 4. above, the difference between the two shall be distributed throughout the housing region as reallocated present need as per N.J.A.C. 5:92-5.3 and 5:92-5.4. The results of this calculation are displayed for each housing region in Column B.

(b) Municipal indigenous need may also be determined through a survey of the municipality's housing stock when such survey is deemed adequate and accepted by the Council for identifying deficient housing units occupied by low or moderate income households.

5.3 Distribution of need

(a) The distribution of each housing region's reallocated present need and prospective need shall be accomplished through use of economic and land use factors expressed as a percentage representing the municipal share of the housing region's total for each factor as displayed in Exhibit 1 of the Technical Appendix, *infra*. The factors employed to distribute the housing region's need are growth area (Column 5), covered employment (Column 6), aggregate per capita income (Column 7) and covered employment change (Column 8). All but covered employment change are summed, averaged and displayed in Column 9. This is the average of the present need allocation factors. All four economic and land use factors are summed, averaged and displayed in Column 10. This is the average of the prospective need allocation factors.

(b) Reallocated present need and prospective need shall be distributed to municipalities designated in whole or in part as growth areas unless the municipality receives state aid pursuant to P.L. 1978, C. 14 (C. 52-27D-178 *et. seq.*) at the time of substantive certification and exhibits one of the following (see attachment in Appendix A, Technical Appendix, *infra* for a listing of current selected urban aid cities that meet the following):

1. A percentage of actual housing deficiency to total occupied housing stock in excess of the same percentage for the region in which the municipality is located, *et.*



2. A population density in excess of 10,000 persons per square mile, or

3. A density of 6,000 to 10,000 per square mile and less than five percent of vacant, non-farm municipal land as measured by the average percentage of vacant land valuation and parcels in the 1984 Statement of Financial Condition of Counties and Municipalities (Trenton, N.J. New Jersey Department of Community Affairs, 1985)

(c) Only those municipalities designated herein to receive reallocated present need and prospective need shall be included in the housing region totals of growth area, covered employment, per capita aggregate income and covered employment change for purposes of distributing need.

5.92 - 5.4 Reallocated present need

(a) Reallocated present need is the share of excess deficient housing which must be distributed to municipalities designated in whole or in part as growth area as delineated in N.J.A.C. 5.92-5.4. The following Column B displays the reallocated present need by housing region.

COLUMN B  
1987 Regional Pool of  
Excess Deficient Housing Units

Region	Excess Deficient Housing Units
1. Northeast	17,676
2. Northwest	8,879
3. West Central	1,641
4. East Central	750
5. Southwest	4,060
6. South Southwest	1,465
New Jersey	34,411

(b) Divide the municipal number in Column 9, Exhibit 1 in the Technical Appendix, infra, by 100 and multiply the resulting quotient by the total reallocated present need for the housing region in which the municipality is located to yield municipal reallocated present need. Example

Regional Pool of Excess Deficient Units (Region 5)	X	Average of Johnsonville's Present Need Allocation Factors (column 9)	
4,060	X	$\frac{2,549}{100}$	103

5.92 - 5.5 Present need (as of 1987)

Present need is the sum of indigenous need and reallocated present need. To determine municipal present need add indigenous need (as calculated in N.J.A.C. 5.92-5.2) and reallocated present need (as calculated in N.J.A.C. 5.92-5.4). Example:

Johnsonville's present need = indigenous need (47) +  
reallocated present need (103) = 150

5.92 - 5.6 Prospective need 1987-1993

(a) Prospective need is the share of future households that are low and moderate income and as such require affordable housing (see Technical Appendix, *infra*). Prospective need for each housing region is projected in the following (column C)

COLUMBIA		1993 Prospective Need	
Region	Prospective Need	Region	Prospective Need
1 Northeast	5,500		
2 Northwest	9,759		
3 West Central	13,661		
4 East Central	23,752		
5 Southwest	18,179		
6 South Southwest	9,561		
		New Jersey	80,421

(b) To calculate municipal prospective need, divide the municipal number in (column D), Exhibit I in the Technical Appendix, *infra*, by 100 and multiply the resulting quotient by the prospective need for the housing region in which the municipality is located to yield municipal prospective need. Example:

1993 Prospective Need (Region 5)	Average of Johnsonville's Prospective Need Allocation Factors (Column 1D)	2 806 100	510
18,179	X		
5.7			Total need

Total need is the sum of present and prospective need. To determine municipal total need, add present need (as calculated in N.J.A.C.

5.92-5.5) and prospective need (as calculated in N.J.A.C. 5.92-5.6.)

Example

Johnsonville's total need (present need (150) + prospective need (510))

660

5.92-5.8 Demolitions

(a) Demolition is a factor that eliminates housing opportunities for low and moderate income households. Therefore, a number representing demolitions affecting low and moderate income households shall be added to total need (see Technical Appendix, *infra*). To determine this number:

1. Average 1983 and 1984 municipal demolitions as reported in New Jersey Residential Building Permits (1983 Summary) Example

Johnsonville average 15 demolitions

2. Multiply the average by six to project 1987-1993 demolitions.
- Example

Johnsonville Average Demolitions	X	Number of Year's Projected	
15	X	6	90

3. To determine the percentage of demolitions affecting low and moderate income households, divide the percentage of low and moderate income households living in the census subregion in which the municipality is located (displayed in Exhibit 1, column 1) in the Technical Appendix, *infra*) by 100 and multiply the resulting quotient by 100. The percentage of demolitions affecting low and moderate income households shall be the result of this product or 95 percent, whichever is lower.

Example

Subregional low and Moderate Income Percentage

$$\frac{233}{100} \times 100 = 233$$

4. Multiply the percentage of demolitions affecting low and moderate income households (calculated in 3 above) by the projected municipal demolitions (calculated in 2 above). The resulting number shall be added to total need. Example

Percentage Demolition's Impacting Low and Moderate Income Households

X Johnsonville's Projected Demolitions

$$233 \times 90 = 20970$$

(a) Filtering causes a reduction in total need based on the recognition that the housing needs of low and moderate income households are partially met by sound housing units formerly occupied by higher income sectors of the housing market (see Technical Appendix, *infra*). Filtering is highly correlated with the presence of multi-family housing units. The following Column D displays regional filtering projections. The following Column E displays the total number of multifamily housing units in each region in 1980.

Region	COLUMN D	COLUMN E
	1987-1993 <u>Filtering Projection</u>	1980 <u>Multifamily Unit Totals</u>
1. Northeast	12,202	410,972
2. Northwest	12,678	334,839
3. West Central	7,222	104,478
4. East Central	6,706	73,799
5. Southwest	9,587	121,352
6. South-Southwest	3,494	<u>57,287</u>
New Jersey	51,889	1,102,677

(b) To determine the impact of filtering on municipal total need:

1. Determine the municipal number of year-round multifamily units in 1980 as reported in the U.S. Census of Housing (Detailed Housing Characteristics, Part 2 - New Jersey). Example:

Johnsonville had 892 multifamily units.

2. Divide this number by the total of year-round multifamily units for the region (Column E) in which the municipality is located. This yields the municipality's share of multifamily housing units in the housing region. Example:

<u>Johnsonville's Multifamily Units, 1980</u>	<u>Total Multifamily Units in 1980 (Region 5)</u>	<u>Johnsonville's Share of Multifamily Units</u>
892	121,352	00735

3. Multiply this percentage by the filtering estimates in Column D for the region in which the municipality is located to yield the reduction to municipal total need due to filtering. Example:

<u>Johnsonville's Share of Region's Multifamily Units</u>	X	<u>Filtering Projection Region 5</u>
00735	X	9,587

5.92 - 5.10 Residential conversion

(a) Residential conversion is the creation of dwelling units from already existing residential structures. Residential conversion is a significant source of housing supply to low and moderate income households and shall cause a reduction to municipal total need (see Technical Appendix, infra). Residential conversion is highly correlated with the presence of two-to four-family housing units. The following Column F displays projections of conversions for each housing region. The following Column G displays the total of two to four family housing units in each housing region in 1980.

	COLUMN F 1987-1993 Conversion <u>Estimates</u>	COLUMN G 1980 2-4 Family <u>Unit Totals</u>
<u>Region</u>		
1. Northeast	5,138	224,294
2. Northwest	3,257	165,631
3. West Central	1,048	50,697
4. East Central	662	29,269
5. Southwest	1,478	42,692
6. South-Southwest	<u>1,174</u>	<u>27,873</u>
New Jersey	12,757	540,456

(b) To determine the impact of conversions on municipal total need:

1. Determine the municipal number of year-round two to four family housing units in 1980 as reported in the U.S. Census of Housing (Detailed Housing Characteristics Part 42-New Jersey). Example: Johnsonville had 308 two to four-family units.
2. Divide this number by the year-round total two-to four family housing units for the region in which the municipality is located to obtain the municipal share of two-to four-family housing units in the housing region.

Example:

<u>Johnsonville's Total 2-4 Family Housing Units</u>	<u>Total 2-4 Family Housing Units (Region 5)</u>	<u>Johnsonville's Share of 2-4 Family Housing Units</u>
308	42,692	.00721

C. Multiply this percentage by the conversion projection in Column I for the region in which the municipality is located to yield the reduction to municipal total need due to conversion. Example:

Johnsonville's Share of 2-4 Family Housing Units		1987-1993 Conversion Projections (Region 5)	
00721	X	1,478	11

5.92 = 5.11 Spontaneous rehabilitation

(a) Spontaneous rehabilitation measures the private market's ability to rehabilitate deficient low and moderate income housing units up to code standard, and shall cause a reduction to municipal total need (see Technical Appendix, *infra*). Spontaneous rehabilitation is highly correlated with aggregate per capita income. The following Column II displays spontaneous rehabilitation projections by housing region. The following Column I displays total 1983-1984 per capita regional aggregate income for each housing region. Per capita regional aggregate income for 1983-1984 is obtained by multiplying 1983 regional per capita income estimates by 1984 estimated population in the housing region. (See Technical Appendix, *infra*.)

	COLUMN II	COLUMN I
	1987-1993	1983-1984
	Spontaneous	Aggregate
	Rehabilitation	Per Capita
	Estimates	Income (\$)
Region		
1 Northeast	1,884	21,112,820,538
2 Northwest	1,194	22,929,852,240
3 West Central	384	12,235,480,836
4 East Central	210	9,830,614,791
5 Southwest	547	61,701,442,966
6 South-Southwest	431	42,592,475,839
New Jersey	4,678	84,002,692,240

(b) To determine the impact of spontaneous rehabilitation on municipal total need:

- Determine the municipal estimate of per capita income in 1983 from the 1986 New Jersey Legislative District Data Book (published by the Rutgers University Bureau of Government Research, April, 1986). Example: Johnsonville's 1983 per capita income was \$12,927.

2. Multiply this number by the estimated municipal population as of 1984 as published in 1984 Population Estimates for New Jersey (published by the New Jersey Department of Labor, September 1983). This yields municipal 1983-1984 aggregate per capita income. Example: Johnsonville's estimated population was 21,453. Calculation:

$$\$12,975 \times 21,453 = \$278,352,675$$

3. Divide 1983-1984 municipal aggregate per capita income by the 1983-1984 aggregate per capita income for the housing region in which the municipality is located (see Column I) to obtain the municipal share of aggregate per capita income.

Example:

Johnsonville's 1983-1984 Aggregate Per Capita Income	Region 5 1984 Aggregate Per Capita Income (Column I)	Johnsonville's Share of Aggregate Per Capita Income
\$278,352,675	\$14,201,442,966	.01960

4. Multiply the share of regional aggregate per capita income by the spontaneous rehabilitation projections for the housing region in which the municipality is located (see column II in (a) above) to yield the reduction to municipal total need due to spontaneous rehabilitation. Example:

Johnsonville's Share of  
1983-1984 Aggregate  
Per Capita Income

.01960

1983-1984  
Region 5 Spontaneous  
Rehabilitation Estimate

137

11

5.92 - 5.12. Pre-credited need

Municipal pre-credited need is the sum of total need and demolitions minus reductions for filtering, conversion, and spontaneous rehabilitation (see Technical Appendix, infra). Example:

Total Need + Demolitions - (Filtering + Residential Conversion + Spontaneous Rehabilitation)

$$660 + 31 - (20 + 11 + 11) = 599$$

5.92 - 5.13. Calculation of indigenous need - selected urban aid cities

(a) Selected municipalities receiving state aid (urban aid cities) pursuant to P.L. 1978, C. 14 (N.J.A.C. 5:22-178 et seq.) that are exempt from the distribution of reallocated present need and prospective need as described in N.J.A.C. 5:92-5.3 (see Appendix A to Technical Appendix, infra) shall determine their indigenous need as indicated below:

1. Follow the procedures delineated in N.J.A.C. 5:92-5.2(a) 1 through 3. These calculations yield the count of actual low and moderate income deficient units in the selected urban aid city. This estimate of low and moderate income deficient units may also be determined through a survey of the municipality's

housing stock when such survey is deemed adequate and accepted by the Council for identifying deficient housing units occupied by low or moderate income households.

2. Modify the number calculated in 1. above as instructed in N.J.A.C. 5:92- 5.8, 5.9, 5.10, and 5.11 (demolitions, filtering, residential conversions and spontaneous rehabilitation)
3. Perform the calculation required in N.J.A.C. 5:92-5.2(a)4.
4. Municipal indigenous need shall be the smaller number resulting from the calculations in 2. and 3. above.
5. If the calculation in 2. above is larger than 3. above the difference between the two shall be distributed throughout the housing region as reallocated present need (see Technical Appendix, *infra*.)
6. This calculation of indigenous need for selected urban aid cities performed in 4. above is also the pre-credited need for these cities. No additional calculations need be made by these cities.

5:92 - 5.14 Low and moderate income split

Municipal pre-credited final need obligation shall be divided equally between low and moderate income households. Example:

Johnsonville's total obligation includes 200 low income units and 300 moderate income units.

#### SUBCHAPTER 6. CREDITS

5:92 - 6.1 Credits

- (a) Municipal present and prospective fair share shall be determined after crediting, on a one to one basis, those housing units created or rehabilitated after April 1, 1980. Credits are applicable when a unit's occupancy is restricted to low or moderate income households and when the municipality has implemented adequate assurances for continued affordability consistent with Subchapter 12, Controls on Affordability.
- (b) Low and moderate income housing units created within a municipality in excess of the municipal 1987-1993 present and prospective fair share, as calculated in Subchapter 5 shall be credited on a one to one basis against its future fair share. This credit shall take place upon request during the substantive certification process, provided that such units have been restricted to low or moderate income households and the municipality has



implemented adequate assurance for continued affordability consistent with Subchapter 12, Controls on Affordability.

#### SUBCHAPTER 7. DRASTIC ALTERATION OF THE ESTABLISHED PATTERN OF DEVELOPMENT

##### 5.92 - 7.1. Drastic alteration

After receiving the crediting provided in Subchapter 6, Credits, where a municipality's present and prospective fair share exceeds 20 percent of its total occupied housing stock as estimated as of July 1, 1987, the municipality may adjust its fair share to 20 percent of its estimated 1987 occupied housing stock.

#### SUBCHAPTER 8. MUNICIPAL ADJUSTMENTS

##### 5.92 - 8.1. General

This subchapter provides the criteria by which a municipal fair share may be adjusted. Adjustments shall be made to eliminate specific parcels of vacant land from consideration as sites for low and moderate income housing. Adjustments shall yield vacant, suitable, developable, available and approvable land within each municipality requesting and demonstrating that such adjustments to its fair share are in keeping with these criteria. Adjustments shall be made to municipal fair share when the Council determines that such adjustments are required due to available land capacity, public facilities or infrastructure. All municipalities requesting adjustments of present and prospective need shall submit an existing land use map at an appropriate scale to display the land uses of each parcel within the municipality. Such map shall display the following land uses: single family, two to four family, other multifamily, commercial, industrial, agricultural, parkland, other public uses, semipublic uses and vacant land. Municipalities seeking an adjustment based on historic sites, agricultural lands or environmentally sensitive areas shall submit transparent overlays drawn to the same scale as the existing land use map depicting eligible sites as delineated herein.

##### 5.92 - 8.2. Adjustment process

(a) The Council shall only adjust reallocated present and prospective need which the municipality proposes to address through inclusionary developments.

(b) The Council shall determine the amount and location of vacant and undeveloped land within a municipality. Specific parcels of vacant and developable lands shall be excluded as potential sites for low and moderate income housing based on the following criteria:

1. Historic and architecturally important sites shall be excluded if listed on the State Register of Historic Places prior to substantive certification. All land within a 100-foot buffer area of an eligible historic site as described herein shall similarly be excluded.

2. Agricultural lands shall be excluded when the development rights to these lands have been purchased or restricted by covenant or when such lands are subject to restrictions as set forth in the "Right to Farm Act," P.L. 1983 c. 31 (N.J.S.A. 4:1 C-1 et. seq.) and the "Agriculture Retention and Development Act," N.J.S.A. 32 (N.J.A.C. 4:1C-11 et. seq.).

3. Environmentally sensitive lands shall be excluded as follows:

i. Within the areas of the State regulated by the Pinelands Commission, Division of Coastal Resources, the Hackensack Meadowlands Development Commission, the Council shall adhere to the policies delineated in The Pinelands Comprehensive Management Plan, N.J.A.C. 7:50, the Coastal Permit Program Rules, N.J.A.C. 7-1, Coastal Resource and Development Rules, N.J.A.C. 7E-1; and the Zoning Regulations of the Hackensack Meadowlands District, N.J.A.C. 19:4.

ii. In areas of the State not regulated by the Pinelands Commission, the Division of Coastal Resources and the Hackensack Meadowlands Development Commission, the Council shall exclude as potential sites for low and moderate income housing: inland wetlands as delineated by the U.S. Army Corps of Engineers or New Jersey Department of Environmental Protection, whichever agency has jurisdiction, flood hazard areas as defined in N.J.A.C. 7:13; and sites with slopes in excess of 15 percent as determined from the U.S.G.S. Topographic Quadrangles which render a site unsuitable for low and moderate income housing.

m. Where the legislature adopts legislation that requires the mapping of other natural resources and provides a mechanism for their regulation, the Council shall include such resources in its criteria and guidelines for municipal adjustment.

5.92 - 8.4 - Adequate recreation, conservation and open space

(a) Municipalities may reserve three percent of their total developed and developable acreage for active municipal recreation and exclude this acreage from consideration as potential sites for low and moderate income housing. In determining developable acreage, municipalities shall calculate their total vacant and undeveloped lands and deduct from that total number the lands excluded by the Council's policy regarding historic and architecturally important sites, agricultural lands and environmentally sensitive lands. Municipalities shall also exclude from this calculation of total vacant and undevelopable lands, those owned by nonprofit organizations, counties to the state or federal government and when such lands are precluded from development at the time of substantive certification. Municipalities shall submit appropriate documentation demonstrating that such lands are precluded from development. Existing active municipal recreation areas shall be subtracted from the three percent calculation of total developed and developable acreage to determine additional land that may be reserved for active municipal recreation.

(b) Municipalities may exclude further recreation, conservation and open space areas, beyond those calculated in (a) above, when such lands have been designated in an adopted county master plan and

1. The county has adopted appropriate language in its ordinances to secure specific areas for recreation, conservation or open space as part of the subdivision and site plan review process, or
2. The county has included specific areas for acquisition in a capital improvement program, or
3. The county has applied to the New Jersey Department of Environmental Protection Green Acres Program or other appropriate programs to acquire or otherwise permanently set aside specified areas.

(c) Municipalities shall submit a transparent overlay drawn to the same scale as the existing land use map depicting eligible county and municipal recreation, conservation and open space sites to be eliminated from consideration for low and moderate income housing.

5.92 - 8.4 - Vacant and developable sites

(a) Vacant sites not specifically excluded from consideration for low and moderate income housing as a result of the Council's policies regarding

historic and architecturally important sites, agricultural land, environmentally sensitive lands and recreation, conservation and open space shall be considered vacant and developable sites.

- (b) The Council may, within its discretion and upon its own initiative, eliminate additional sites from consideration when the Council determines that such action is consistent with the public's general welfare.
- (c) The Council shall determine the municipality's ability to absorb its fair share obligation through inclusionary developments. The Council shall presumptively require a 20 percent maximum set-aside and a minimum gross density of six units per acre on vacant and developable sites. The Council may modify this minimum gross density based on factors, including but not limited to, appraised land values, improvement costs, site conditions and municipal subsidy of project costs. The Council may also modify this density when required to satisfy the municipal present and prospective need or when the municipality and developer agree to a modification on a specific site or when the Council's minimum gross density policy conflicts with the land use policies adopted within the Pinelands, Coastal Zone or Hackensack Meadowlands.

5.92 8.5 Adequate public facilities and infrastructure capacities

- (a) The Council shall make durational adjustments to defer a municipality's fair share obligation due to the lack of adequate public facilities and infrastructure capacity. This adjustment shall remain totally or partially in effect until adequate infrastructure facilities are provided.

- (b) Notwithstanding the lack of adequate public facilities and infrastructure, the municipality shall nonetheless designate and zone appropriate sites to accommodate its fair share obligation. The lack of adequate capacity in and of itself, shall constitute a durational adjustment of the municipal obligation and that obligation shall be deferred until adequate infrastructure is made available as set forth in (c) through (f) below.

- (c) Notwithstanding the lack of adequate public facilities and infrastructure in existence at the time a municipality petitions for substantive certification, the municipality shall reserve and set aside new infrastructure capacity, when it becomes available, for low and moderate income housing, on a priority basis.

- (d) Municipal officials shall endorse all applications to the New Jersey Department of Environmental Protection or its agent to provide affordable infrastructure. Such endorsements shall be simultaneously submitted to the Council.

- (e) Where the New Jersey Department of Environmental Protection or its designated agent approves a proposal to provide infrastructure to a site for the development of low and moderate income housing identified in the housing element, the municipality shall permit such development.

- (f) Where a municipality has designated sites for low and moderate income housing that lack adequate infrastructure and, where the New Jersey Department of Environmental Protection or its designated agent approves a proposal to provide infrastructure to a site other than those designated

for the development of low and moderate income housing in the housing element, the municipality shall amend its housing element and fair share housing ordinance to permit development of such site for low and moderate income housing. The amended housing element and fair share housing ordinance shall be submitted to the Council within 90 days of the site's approval by the New Jersey Department of Environmental Protection or its agent.

9.92 8.6 Prohibitive costs of infrastructure

- (a) The Council shall make an adjustment to the municipal present and prospective need due to prohibitive costs associated with providing public facilities and infrastructure. This adjustment shall remain totally or partially in effect until adequate, affordable infrastructure facilities are provided.
- (b) Notwithstanding the prohibitive cost of adequate public facilities and infrastructure, the municipality shall nonetheless designate and zone appropriate sites to accommodate its fair share obligation. The lack of adequate capacity, in and of itself, shall constitute a durational adjustment of the municipal obligation and that obligation shall be deferred until adequate infrastructure is made available as set forth in (c) through (h) below.
- (c) Notwithstanding the prohibitive cost of adequate public facilities and infrastructure at the time a municipality petitions for substantive certification, the municipality shall reserve and set aside new

infrastructure capacity when it becomes available for low and moderate income housing on a priority basis.

- (d) Municipalities seeking an adjustment of their fair share due to prohibitive costs of infrastructure to the public shall complete "The Costs of Providing Infrastructure" application provided by the Council and submit it to the Council for its review.
- (e) The Council shall forward "The Costs of Providing Infrastructure" application to the New Jersey Department of Community Affairs, Division of Local Government Services for review. The Council shall consider the report of the Division of Local Government Services in determining whether to permit an adjustment due to prohibitive costs associated with providing public facilities and infrastructure.
- (f) Municipal officials shall endorse all applications to the New Jersey Department of Environmental Protection or its agent to provide affordable infrastructure. Such endorsements shall be simultaneously submitted to the Council.
- (g) Where the New Jersey Department of Environmental Protection or its designated agent approves a proposal to provide affordable infrastructure to a site for the development of low and moderate income housing in the housing element, the municipality shall permit such development.
- (h) Where a municipality has designated sites for low and moderate income housing that lack adequate infrastructure and where the New Jersey

Department of Environmental Protection or its designated agent approves a proposal to provide affordable infrastructure to a site other than those designated for the development of low and moderate income housing in the housing element, the municipality shall amend its housing element and fair share housing ordinance to permit development of such site for low and moderate income housing. The amended housing element and fair share housing ordinance shall be submitted to the Council within 90 days of the site's approval by the New Jersey Department of Environmental Protection or its agent.

#### SUBCHAPTER 9. PRIORITIZING.

##### 5:92 - 9.1 Prioritizing vacant and developable sites

- (a) Municipalities shall establish priorities for low and moderate income sites. Sites should be available, suitable, developable and approvable as defined in N.J.A.C. 5:92-1.3.
- (b) All sites designated for low and moderate income housing shall receive approval for consistency review, as set forth in Section 208 of the Clean Water Act, 33 U.S.C. §1251, et seq. prior to substantive certification. Where a site is denied consistency review, the municipality shall apply for an amendment to its Section 208 plan to incorporate the denied site.
- (c) Agricultural lands within agricultural development districts as certified by the State Agricultural Development Board that do not conform to the

policies set forth in N.J.A.C. 5:92-1.3(d) may be established subject to establishing priorities for low and moderate income sites. Where no other sites are either appropriate and/or sufficient to accommodate fully the municipality's low and moderate income housing obligation, the municipality or the Council may request the respective county agricultural development board to establish priorities for the development of unrestricted land within the county's agricultural development district.

#### SUBCHAPTER 10. PHASING OF PRESENT AND PROSPECTIVE NEED.

##### 5:92 - 10.1 Phasing plans

Municipalities shall be allowed to submit a phase-in plan for low and moderate income units within inclusionary developments as defined in the Act. Phasing plans shall indicate a proposed sequence for site-specific inclusionary developments.

##### 5:92 - 10.2 Phasing schedules

- (a) Municipalities may phase-in inclusionary developments pursuant to the following schedule:
1. Inclusionary developments of less than 999 units may be phased in over a period of six years.
  2. The next 500 units, 1,000 units up to 1,499 units, may be phased in seventh through tenth year.

3. The next 500 units, 1,500 up to 1,999 units, may be phased in from the eleventh through fifteenth year.

4. An amount in excess of 2,000 units may be phased in over a period of 16 to at least 20 years.

(b) At least one-half and no less than 200 units of the municipal obligation shall be phased in during the first three years.

(c) Within the phasing schedule, market conditions shall prevail.

#### 5.92 - 10.3 Commencement date of phasing schedule

The commencement date of the phasing schedule shall be January 1, 1987.

#### 5.92 - 10.4 General provisions

(a) The phase-in schedule shall provide for the grant of preliminary approvals to a developer subject to the phase-in schedule for final approvals in accordance with time periods set forth in sections 34, 36 and 48 of P.L. 1975, c. 291 (N.J.S.A. 40:55D-46, 48 and 61), provided that such preliminary approvals shall confer vested rights as defined in subsection a. of section 37 of P.L. 1975, c. 291 (N.J.S.A. 40:55D-49) for the period until the developer has the ability to proceed to final approval pursuant to the phase-in schedule. In any phase-in schedule for a development, all final approvals and the rights to final approvals shall be cumulative.

(b) Phasing of present and prospective need shall not extend the period of substantive certification. Municipalities shall be responsible for an additional present and prospective need in addition to the phased need when the period of substantive certification expires.

(c) Developers of inclusionary developments shall be entitled to final approval of at least four market housing units per each low and moderate income housing unit.

#### 5.92 - 10.5 Priority of sites

In developing a phasing plan, municipalities shall give priority to those vacant sites that are available, suitable, developable and approvable as defined in Subchapter 1. The phasing plan shall be consistent with a municipal plan for infrastructure expansion and rehabilitation.

#### 5.92 - 10.6 Adjustments to phasing schedule

The Council may adjust phasing schedules by 20 percent for the first three years of the phasing period. An adjustment for the first half of the phasing period shall result in a proportionate adjustment during the second half of the phasing period. Such adjustments shall be based on the factors presented in section 23 of the Act or the effect of economic conditions on specific developments.

SUBCHAPTER 11. REGIONAL CONTRIBUTION AGREEMENTS (RCAs)

5:92 - 11.1 General provisions

- (a) A municipality may propose the transfer of up to 50 percent of its fair share to another municipality within its housing region by means of a contractual agreement into which two municipalities voluntarily enter.
- (b) The Council shall maintain current lists of municipalities which have stated an intent to enter into RCAs as receiving municipalities and shall provide copies of such lists to potential sending municipalities as requested.

5:92 - 11.2 Terms

- (a) At least 50 percent of the units accepted by a receiving municipality shall be affordable to low income households. The Council may modify this requirement if it determines that the sending municipality has adequately provided for its low income housing obligation elsewhere in its housing element.
- (b) Housing provided pursuant to a RCA may include new construction, rehabilitation, residential conversion of existing units, conversion of other uses for housing, or a combination of these methods. To qualify as an appropriate component of a RCA, a rehabilitated or converted unit must meet the code standard of a municipality or other applicable housing code.

- (c) Housing provided pursuant to a RCA may include the creation of alternative living arrangements, including, but not limited to, congregate housing, Class C and D boarding homes regulated by the Department of Community Affairs and residential health care facilities regulated by the Department of Health. To qualify as an appropriate component of a RCA, such facilities must be subject to controls on affordability acceptable to the Council.
- (d) All RCAs shall specify payment schedules which conform to a construction or rehabilitation schedule and which relate to the receiving municipality's ability to deliver housing units in a timely fashion.
- (e) All RCAs shall require receiving municipalities to file annual reports with the Agency setting forth the progress in implementing the project to be produced under a RCA. This report shall be in such form as the Council and the Agency may from time to time require.
- (f) All RCAs shall require that a receiving municipality submit a proposed project plan which shall be in such form and contain such information as the Agency may require.

5:92 - 11.3 Credits

No receiving municipality shall receive credit towards its fair share obligation for units provided pursuant to a RCA where credit for such units has been awarded to a sending municipality.



5.92 - 11.4 Review by county planning board or other county designated agency

- (a) RCAs shall be reviewed by the county planning board or other county designated agency in which the receiving municipality is located, as set forth in N.J.A.C. 5:91-12.2. Such review shall be completed within 30 days after the agreement has been referred to the county planning board or other county designated agency. The Council may grant a timely request for an extension of this time period for a period not to exceed 15 days.
- (b) In conducting the review required under this section and N.J.A.C. 5:91-12.2, the county planning board or other county designated agency shall consider the master plan and zoning ordinance of the sending and receiving municipalities, its own county master plan and the SDRP. In the event that the SDRP is not completed, the county planning board or other county designated agency shall consider the SDGP and other appropriate regional plans in conducting its review.
- (c) County planning boards or other county designated agency undertaking the review provided in this section shall, in forwarding the results of such review to the Council, include a completed checklist for this purpose provided by the Council. (see: Technical Appendix, infra).

5.92 - 11.5 Amount and duration of contributions

- (a) In negotiating RCAs, cosmetic improvements may be included in determining the negotiated price of rehabilitating a housing unit; but cosmetic improvements alone shall not constitute an eligible improvement for purposes of a RCA. In general, eligible rehabilitation may vary in degree from gutting and extensive reconstruction to repairs for damage caused by inadequate maintenance. Rehabilitation may also include the repair or replacement of major building systems or components in danger of failure (including roof, electrical, plumbing, heating, structural and foundation defects). To be an eligible improvement under a RCA, the housing unit must meet the municipal or other relevant housing code after rehabilitation.
- (b) The cost of rehabilitating a low and moderate income housing unit may vary from unit to unit and from municipality to municipality. The Council establishes \$10,000 as the minimum per unit cost necessary for rehabilitation as may be adjusted by the Council on a case by case basis. (see Technical Appendix, infra, for average costs of replacing major systems for various types of housing). This minimum amount includes the actual capital cost of substantive rehabilitation and the necessary operating costs to insure compliance with related code standards. This minimum amount shall be regarded as illustrative.
- (c) The internal cost of subsidizing a low and a moderate income housing unit in an inclusionary development may vary from project to project and from municipality to municipality. The Council establishes that \$12,500

represents the current average, internal subsidization required to provide a moderate income housing unit in an inclusionary development, and constitutes 22 percent of the unit's total cost. The Council establishes \$27,500 as the current average, internal subsidization required to provide a low income housing unit in an inclusionary development, and constitutes 48 percent of the unit's total cost. These internal subsidization guidelines shall be regarded as illustrative and may be adjusted on a case by case basis.

(d) RCAs shall run concurrent with the sending municipality's period of substantive certification, not to exceed six years; contributions may be prorated in municipal appropriations concurrent with the certification period not to exceed six years.

#### 5:92 - 11.6 Enforcement

(a) The Council shall take such actions as may be necessary to enforce a RCA with respect to the timely implementation of a project by the receiving municipality. In implementing its enforcement responsibilities, the Council may:

1. Initiate or join a lawsuit to enforce a RCA; and/or
2. Bar a delinquent receiving municipality from entering into further RCAs for a specified period of time; and/or

3. Recommend that the Agency and the Department of Community Affairs withhold further assistance available under the Act, and/or

4. Take such other actions as the Council may determine necessary.

#### SUBCHAPTER 12. CONTROLS ON AFFORDABILITY

##### 5:92 - 12.1 General provisions

In developing housing elements, municipalities shall determine measures to assure that low and moderate income units remain affordable to low and moderate income households for an appropriate period of not less than 20 years which may be adjusted as provided pursuant to N.J.A.C. 5:92-12.2. In determining these measures, municipalities may propose alternative methods for assuring continued affordability which shall be reviewed by the Agency for feasibility prior to an award of substantive certification.

##### 5:92 - 12.2 Length of controls on affordability

(a) Municipalities shall consider imposing controls on rents and resales of low and moderate income units, as set forth in this Subchapter, that extend for a period of 20 years with the following exceptions:

1. Rehabilitated owner-occupied single family housing units that are improved to code standard shall be subject to affordability controls for at least six years.

2. Rehabilitated renter-occupied housing units that are improved to code standard shall be subject to affordability controls for at least ten years; and

3. Housing units created through conversion of a non-residential structure or through new construction in municipalities receiving State Aid pursuant to P.L. 1978, 1-14 (N.J.S.A. 52-270-178 et. seq.) at the time of substantive certification shall be subject to affordability controls for at least ten years.

#### 5.92 - 12.3 Administrative mechanism

Municipalities shall establish an appropriate administrative mechanism or entity responsible for assuring that low and moderate income housing units remain affordable to low and moderate income households; or they shall enter into a contractual agreement with the Agency to administer these responsibilities.

#### 5.92 - 12.4 Initial pricing

(a) Municipalities shall consider requiring that the initial price of a low and moderate income owner-occupied single family housing unit be established

so that after a downpayment of ten percent, the monthly principal, interest, taxes, insurance and condominium fees do not exceed 28 percent of an eligible gross monthly income. Municipalities shall consider requiring that rents, excluding utilities, be set so as not to exceed 30 percent of the gross monthly income of the appropriate household size. Maximum rent shall be calculated as a percentage of the uncapped Section 8 income limit (as contained in the Technical Appendix, *infra*) or other recognized standard adopted by the Council that applies to the rental housing unit. The following criteria shall be considered in determining rents and sale prices:

1. Efficiency units shall be affordable to one person households,
2. One bedroom units shall be affordable to two person households,
3. Two bedroom units shall be affordable to three person households,
4. Three bedroom units shall be affordable to five person households, and
5. Four bedroom units shall be affordable to seven person households.

(b) Housing units that satisfy the criteria in (a) 1. through 5. above shall be considered affordable.

(c) Median income by household size shall be established by the uncapped Section 8 income limits, published by HUD, as defined in Subchapter 1 (see Technical Appendix, *infra*) or other recognized standard adopted by the Council that applies to the rental housing unit.

5.92 - 12.5 Annual indexed increases

The price of an owner-occupied housing unit and the rents of affordable housing units may increase annually based on the percentage increase in median income for each housing region as determined from the uncapped Section 8 income limits, published by HUD, as defined in Subchapter 1 (see Technical Appendix, infra) or other recognized standard adopted by the Council that applies to the rental housing unit.

5.92 - 12.6 Subsidy to ensure affordability

If the use of median income data adopted by the Council to index the cost of housing renders a unit unaffordable to a low or moderate income household at the time of resale, a municipality shall not lose credit for the housing unit, provided that adequate controls on affordability remain in place, but the municipality may subsidize the housing unit to maintain affordability.

5.92 - 12.7 Procedures of resale

Persons wishing to sell affordable units shall notify the municipal entity responsible for assuring affordability of the intent to sell. If no eligible buyer enters a contract of sale for the unit within 60 days of notification, the municipal entity shall have the option to purchase the unit for the maximum price permitted based on the regional increase in median income as defined by HUD or other recognized standard adopted by the Council. If the municipal entity does not purchase the unit, the seller may apply for permission to offer

the unit to a non-income eligible household at the maximum price permitted. The seller shall document efforts to sell the unit to an income eligible household as part of this application. If the request is granted, the seller may offer low income housing units to moderate income households and moderate income housing units to households earning in excess of 80 percent of median. In no case shall the seller be permitted to receive more than the maximum price permitted.

5.92 - 12.8 Eligible capital improvements

Property owners of single family, owner-occupied housing may apply to the municipal entity responsible for permission to increase the maximum price for eligible capital improvements. Eligible capital improvements shall be those that render the unit suitable for a larger household. In no event shall the maximum price of an improved housing unit exceed the limits of affordability for the larger household. Property owners shall apply to the municipal entity if an increase in the maximum sales price is sought.

5.92 - 12.9 Impact of foreclosure on resale

An action of foreclosure by a financial institution regulated by state and/or federal law shall extinguish controls on affordable housing units. Notice of foreclosure shall allow the municipal entity to purchase the affordable housing unit at the maximum permitted sale price. Failure of the municipal entity to purchase the affordable housing unit shall result in the Council adding that unit to the municipal present and prospective fair share obligation.

5:92 - 12.10 Excess proceeds upon foreclosure

In the event of a foreclosure sale, the owner of the affordable housing unit shall be personally obligated to pay to the municipal entity responsible for assuring affordability, any surplus funds, but only to the extent that such surplus funds exceed the difference between the maximum price permitted at the time of foreclosure and the amount necessary to redeem the debt to the financial institution including costs of foreclosure.

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APPENDIX A

Approach: 1987-1993 Low and Moderate Income Housing Need Estimates

**COUNCIL ON AFFORDABLE HOUSING  
1987-1993 LOW- AND MODERATE-INCOME  
HOUSING NEED ESTIMATES**

**APPROACH**

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**PRESENT NEED (2 INDICES)**

**REALLOCATED PRESENT NEED  
(FAIR SHARE ALLOCATION FORMULA)**

**PRESENT NEED**

**PROSPECTIVE NEED  
(FAIR SHARE ALLOCATION FORMULA)**

**TOTAL NEED**

**SUPPLY CONTRIBUTIONS  
(FILTERING, RESIDENTIAL CONVERSION, REHABILITATION, DEMOLITION)**

**PRE-CREDITED NEED**

**REGIONAL AND STATEWIDE  
SUMMARY OF  
PRE-CREDITED NEED**

*Research Sponsor*

**Council on Affordable Housing**

*Research Organization*

**Rutgers University  
Center for Urban Policy Research**

*Research Contacts*

**Arthur R. Kondrup, Chairman  
Douglas V. Opolski, Executive Director**

*Principal Investigator*

**Robert W. Burchell, Ph.D.**

*Date*

**1 May 1986**

- HOUSING DEFICIENT PRESENT NEED -  
 - HISTORIC MODEL PROSPECTIVE NEED -  
 - FAIR SHARE PRESENT NEED ALLOCATION -  
 - FAIR SHARE PROSPECTIVE NEED ALLOCATION -

Accounting for  
 Demolition, Filtering, Residential Conversion,  
 and Spontaneous Rehabilitation

1987 Present Need  
 1987-1993 Prospective Need

**CALCULATING NEED**

Indigenous Need	85,134
Reallocated Present Need	34,411
Prospective Need	80,421
Total Need	199,966
Demolition	13,367
Filtering	-51,004
Residential Conversion	-12,102
Spontaneous Rehabilitation	-4,520

**STATEWIDE PRE-CREDITED NEED** 145,707 \*

**REGIONAL NEED**

Northeast	42,534
Northwest	28,773
West Central	14,720
East Central	23,247
Southwest	21,884
South-Southwest	14,549

**THE PROCEDURES TO CALCULATE  
 LOW- AND MODERATE-INCOME  
 HOUSING NEED**

\* The Council on Affordable Housing is prepared to adjust municipal housing need such that pre-credited final need will not exceed twenty percent of a municipality's occupied housing units in 1987. This adjustment is to prevent a municipality from expanding a drastically altered development pattern as per Section 7 of the Housing Act. The adjustment if pursued by all municipalities who qualify, will not diminish statewide need by more than 1421 housing units. See subsequent section on Capped Need.



## INTRODUCTION

The information which follows details the procedures and data resources employed to calculate low- and moderate-income housing need in the State of New Jersey. These procedures have evolved primarily since *Mount Laurel II*<sup>1</sup> and have been heavily influenced both by the provisions of the Fair Housing Act and *Mount Laurel III*.<sup>2</sup> The report incorporates the methodology adopted by the Council on Affordable Housing<sup>3</sup> — the agency charged with effecting the Fair Housing Act and bringing about statewide compliance with the *Mount Laurel* mandate.

The procedures specified here draw upon contributions by numerous groups to evolving fair housing implementation. These include efforts on the part of the *Mount Laurel II* judges, the Urban League group, Rutgers University, the appointed masters, the Department of the Public Advocate, the Governor's Office, New Jersey Department of Community Affairs, New Jersey Department of Environmental Protection (Division of Coastal Resources), New Jersey Pinelands Commission, New Jersey Housing and Mortgage Finance Agency, New Jersey Federation of Planning Officials, Land Use Section of the New Jersey Bar, New Jersey Builders Association, New Jersey State League of Municipalities, attorneys/planners for litigating developers/municipalities, and other individuals/groups too numerous to mention.

These groups have crafted a body of knowledge and procedure which has been drawn upon and refined in the production of this document. A clear effort has been made here to take into account varying points of view and above all, as the name of the Fair Housing Act implies, be fair: fair to those who need housing, to municipalities and their residents who must accommodate this housing, and finally, to the builders/developers who must provide it. The procedures contained here are an effort to move forward on a broad and unified front in meeting the charge of the Fair Housing Act.

To this end, the report begins with methods used to qualify the low- and moderate-income populations and subsequently deals with the calculation, distribution, and refinement of present and prospective low- and moderate-income housing need.

## INCOME QUALIFICATION OF THE LOW- AND MODERATE-INCOME POPULATION

Data from the 1980 New Jersey Public Use Sample<sup>4</sup> (a five percent sample of all households in New Jersey taken by the U.S. Census Bureau) is used to qualify a household according to HUD Section 8<sup>5</sup> family-income requirements. The Sample is comprised of computer tapes which contain records for a sample of housing units with information on the characteristics of each unit as well as the people who reside in these units. Information from this file makes it possible to initially eliminate all individuals living in institutions, group quarters, or as boarders/lodgers from potential low- and moderate-income housing demand. This removes from direct count those people who comprise prison/sanitarium, college, nursing home, boarders/boarding home, and other related populations.<sup>6</sup>

Sub-households and sub-families are not separately distinguished as this would double count existing housing deterioration and no information is available on how or if sub-families/sub-households would choose to separate in the future. Thus, one household per unit is counted. Current applications for low- and moderate-income housing built under the

*Mount Laurel II* *seign* indicate shares or parts of families and unrelated individuals seeking to reside together. This partially confirms continued, shared or unrelated household use of new low- and moderate-income housing units.

Once these selection procedures are undertaken, the Public Use Sample may be employed to array all households by size and income status. HUD median family income for a region is determined, and 80 percent and 50 percent assigned to household sizes of four for the upper limits of moderate and low incomes, respectively. Each household size of more or less than four is allowed a positive or negative adjustment of the 80 percent or 50 percent of median figure to qualify for moderate- or low-income designation.<sup>7</sup> (This is based on the philosophy that if you have more children/dependents or household members you can earn slightly more and qualify for moderate/low income; in reverse fashion, if you have fewer dependents or members, it is more difficult to qualify by establishing a lower income for qualification.)

The procedure spelled out above separates low- and moderate-income households, adjusting for household size, from all other households in the region. This relative selection of a population qualifying for housing need forms the basis of all need estimates. In subsequent steps, the housing units occupied by these households are initially checked for deterioration to determine present need. The number of income-defined households is then projected into the future to determine prospective need. The detailing of these steps is explained below.

## PRESENT NEED

### Indigenous Need

Indigenous need is a component of present need which is the total deficient housing signaled by surrogates unique to each community. Where communities' deficient housing as a percentage of all occupied housing units exceeds the regional average, their excess need is sent to a housing pool for subsequent distribution in the region. Housing from the pool is reallocated to all communities in the growth area of the region with the exception of designated Urban Aid Cities. The indigenous need for communities below the regional average of housing deficiency is their tabulated deficient units. For those above the regional average, their indigenous need is their deficient housing capped by the regional average percent deterioration.

Recognizing the evolution of the concept of deteriorated housing from 1960 and earlier where enumerators attempted to physically identify bad housing from field survey, to the current period where deficient housing is isolated through housing quality surrogates, information provided by the 1980 Census is used to signal housing deficiency via surrogates.<sup>8</sup>

*Surrogates do not themselves confirm that a unit is deficient.* They indicate that if a unit has these characteristics, it most likely would be independently found via field survey as deficient. Surrogates are developed by listing the characteristics of units found as deficient and viewing which characteristics consistently are associated with field-confirmed deficiency. Six housing quality surrogates are used with structure age to signal housing deficiency. These indices represent the culmination of numerous empirical studies on factors indicative of superior versus inferior housing quality.<sup>9</sup> They represent the full range of information available on housing quality from the 1980 Census. No index is alighted, and all are simultaneously employed. They include:

- (a) *Year Structure Built.* A distinction is made between units built before and after 1940. This pre-War cutoff is the classic differentiation point of new versus old housing in the literature.<sup>10</sup>
- (1) *Persons per Room.* 1.01 or more persons per room is an index of overcrowding.
- (2) *Access to Unit.* A unit is unacceptable if one must pass through another dwelling to enter it. This is a measure of privacy.
- (3) *Plumbing Facilities.* A household must have exclusive use of complete plumbing facilities.
- (4) *Kitchen Facilities.* Adequate kitchen facilities include a sink with piped water, a stove, and a refrigerator.
- (5) *Heating Facilities.* The existence of central heat is used as a measure of adequacy.
- (6) *Elevator.* Buildings of four stories or more are considered inadequate if they do not have an elevator.

A unit has to have at least two characteristics to be isolated as deficient once it qualifies as housing a low- or moderate-income family. Since age is so highly correlated with structure deterioration and loss, if in 1980 the unit was more than forty years old and had at least one other negative housing characteristic, it is selected as deficient. If, on the other hand, it was a newer unit in 1980, in the absence of the unit-age qualification, two or more negative structural characteristics signal housing deficiency.

Multiple deficient characteristics in a single housing unit is an important concept. Using multiple indicators results in a high probability of isolating bad housing, yet a very low probability of classifying good housing as bad.<sup>11</sup>

This procedure of establishing housing deficiency is: (1) drawn from the literature of the field; (2) encompasses a broad array of physical insufficiency including such items as indirect access, incomplete kitchen, burdensome walk-ups, etc.; (3) ensures against erroneous inclusion of good units, and (4) provides a very high probability that the housing identified, at least in relative terms, is clearly less than adequate.

Due to confidentiality protection and data availability, the procedure to specify indigenous need can be estimated only to each of 52 subregions of the state.<sup>12</sup> It is taken down to the community level by three housing quality variables available at both the subregional level and the community level. These are:<sup>13</sup>

- (1) Plumbing Facilities — non-exclusive use of complete plumbing;
- (2) Heating Facilities — non-presence of central heat or vented room heaters; and
- (3) Persons per Room — space inadequacy, i.e., 1.01 or more persons per room.

The pool of low- and moderate-income families living in deficient housing once calculated at the subregional level is distributed to individual communities on the basis of the share of three indices of deficient housing at the local level to the total at the regional level. At the local level, these latter variables cannot be cross-tabulated with age or income in the same way as information at the subregional level can. Thus, the best available information and the most rigorous procedures are used to isolate deficient housing at the subregional level, and this is taken to the

municipal level through other housing quality variables less complete in terms of isolating housing deficiency but found at a variety of geographic levels.<sup>14</sup>

In order to address present need with some lead time appropriate for planning and implementation, present need is actually projected to be estimated as if July 1, 1987 were the current period and the sample of housing deficiencies was taking place at this time. This is done by reproducing the incidence rates of deterioration associated with certain age groups and household types in 1980, and projecting these households and their associated housing conditions to the 1987 period. The new array and number of households in 1987 carry with them the deterioration noted in 1980.

As noted earlier, for communities with severe housing deficiencies, their deficiencies are capped at the regional average percentage of deficiencies as a proportion of total occupied housing. The excess over this regional percentage is distributed to all communities in the growth area of the region.<sup>15</sup> This is covered below.

Municipal surveys to determine indigenous need may be presented to the Council as an alternative method to this procedure. (See Section 10 — Fair Housing Act.) The Council will provide guidance as to the appropriate form and scale of such surveys.

#### INDIGENOUS NEED BY REGION<sup>1</sup>

Northwest	34,227
Northwest	22,894
West Central	7,486
East Central	4,692
Southwest	9,208
South-Southwest	6,627
<b>STATE TOTAL</b>	<b>85,134</b>

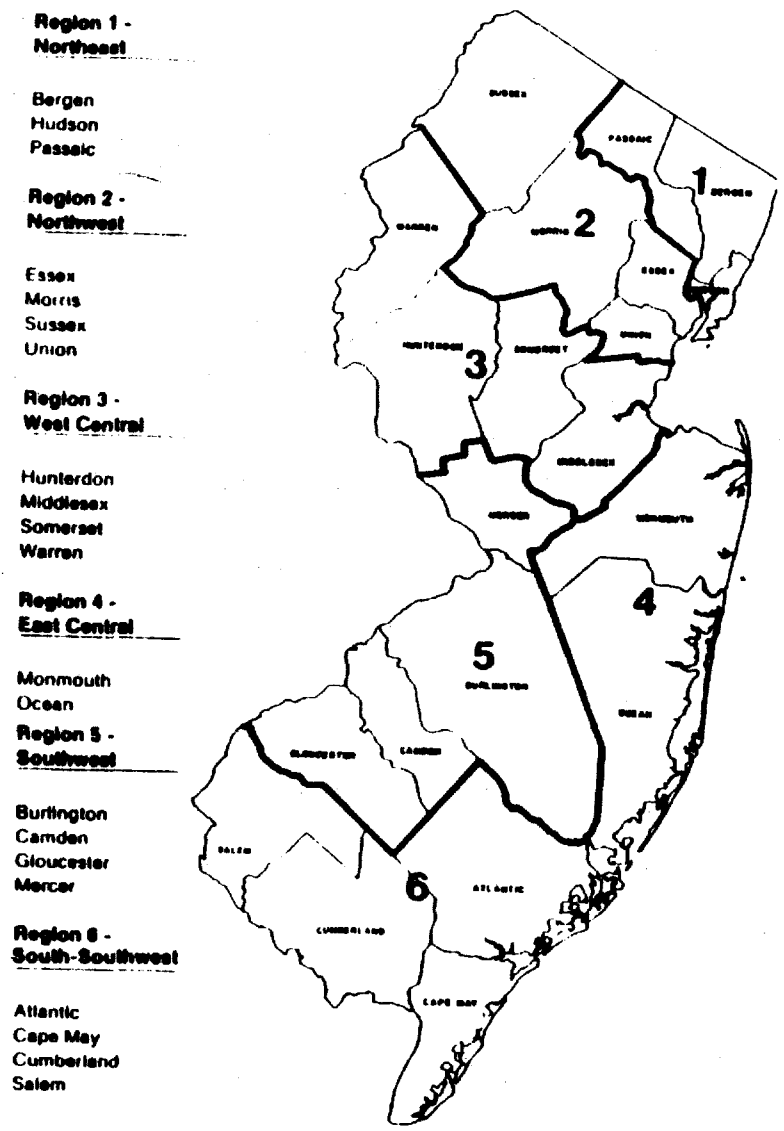
<sup>1</sup>See the following figure for mapped display of regions

#### Reallocated Present Need

Reallocated present need is the share of excess deterioration in a region transferred to all communities in the growth area of the region with the exception of selected Urban Aid Cities. (See Attachment.) Urban Aid Cities, almost all of which are densely populated and have a higher-than-average proportion of low- and moderate-income families living in deteriorated housing, are not expected to have this regional burden reinforced by future low- and moderate-income housing requirements.<sup>15</sup> Therefore, when the reallocated present need pool for the region is computed from an average deficiency percentage for the entire region, Urban Aid

<sup>15</sup>Communities which originally contributed to the pool due to excess deficiency, if not selected Urban Aid Cities, can receive additional units from the pool via the reallocation formula.

**FIGURE**  
**THE COUNCIL ON AFFORDABLE HOUSING REGIONS**



Cities are not expected to share in that pool. Instead, the excess of deficient units over the regional percentage of deficiencies is redistributed to all municipalities with any growth area in the region. The exact procedure for redistribution is covered under Distribution of Low- and Moderate-Income Housing Need.

**REALLOCATED PRESENT NEED BY REGION**

Northeast	17,676
Northwest	8,829
West Central	1,631
East Central	750
Southwest	4,868
South-Southwest	1,465
<b>STATE TOTAL</b>	<b>34,411</b>

**PRESENT NEED**

Present need is the sum of indigenous and reallocated present need in a municipality. It represents individual municipal housing responsibility reflective of its own housing inadequacy/deficiency (except where it is regionally excessive) and regional responsibilities in terms of its share of the pool of housing replacement/repair that must be undertaken by growth area communities due to excess deterioration in the region.

**PRESENT NEED BY REGION**

Northeast	51,903
Northwest	31,723
West Central	9,117
East Central	5,442
Southwest	13,268
South-Southwest	8,092
<b>STATE TOTAL</b>	<b>119,545</b>

**PROSPECTIVE NEED**

Prospective need is the share of the total projected population that will qualify for low- and moderate-income housing. It is obtained by projecting the population by age cohort from 1987 to 1993 through the following steps:

Source: RUTGERS UNIVERSITY Center for Urban Policy Research, Winter, 1983

(1) A 1987 base is established by bounding it at one end by the age cohort distributions of the 1984 Population Estimates for New Jersey<sup>16</sup> from the New Jersey Department of Labor.\* The other end is bounded by the distribution of the projected population for 1990 by age cohort under the New Jersey Department of Labor's Historical Migration Model.<sup>18</sup> These two population distributions by each age cohort are added together and divided by two to obtain the age distribution of the base population for the mid-period 1987.

(2) A July 1, 1993 projection-year end is also arrayed by age distribution. This is done in the following way:

(a) 1990 and 1995 age distributions for the New Jersey Department of Labor's Historical Migration Model are distributed by their respective eight age cohorts and three-fifths of the distance between 1990 and 1995 is used for each age cohort for 1993. The age cohorts are as follows:

**AGE COHORT**

- Less than 25 years
- 25-29 years
- 30-34 years
- 35-44 years
- 45-54 years
- 55-64 years
- 65-74 years
- 75 years and over

(3) Both the population age cohorts for the base year (1987) and the projection-end year (1993) are multiplied by 1980 New Jersey county-specific headship rates by age cohort.<sup>19</sup> Two distributions of total households emerge.

(4) Total households for each period are converted to low- and moderate-income households by carrying forward the income characteristics of all households in 1980 to 1987 and 1993 by age cohort. Low- and moderate-income households are sorted by applying the Section 8 household size/income qualification criteria that were used in 1980 to a different number of households that exist in each cohort in 1987 and 1993. Thus, to the degree that age cohorts are differently composed and growing differently, the low- and moderate-income population will also change as it ages into the future.

(5) Low- and moderate income households for 1987 are subtracted from low- and moderate income households in 1993 to obtain the change in low- and moderate-income households from 1987 to 1993. This is done for eight age cohorts specific to each of 21 counties. The result is prospective low- and moderate-income housing need.

**PROSPECTIVE NEED BY REGION**

Northeast	5,509
Northwest	9,759
West Central	13,661
East Central	23,752
Southwest	18,179
South-Southwest	9,561
<b>STATE TOTAL</b>	<b>80,421</b>

**DISTRIBUTION OF LOW- AND MODERATE-INCOME HOUSING NEED**

Low- and moderate-income housing need is distributed to each community using the economic and land-use factors listed below. These factors in the first two cases represent measures of responsibility, i.e., the labor force drawn to the municipality needing housing. In the second two cases, they represent measures of capacity, i.e., the physical and fiscal capacity to absorb and provide for such housing.<sup>20</sup> The first three factors are used to distribute excess present need (reallocated present need); the full four factors are used to distribute prospective need. The first three factors are identical for present and prospective need. All factors operate individually, are equally weighted, and involve only those municipalities in the growth area of the region.

- (1) Covered employment growth within a municipality over the period 1977-84, as a percentage of regional covered employment growth for the same period (this is the most stable period to measure change in employment)<sup>21</sup>
- (2) Covered employment in a municipality as a percentage of regional covered employment (1984)
- (3) Municipal area in the growth area as a percentage of growth area in the region as included on the official State Department Guide Plan (SDGP)<sup>22</sup> Pinelands and Coastal Zone areas are added to the SDGP Growth Area according to the following designations:<sup>23</sup>

\*These are available by county from the New Jersey Department of Health<sup>17</sup>

(a) Pinelands — All areas in Regional Growth Areas and Pinelands Towns.

(b) Coastal Zone — All areas in Development Regions and Extension Regions, the latter including Central Corridor Barrier Islands

(4) Municipal 1983/1984 aggregate per capita income as a percentage of 1983/1984 regional aggregate per capita income\*<sup>24</sup>

Neither prospective need nor reallocated present need are directed to Urban Aid municipalities which have the characteristics of older core areas to avoid reconcentrations of low- and moderate-income families in these fiscally/economically stressed locations.<sup>25</sup>

The criteria for determining the Urban Aid municipalities to be exempt from any housing need beyond indigenous need are summarized as follows.<sup>26</sup>

(a) Designated "Urban Aid" by the State for funding year 1986. In addition, they must meet one of the following:

(1) Level of existing low- and moderate-income housing deficiency, according to the six housing deficiency criteria, that exceeds average regional low- and moderate-income housing deficiency for the region in which the Urban Aid municipality is located

(2) Population density of greater than 10,000 persons per square mile or 14.1 per acre

(3) Population density of 6,000 to 10,000 persons per square mile or 9.4 to 14.1 per acre plus less than five per cent of vacant, non-farm, municipal land as measured by the average of the percentage of vacant land valuation and vacant land parcels of all local land valuation/parcels in the 1984 *Statement of Financial Condition of Counties and Municipalities* (Trenton, NJ: New Jersey Department of Community Affairs, 1985).<sup>27</sup>

## TOTAL NEED

Total need 1987 to 1993 is composed of indigenous need, reallocated present need, and prospective need. It is the total municipal need number before demand increases for demolitions and demand reductions for secondary sources of supply are introduced. In a very few cases, negative prospective need in a community, reflective of reduced housing demand due to employment loss, lessens present need demand and, as such, reduces total need.

\*1983/1984 aggregate per capita income is obtained by multiplying 1983 per capita income by the 1984 Population Estimates for the growth area municipality and all municipalities in the growth area of the region.

## TOTAL NEED (PRESENT AND PROSPECTIVE) BY REGION

Northeast	57,412
Northwest	41,482
West Central	22,778
East Central	29,194
Southwest	31,447
South-Southwest	17,653
STATE TOTAL	199,966

## SECONDARY SOURCES OF HOUSING SUPPLY/DEMAND

### Background

Secondary sources of housing supply/demand reflect the adjustments of the housing market to the unevenness and spontaneity of primary supply/demand. As housing ages or as it falls prey to accident, natural disasters, or publicly/privately initiated changes in land use, it may become obsolete and be removed from the stock. The term for this selective pruning is *demolition*. Demolitions occur regularly and affect various markets differently. In strong markets, demolitions are low; in weaker markets, they are proportionally higher. In both situations, demolitions add to future housing demand.

As housing is added by private developers to the upper and middle price categories of the stock, a large share of consumers who already occupy housing within the market are attracted to this housing. When they occupy the new housing through purchase or rental agreements, they release housing within the local market that is inferior to the new housing that has been built. This causes housing to be available to a lower round of consumers, often at a reduced price. The process is termed *filtering*. Filtering reduces future demand as a greater proportion of formerly higher priced housing is now available at potentially lower prices. Filtering takes place in active housing markets, especially those receiving a significant influx of new housing.

In selected submarkets, a demand may exist for smaller units, and this need may not be responded to by normal market operations. The market adjusts to this need by creating additional smaller units from larger ones. This is termed *residential conversion* and most often occurs in housing stocks containing larger structures that can be adapted to smaller units yet not destroy or significantly alter the value of adjacent units in the process. The older, urban two- to four-family home is an ideal conversion unit. Four or six units may be created where only one half this number may have existed in this type of structure previously. Often these units are termed illegal conversions, not because they are not safe, sound housing, but rather because the enlarged structure no longer conforms to the unit restrictions of the zoning ordinance.

Another characteristic of the housing market is for deficient units to be upgraded privately. This also lessens housing demand as a deficient unit is replaced by a sound unit. This happens usually because a market exists for the renovated structure, usually at a higher occupancy cost than when the structure fell into disrepair. *Spontaneous rehabilitation*, as it is called, occurs in stronger, growing markets and affects only a small proportion of the low- and moderate-income housing stock.

## Procedures

In the earlier-discussed allocation and reallocation procedures, only those municipalities in the growth area participated. In the reductions or increases to housing need due to secondary supply and demand, all locations participate. This is true because all municipalities have some type of need, and reductions apply to housing need no matter how the need is generated. Thus, when demand reductions due to filtering are calculated, the reduction for a particular location is based on the share of all multifamily units in the region.

For Urban Aid Cities, the demand reductions are taken before these areas send excess need to the reallocation pool; for all other locations, demand reductions are taken after this point. This is to prevent other less-dense, less-deteriorated, inner-ring cities from receiving a large share of reallocated need without an equivalent chance to participate in secondary demand reductions due to specific characteristics of their housing stock.

## Demolitions

Demolitions are a secondary source of housing demand in that demand is created by households requiring housing because units are lost from the stock. Housing units are lost due to fire, structure abandonment, road improvements, community renewal, land-use change, and other reasons.<sup>28</sup> It is estimated that units lost from the low- and moderate-income stock (both reported and unreported demolitions) are on a par with those added to the stock due to conversion. For the entire housing stock, the ratio of demolitions to conversions may be even higher.<sup>29</sup> It is also true that the level of demolitions is falling in New Jersey. At the beginning of the decade, total reported demolitions for New Jersey municipalities were 4,000-5,000 per year; towards mid-decade the total is closer to 3,000 annually.<sup>30</sup>

In order to estimate the scale of demolitions, reported demolitions for each municipality for the years 1983 and 1984 are averaged and multiplied by six to obtain a six-year demolition estimate by municipality. These are representative years which catch the most recent aspects of the trend in demolitions.<sup>31</sup> Demolitions are adjusted for each municipality to the share of all demolitions that affect the low- and moderate income housing sector by 150 percent of the subregional share of low- and moderate-income housing. This percentage share of all demolitions that affect low- and moderate-income families is capped at 95 percent. Total demolitions are thus tallied by individual community, and the share affecting low- and moderate-income housing is estimated by a multiple of the subregional low- and moderate-income housing deficiency percentage. This latter factor recognizes that demolitions take place at a much higher rate in the low- and moderate-income housing sector than for all housing locally. Demolitions at a statewide level are essentially offset by conversions for low- and moderate-income households. This latter relationship is covered more fully in a subsequent section.

## DEMOLITION HOUSING NEED BY REGION

Northeast	4,037
Northwest	4,350
West Central	365
East Central	870
Southwest	1,753
South-Southwest	1,992
STATE TOTAL	13,367

## Filtering

Filtering is a downward adjustment of housing which recognizes that the housing requirements of lower-income groups can be served by supply additions to the higher-income sectors of the housing market.<sup>32</sup> During the course of normal market operations, middle- and upper-income households vacate existing housing for new, more desirable units, leaving their units vacant for households of lesser income. Filtering is predicated on the existence of housing surpluses which cause housing prices to drop because of the excess of housing supply over demand.

Filtering is measured using *The American (Annual) Housing Survey* over the nine-year period 1974-1983. *The American (Annual) Housing Survey* sponsored jointly by the U.S. Department of Housing and Urban Development and the U.S. Department of Commerce is particularly useful in that the same unit is measured at various intervals.<sup>33</sup> By specifying Section 8 income eligibility by household size for the years in question, two components of the household population can be specified: those households that meet the *Mount Laurel II* income requirements, and those households whose incomes are above the *Mount Laurel II* income requirements for each observation period.

Viewing the same housing units, it is found that the net filtering (units moving down minus units moving up) to the lower-income population in New Jersey is about 6.5 percent over the course of the observation period.<sup>34</sup> About 18.8 percent of the stock moves down, and 12.3 percent moves up. The figure used for six-year net filtering is 3.25 percent of the non-deteriorated, non-low- and moderate-income housing stock. The 3.25 percent figure is derived by multiplying the actual 4.32 percent six-year rate by 0.75. The latter accounts for those units which filtered down over the period and do not have the same range of affordability as those units that were continuously occupied by low- and moderate-income families. Further, by using the non-deteriorated portion of the housing stock, the units that are counted as moving downward are assumed to be of adequate housing quality. Thus, both affordability and housing condition are controlled for in the filtering estimate.

Through cross-tabulation analysis, and taking into account the dominance of single-family homes in New Jersey, filtering is found to be more active in those locations which have higher percentages of multifamily units, and much less active in locations where there are small percentages of multifamily units.<sup>35</sup> Even though filtering takes place to some degree in all locations, it is much more of an urban than suburban housing phenomenon.

Filtering for the period 1987 to 1993 is estimated by taking 3.25 percent of the 1987 non deteriorated, non-low- and moderate-income housing stock by region and assigning this need reduction to communities within the region according to their share of multifamily housing units (two or more units) of the regions' total multifamily units. A community receives a filtering adjustment to the degree that it contains multifamily housing,\* i.e., the most likely type of housing to filter down.

#### FILTERING HOUSING SUPPLY\* BY REGION

Northeast	-	12,179
Northwest	-	12,661
West Central	-	7,121
East Central	-	6,114
Southwest	-	9,435
South-Southwest	-	3,494
STATE TOTAL	-	51,004

\* Secondary supply sources shows as negative demand contributors

#### Residential Conversion

Conversion is the creation of dwelling units from already existing structures. Almost all conversion consists of additional dwelling units being created from other residential units, and very rarely from nonresidential units. This type, termed residential conversion, is a significant and recognized source of housing supply to low- and moderate-income families. According to the U.S. Department of Housing and Urban Development, as family size has decreased over the past two decades, residential conversion creating multiple smaller units from larger units has also increased.<sup>36</sup>

Converted units are measured through the *American (Annual) Housing Survey* and the *Decennial Census*. Conversions are the difference between the net change in total housing units (end minus beginning of period), minus the net of housing units constructed and demolitions lost over the period. Residential conversion is easily equivalent to 30 percent of all new units constructed, and orders of magnitude higher than the percentage of low- and moderate-income units actually constructed.<sup>37</sup> It is assumed that units made available through conversion will reduce indigenous need by 18 percent during the six-year projection period. Residential conversion is closely related and distributed to municipalities on the basis of their percentage of two- to four-family structures.<sup>38</sup> Residential conversions influence housing supply at the regional level according to an observed share of indigenous need. They are distributed to municipalities within regions according to the presence of structure types conducive to conversion, i.e., two- to four-family units.\*

\*1980 instead of 1987 is used as a base to tabulate the share of multifamily units as demolitions over the period 1980-1985 are not available by structure type. It is possible to estimate total 1987 occupied housing units, but the distribution by structure type cannot be accurately determined without demolition information by structure type.

Residential conversions to low- and moderate-income housing in normal markets are often on a par with demolitions for this income sector. In stronger markets, conversions are more than demolitions; in weaker markets, less. A statewide control of demolitions pairs this variable in approximate magnitude with that of total demolitions.

#### RESIDENTIAL CONVERSION HOUSING SUPPLY BY REGION

Northeast	-	4,897
Northwest	-	3,221
West Central	-	945
East Central	-	482
Southwest	-	1,383
South-Southwest	-	1,174
STATE TOTAL	-	12,102

#### Spontaneous Rehabilitation

Spontaneous rehabilitation is the unsolicited private market reduction of housing need by structure rehabilitation sufficient to render the unit free of deficiencies.<sup>39</sup> Via the *American (Annual) Housing Survey*, over five interim years between 1974 and 1980, spontaneous rehabilitation can be measured by using as a surrogate more than \$200 spent on each of three of four categories of additions, alterations, replacements, or repairs during the course of a single year.<sup>40</sup> This spontaneous rehabilitation happens to about 1.1 percent of the deficient units occupied by low- and moderate-income households annually. For a six-year period, the figure is estimated to be 6.6 percent applied to indigenous need at the regional level.

The key factor associated with rehabilitation of deteriorated units is wealth of the area as interpreted through aggregate income. Reductions for spontaneous rehabilitation are given to each municipality according to the municipality's share of regional aggregate income.\* Larger, less wealthy — and smaller, more affluent — communities will get some measure of a larger relative credit for potential rehabilitation because in the first case, there is more opportunity for rehabilitation to happen, and in the second, there is more money to support it.<sup>41</sup>

Spontaneous rehabilitation at this juncture should not be confused with rehabilitation as a meliorative housing strategy once final need is determined. Spontaneous rehabilitation is a reduction before final need is calculated due to the workings of the private market. Public, publicly assisted, or private rehabilitation as a housing strategy once need is determined is one of several means of response to that need and has nothing to do with the need reduction determined here.

\*1983/1984 aggregate per capita income is used for this ratio.

**SPONTANEOUS REHABILITATION HOUSING SUPPLY  
BY REGION**

Northeast	- 1,839
Northwest	- 1,177
West Central	- 366
East Central	- 221
Southwest	- 499
South-Southwest	- 428
<b>STATE TOTAL</b>	<b>- 4,530</b>

(Includes ten units which would have made total need in a community negative. This accounting measure allows the reduction for this factor to be 4,520.)

**PRE-CREDITED NEED**

Pre-Credited Need is the municipality's estimated obligation under the *Mount Laurel* mandate for the period 1987 to 1993. Relative to other municipalities, and taking into account past growth, growth designation/share, and aggregate income, this is the need to which the municipality must address itself. Under Section 7 of the Fair Housing Act, municipalities may take credit for past provision of public or publicly assisted housing. Pre-Credited Need may be addressed via new construction or a level of rehabilitation to render the deteriorated units adequate. It is a need which, if it is less than 1,000, must be addressed within a six-year period; yet, if more than 1,000, may be spread out over a longer period as per subsequent phasing rules. Pre-Credited Need is solely the low- and moderate-income housing number and does not address the number of market units that might have to be built to support the development of the low- and moderate-income units locally.

**PRE-CREDITED NEED BY REGION**

Northeast	42,534
Northwest	28,773
West Central	14,720
East Central	23,247
Southwest	21,884
South-Southwest	14,549
<b>STATE TOTAL</b>	<b>145,707</b>

**CAPPED NEED**

Low- and moderate-income housing need in a community is capped at 20 percent of occupied housing units in 1987. Should density bonuses be applied and the community actively pursued by developers, under the provision of the 20-percent CAP no community will be required to double over the projection period. The small reduction in need that this capping procedure provides prevents the smaller communities in a region from experiencing significant change while complying with the state's low- and moderate-income housing mandate. Capped need is not a part of a municipality's pre-credited need estimate as this credit (if applicable) may be applied for during the municipal adjustment process.

**CAPPED NEED BY REGION**

Northeast	404
Northwest	24
West Central	34
East Central	153
Southwest	130
South-Southwest	676
<b>STATE TOTAL</b>	<b>1,421</b>



ATTACHMENT

1986 URBAN AID CITIES BY COUNTY THAT MEET THE CRITERIA SPECIFIED UNDER DISTRIBUTION OF NEED\*

ATLANTIC	HUDSON	PASSAIC
None	Bayonne City Hoboken City Jersey City (City)	Passaic City Paterson City
BERGEN	North Bergen Township Union City (City)	SALEM
Lodi Borough Garfield City	Weehawken Township West New York Town	None
BURLINGTON	HUNTERDON	SOMERSET
Flemington Township	None	None
CAMDEN	MERCER	SUSSEX
Camden City	Trenton City	None
CAPE MAY	MIDDLESEX	UNION
None	Carteret Borough New Brunswick City Perth Amboy City	Elizabeth City Hillside Township Plainfield City Roselle Borough
CUMBERLAND	MONMOUTH	WARREN
Vineland City Bridgeton City	Asbury Park City Kenansburg Borough Long Branch City Neptune Township	Phillipsburg Town
ESSEX	MORRIS	-----
Belleville Township Bloomfield Township East Orange City Irvington Township Montclair Township Newark City Orange Township	None	*These cities do not receive either Reallocated Present Need or Prospective Need
GLOUCESTER	OCEAN	
None	Lakewood Township	

NOTES

1. *Southern Burlington County NAACP v. The Township of Mount Laurel*, 67 N.J. 151, 336 A. 2d 713, Appeal Dismissed and Cert. Denied, 423 U.S. 808 (1975) (Mount Laurel I); *Southern Burlington County NAACP v. The Township of Mount Laurel*, 92 N.J. 158, 456 A.2d 390 (1983) (Mount Laurel II).
2. Fair Housing Act, Chapter 222 of the Laws of 1985; *Hills Development Corp. v. Township of Bernards*, Docket No. A-122-85 (N.J. Sup. Ct., February 20, 1986) (Mount Laurel III).
3. *Ibid.*
4. U.S. Department of Commerce, Bureau of the Census, *The 1980 Census of Population and Housing, Public Use Sample: New Jersey* (Washington, D.C.: U.S. Government Printing Office, 1982).
5. United States Housing Act of 1937 (42 U.S.C. 1401 et seq.), Section 3(b)(2).
6. U.S. Department of Commerce, Bureau of the Census, *The 1980 Census of Population and Housing, Public Use Sample: New Jersey*.
7. 42 U.S.C. 1401, Section 3(b)(2).
8. See, for example, U.S. Bureau of the Census, *Measuring the Quality of Housing: An Appraisal of Census Statistics and Methods* (Washington, D.C.: Government Printing Office, 1967); and U.S. Bureau of the Census, *A Preliminary Look at the Results of the Five City Survey* (Washington, D.C., July 9, 1975).
9. W. Patrick Beaton, "The Use of Combinatorial Indices in Housing Quality Specification." Paper presented to the October 1984 meeting of the ACSF Conference, New York. W. Patrick Beaton, "Quality Judgments, Quality Analysis, and Housing Policy Analysis" (unpublished paper). Beaton's data are derived from the probabilities of the *Five City Study* (see Note 8).
10. Robert W. Burchell et al., *Mount Laurel II: Challenge and Delivery of Low-Cost Housing* (New Brunswick, NJ: Center for Urban Policy Research, 1983), p. 112.
11. *Ibid.*, Chapter 2, Appendix I, p. 141; Beaton, "The Use of Combinatorial Indices in Housing Quality Specification."
12. U.S. Department of Commerce, Bureau of the Census, *The 1980 Census of Population and Housing, Public Use Sample: New Jersey*.
13. U.S. Department of Commerce, Bureau of the Census, *The 1980 Census of Population and Housing* (Washington, D.C.: U.S. Government Printing Office, 1982).
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15. See, for example, New Jersey Department of Community Affairs, Division of State and Regional Planning, *A Revised Statewide Housing Allocation Report for New Jersey* (Trenton, NJ: Division of State and Regional Planning, 1978).

16. State of New Jersey, Department of Labor, Division of Planning and Research, Office of Demographic and Economic Analysis, *Population Estimates for New Jersey, July 1, 1984* (Trenton, NJ: Division of Planning and Research, September 1985).
17. State of New Jersey, Department of Health, *New Jersey State and County Population Estimates by Age, Sex, and Race* (Trenton, NJ: Center for Health Statistics, October 1985).
18. State of New Jersey, Department of Labor, Division of Planning and Research, Office of Demographic and Economic Analysis, *Population Projections — New Jersey and Counties: 1990 to 2020* (Trenton, NJ: Division of Planning and Research, November 1985).
19. U.S. Department of Commerce, Bureau of the Census, *The 1980 Census of Population and Housing, Public Use Sample, New Jersey*.
20. For discussion of fair share allocation criteria, see New Jersey Department of Community Affairs, "Fair Housing Act Issue Papers" (Trenton, NJ: Division of Housing and Development, January 10, 1986); New Jersey Department of Community Affairs, *Mount Laurel II: Methods of Calculating Municipal Fair Share* (Trenton, NJ: Division of Housing and Development, undated); David Listokin, *Fair Share Housing Allocation* (New Brunswick, NJ: Center for Urban Policy Research, 1976); Mary Prooko, *Lower Income Housing: The Planner's Response* (Chicago: American Society of Planning Officials, 1972); and Robert W. Burchell et al., *Mount Laurel II: Challenge and Delivery of Low-Cost Housing*, Chapter 7.
21. State of New Jersey, Department of Labor, Division of Planning and Research, Office of Demographic and Economic Analysis, *New Jersey Covered Employment Trends* (series).
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25. State of New Jersey, Department of Community Affairs, *A Revised Statewide Housing Allocation Report for New Jersey*; see also, Carla L. Lerman et al., "Fair Share Report — Urban League of Greater New Brunswick v. Carter et al."
26. Lerman et al., "Fair Share Report — Urban League of Greater New Brunswick v. Carter et al.," p. 14.
27. State of New Jersey, Department of Community Affairs, Division of Local Government Services, *Forty-Seventh Annual Report of the Division of Local Government Services — 1984 — Statements of Financial Condition of Counties and Municipalities* (Trenton, NJ: Division of Local Government, 1985).
28. See Robert W. Burchell and David Listokin, *The Adaptive Reuse Handbook* (New Brunswick, NJ: Center for Urban Policy Research, 1981), Chapter 1, "Property Abandonment in the United States."
29. Center for Urban Policy Research, analysts, *American (Annual) Housing Survey 1974-1983 — Metropolitan Areas of New Jersey* (see Note 33 for citation of *American (Annual) Housing Survey*).
30. State of New Jersey, Department of Labor, Division of Planning and Research, *Residential Building Permits* (series — annual and monthly).
31. *Ibid.*
32. See, for example, J.B. Launing et al., "New Homes and Poor People — Study of Chains of Moves," *Geographical Analysis*, Vol. 6, No. 1 (1974), pp. 95-99; P.S. Kristof, "Federal Housing Policies — Subsidized Production, Filtration, and Objectives," *Land Economics*, Vol. 49, No. 2 (1983), pp. 163-174.
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34. Center for Urban Policy Research, analysts of *American (Annual) Housing Survey — 1974-1983 — Metropolitan Areas of New Jersey* (see Note 33).
35. *Ibid.*
36. U.S. Department of Housing and Urban Development, "Additions to the Housing Supply by Means Other Than New Construction" (December 1983). Paper prepared by the Division of Housing and Demographic Analysis, Office of Policy Development and Research.
37. *Ibid.*
38. See Note 29.
39. U.S. Department of Housing and Urban Development, "Additions to the Housing Supply by Means Other Than New Construction."
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**APPENDIX B**

Exhibit 1 - Base Data, Municipal Determination of Pre-Credited Need

Exhibit 2 - Base Data by Housing Region

**MUNICIPAL DETERMINATION OF  
PRE-CREDITED NEED**

**(EXHIBIT 1 — BASE DATA)**

**1 May 1986**



EXHIBIT 1  
NEW JERSEY  
COUNCIL ON AFFORDABLE HOUSING  
BASE DATA FOR MUNICIPAL LOW & MODERATE INCOME  
HOUSING NEED CALCULATION  
01 MAY 88

PAGE 1

COUNTY	NAME	SUBREG MULTI INDEX NEED (1)	MUNIC SINGLE INDEX NEED (2)	SUBREG SINGLE INDEX NEED (3)	1987 OCCUPIED HOUSING EST (4)	% REG GROWTH AREA (5)	% REG EMPLOY MENT (6)	% REG AGGREG INCOME (7)	% REG EMPLOY CHANGE (8)	PRES NEED REALLO FACTOR (9)	PROS NEED ALLOCA FACTOR (10)	LOW-MOD INCOME SUBREG PERCENT (11)
	WESTWOOD BORO	511	114	1190	4070	852	1 013	939	1 104	915	977	23 1
	WOODCLIFF LAKE BORO	511	9	1190	1708	1 331	379	734	1 508	811	946	23 1
	WOOD-RIDGE BORO	1374	48	1767	2877	391	437	688	1 128	498	192	39 1
	WYCKOFF TWP	345	49	701	5040	2 379	677	1 834	1 323	1 630	1 583	14 1
BURLINGTON												
	BASS RIVER TWP	832	45	1975	543			198	587	181	282	46 2
	BEVERLY CITY	718	80	1327	1255	084	262	387	1 089	277	185	36 4
	BORDENTOWN CITY	718	102	1327	1839	147	296	387	1 369	812	951	36 4
	BORDENTOWN TWP	718	55	1327	2888	985	821	630	1 501	812	951	36 4
	BURLINGTON CITY	718	197	1327	4019	538	1 028	761	1 501	776	457	36 4
	BURLINGTON TWP	718	179	1327	4112	2 221	2 795	922	4 774	1 739	2 483	36 4
	CHESTERFIELD TWP	832	29	1975	832	281	388	307	406	226	271	46 2
	CINNABINSON TWP	718	85	1327	4889	1 184	1 541	1 634	2 282	1 453	1 612	36 4
	DELANCO TWP	718	25	1327	1361	338	292	270	071	300	243	36 4
	DELANO TWP	718	128	1327	5050	1 081	885	1 283	2 008	1 076	1 309	36 4
	EASTAMPTON TWP	832	40	1975	1578	594	033	361	060	329	282	46 2
	EDGEWATER PARK TWP	718	88	1327	3578	447	257	829	1 474	511	265	36 4
	EVESSHAM TWP	323	82	984	11379	2 125	1 934	2 448	4 882	2 169	2 847	23 3
	FIELDSBORO BORO	718	8	1327	194	047	025	041	1 195	038	020	36 4
	FLORENCE TWP	718	127	1327	3723	1 509	501	731	1 454	914	1 049	36 4
	HAINESPORT TWP	832	57	1975	1248	1 029	294	243	077	522	372	46 2
	LUMBERTON TWP	832	87	1975	2139	739	199	442	051	480	332	46 2
	MANSFIELD TWP	832	52	1975	1130	1 134	193	274	367	520	482	46 2
	MAPLE SHADE TWP	323	199	984	9024	582	1 268	1 727	2 018	1 192	1 398	23 3
	MEDFORD TWP	323	125	984	7084	2 022	1 228	2 053	2 908	1 243	2 052	23 3
	MEDFORD LAKES BORO	323	48	984	984	178	028	528	005	243	184	23 3
	MOORESTOWN TWP	323	63	984	5988	2 374	4 685	2 039	5 320	3 033	3 804	23 3
	MOUNT HOLLY TWP	832	212	1975	3910	455	1 557	647	1 007	1 057	1 044	46 2
	MOUNT LAUREL TWP	323	144	984	8922	3 464	1 940	2 244	3 575	2 549	2 806	23 3
	NEW HAMOVER TWP	832	73	1975	1183							46 2
	NORTH HAMOVER TWP	832	138	1975	3205							46 2
	PALMYRA BORO	718	80	1327	3295	300	374	632	384	438	422	36 4
	REMBERTON BORO	832	23	1975	468							46 2
	REMBERTON TWP	832	708	1975	10383							46 2
	RIVERSIDE TWP	718	142	1327	3060	241	651	579	1 909	490	140	36 4
	RIVERTON BORO	718	49	1327	1147	109	282	312	1 312	228	093	36 4
	SHAMONG TWP	832	67	1975	1584	298	084	394	016	352	193	46 2
	SOUTHAMPTON TWP	832	84	1975	3942	219	381	788	291	462	419	46 2
	SPRINGFIELD TWP	832	61	1975	1001	530	070	221	138	274	240	46 2
	TABERNACLE TWP	832	99	1975	2132	613	079	517	262	403	368	46 2
	WASHINGTON TWP	832	45	1975	300							46 2
	WESTAMPTON TWP	832	35	1975	2911	1 726	204	377	1 212	789	523	46 2
	WILLINGBORO TWP	323	322	984	11538	1 188	1 150	3 193	415	1 844	1 279	23 3
	WOODLAND TWP	832	60	1975	408							46 2
	WRIGHTSTOWN BORO	832	78	1975	1032							46 2

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CAMDEN												
	AUDUBON BORO	508	46	1072	3724	231	495	761	1 237	496	313	42 3
	AUDUBON PARK BORO	508	18	1072	509	023	003	087	1 025	038	022	42 3
	BARRINGTON BORO	508	131	1072	2826	249	468	603	1 279	439	010	42 3
	BELLMAWR BORO	508	174	1072	4626	488	918	975	1 787	787	781	42 3
	BERLIN BORO	718	55	1553	1930	557	921	507	2 331	662	079	38 5
	BERLIN TWP	718	57	1553	1785	511	336	391	1 233	413	251	38 5
	BROOKLAWN BORO	508	15	1072	800	077	178	149	232	134	159	42 3
	CAMDEN CITY	3730	3288	3594	27693							63 2
	CHERRY HILL TWP	445	345	871	25222	7 791	12 598	8 074	21 297	8 130	11 422	30 1
	CHESTERMIST BORO	718	26	1553	485	289	309	098	001	125	094	38 5
	CLEMENTON BORO	718	81	1553	2282	299	473	420	469	397	414	38 5
	COLLINGSWOOD BORO	445	205	871	8685	291	691	1 328	619	770	732	30 1
	GIBBSBORO BORO	718	22	1553	785	338	431	187	1 058	318	503	38 5
	GLOUCESTER TWP	718	325	1553	17476	3 619	427	3 894	1 032	2 980	2 493	38 5
	GLOUCESTER CITY CITY	508	209	1072	4831	363	444	821	1 796	542	208	42 3
	HADDON TWP	445	98	871	6455	421	825	1 514	068	920	707	38 5
	HADDONFIELD BORO	508	44	1072	4634	435	548	1 638	2 781	1 207	1 500	42 3
	HADDON HEIGHTS BORO	508	79	1072	3184	247	357	776	069	460	262	42 3
	HI-NELLA BORO	718	20	1553	501	036	018	089	059	048	021	38 5
	LAUREL SPRINGS BORO	718	31	1553	801	070	162	186	103	140	130	38 5
	LAWNSIDE BORO	508	78	1072	1070	224	313	219	156	252	150	42 3
	LINDENWOLD BORO	718	239	1553	8107	597	590	1 472	774	673	449	38 5
	MAGNOLIA BORO	508	39	1072	1705	153	216	353	214	241	234	42 3
	MERCHANTVILLE BORO	3730	40	3594	1623	095	232	370	187	232	128	63 2
	MOUNT EPHRAIM BORO	508	41	1072	1931	141	271	362	537	258	328	42 3
	OAKLYN BORO	508	38	1072	1841	099	206	359	083	221	181	42 3
	PENNSAUKEN TWP	3730	265	3594	12207	1 651	6 437	2 732	2 603	3 607	3 155	42 3
	PINE HILL BORO	718	134	1553	3834	621	082	651	040	451	349	38 5
	PINE VALLEY BORO	718	0	1553	11	147	020	008	023	058	150	38 5
	RUNKEMEDE BORO	508	93	1072	3408	313	449	661	234	474	414	42 3
	SOMERDALE BORO	508	68	1072	2093	213	580	440	2 113	411	936	42 3
	STRATFORD BORO	718	67	1553	2680	249	694	821	856	521	675	38 5
	TAVISTOCK BORO	508	0	1072	4	042	043	201	130	029	147	42 3
	VOORHEES TWP	718	80	1553	9201	1 818	2 119	2 011	2 819	1 982	2 191	38 5
	WATERFORD TWP	718	75	1553	3114	144	402	626	118	597	473	38 5
	WINSLOW TWP	718	348	1553	8232	3 395	768	1 584	582	916	121	38 5
	WOOLLYANE BORO	445	25	871	970	034	020	183	1 074	272	161	30 1
CAPE MAY												
	AVALON BORO	2377	38	3397	1287	1 244	785	888	520	966	854	4 1
	CAPE MAY CITY	2377	72	3397	2072	829	1 734	1 393	1 533	1 252	1 322	4 1
	CAPE MAY POINT BORO	377	10	3757	172	074	007	082	070	044	048	4 1
	CAPE MAY TWP	2377	181	3397	1749	10 047	372	1 063	482	3 821	2 981	4 1

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	LOWER TWP	2377	429	3357	6913	1 387	1 108	4 405	4 483	4 300	3 104	41 9
	MIDDLE TWP	2377	312	3357	4220	1 344	2 870	2 997	1 760	5 020	5 432	41 9
	NORTH WILWOOD CITY	2377	125	3357	2665	421	1 507	1 227	1 662	1 752	1 204	41 9
	OCEAN CITY CITY	2377	224	3357	7348	1 445	2 993	5 346	2 375	3 261	3 040	41 9
	SEA ISLE CITY CITY	2377	37	3357	592	592	526	976	447	598	625	41 9
	STONE HARBOR BORO	2377	29	3357	925	307	537	454	208	433	377	41 9
	UPPER TWP	2377	159	3357	2739	1 254	1 039	2 173	1 705	3 488	2 197	41 9
	WEST CAPE MAY BORO	2377	40	3357	498	322	035	303	125	220	134	41 9
	WEST WILWOOD BORO	2377	13	3357	145	049	030	069	068	073	072	41 9
	WILWOOD CITY	2377	214	3357	2272	1 278	1 585	966	2 206	1 409	1 155	41 9
	WILWOOD CREST BORO	2377	75	3357	1827	255	1 353	1 198	704	936	879	41 9
	WOODBINE BORO	2377	54	3357	552	1 579	208	387	483	125	444	41 9

CUMBERLAND

	BRIDGETON CITY	2287	512	3442	7014							45 2
	COMMERCIAL TWP	2287	288	3442	1690							45 2
	DEERFIELD TWP	2287	58	3442	914	091	494	583	1 020	389	547	45 2
	DOWNE TWP	2287	116	3442	745							45 2
	FAIRFIELD TWP	2287	193	3442	1869	561	125	1 060	1 767	582	245	45 2
	GREENWICH TWP	2287	41	3442	347							45 2
	HOPEWELL TWP	2287	54	3442	1455	772	049	1 129	1 005	550	486	45 2
	LAWRENCE TWP	2287	102	3442	808							45 2
	MAURICE RIVER TWP	2287	182	3442	1268							45 2
	MILLVILLE CITY	2287	483	3442	9658	10 656	5 425	6 203	3 224	1 761	5 014	45 2
	SMILON BORO	2287	11	3442	220							45 2
	STON CREEK TWP	2287	44	3442	492							45 2
	UPPER DEERFIELD TWP	2287	106	3442	2499	1 212	555	1 752	204	1 173	931	45 2
	VINELAND CITY	2287	1244	3442	18275							45 2

ESSEX

	BELLEVILLE TWP	2045	614	2189	13798							38 5
	BLOOMFIELD TWP	2045	616	2189	18852							38 5
	CALDWELL TWP	208	84	469	3085	337	529	753	717	540	594	20 7
	CEDAR GROVE TWP	208	39	469	4179	1 284	850	1 126	251	1 080	873	20 7
	EAST ORANGE CITY	2016	2987	4656	26957							54 0
	FAIRFIELD TWP	208	10	469	733	365	051	388	041	268	211	20 7
	ESSEX FELLS TWP	208	30	469	2421	1 450	4 274	730	5 801	2 151	3 064	20 7
	GLEN RIDGE TWP	2045	50	2189	2564	365	198	908	007	478	359	38 5
	IRVINGTON TOWN	2377	2006	2300	24881							47 9
	LIVINGSTON TWP	208	71	469	8916	3 932	3 846	3 593	4 418	3 790	3 947	20 7
	MAPLEWOOD TWP	2317	172	2300	8188	1 123	1 364	2 390	1 370	1 626	1 127	47 9
	MILLBURN TWP	208	62	469	7115	2 809	2 320	3 752	2 795	2 960	2 919	20 7
	MONTECLAIR TWP	2045	610	2189	14680							38 5
	NEWARK CITY	15735	18505	18505	107584							63 3
	NORTH CALDWELL TWP	208	9	469	1895	815	141	762	030	573	437	20 7

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	NUTLEY TWP	2045	300	2189	10884	955	2 595	2 528	1 051	2 022	1 504	38 5
	CITY OF ORANGE - TWP	3016	1292	4656	12457							54 0
	ROSELAND BORO	208	17	469	1927	983	1 478	651	4 399	991	1 843	20 7
	SOUTH ORANGE VILLAGE TWP	2317	122	2300	5245	759	1 301	2 096	874	1 385	1 257	47 9
	VERONA TWP	208	94	469	5484	786	640	1 821	643	1 015	929	20 7
	WEST CALDWELL TWP	208	33	469	3720	1 208	1 523	1 211	1 916	1 314	1 439	20 7
	WEST ORANGE TWP	3016	381	4656	14670	3 398	3 260	4 185	4 677	3 615	3 890	54 0

GLOUCESTER

	CLAYTON BORO	2107	107	2622	2051	423	216	387	212	409	340	41 7
	DEPTFORD TWP	2107	378	2622	8226	2 749	1 700	1 785	2 599	2 709	2 208	41 7
	EAST GREENWICH TWP	2107	48	2622	1545	872	152	351	070	192	411	41 7
	ELK TWP	2107	79	2622	1172	906	096	231	419	411	413	41 7
	FRANKLIN TWP	2107	287	2622	4681							41 7
	GLASSBORO BORO	2107	250	2622	4950	1 092	1 132	902	2 142	1 742	317	41 7
	GREENWICH TWP	2107	43	2622	1865	1 478	526	448	957	817	692	41 7
	HARRISON TWP	2107	60	2622	1382	261	203	306	557	257	372	41 7
	LOGAN TWP	2107	52	2622	1327	3 462	476	275	912	1 458	1 311	41 7
	MANTUA TWP	2107	113	2622	3718	1 455	441	739	692	1 785	244	41 7
	MONROE TWP	2107	296	2622	1830	2 593	815	1 557	1 176	1 652	1 920	41 7
	NATIONAL PARK BORO	2107	53	2622	1134	156	033	207	063	122	115	41 7
	NEWFIELD BORO	2107	19	2622	539	327	739	445	1 644	507	308	41 7
	PAULSBORO BORO	2107	143	2622	2155	327	739	445	1 644	507	308	41 7
	PITMAN BORO	2107	77	2622	1556	253	919	770	1 600	681	360	41 7
	SOUTH HARRISON TWP	2107	30	2622	583							41 7
	SWEDESBO BORO	2107	69	2622	772	120	170	146	393	312	265	41 7
	WASHINGTON TWP	2107	142	2622	1117	2 046	1 076	2 536	1 481	2 219	2 336	41 7
	WENONAH BORO	2107	14	2622	925	155	080	241	153	160	082	41 7
	WEST DEPTFORD TWP	2107	137	2622	1190	2 530	1 090	1 577	659	1 732	1 464	41 7
	WESTVILLE BORO	2107	40	2622	1907	189	685	345	618	306	489	41 7
	WOODBURY CITY	2107	152	2622	3949	333	1 956	851	1 744	1 047	1 211	41 7
	WOODBURY HEIGHTS BORO	2107	20	2622	1092	192	301	271	223	255	212	41 7
	WOOLWICH TWP	2107	39	2622	445	1 140	091	096	110	642	526	41 7

HUDSON

	BAYONNE CITY	3970	1978	3450	25759							53 4
	EAST NEWARK BORO	3970	74	3450	675	036	278	103	114	139	176	53 4
	GUTTENBERG TOWN	15084	277	10252	7281	771	344	775	771	391	430	63 3
	HARRISON TOWN	3970	489	3450	4753	426	1 089	742	1 432	152	226	53 4
	HOBOKEN CITY	15084	3127	10252	16036							63 3
	JERSEY CITY CITY	14356	10765	10765	80987							63 3
	KEARNY TOWN	3970	75	3450	13212	2 817	3 110	2 296	10 66	2 741	509	53 4
	NORTH BERGEN TWP	15084	1770	10252	14881							63 3
	SECAUCUS TOWN	3970	184	3450	8294	1 331	5 445	1 749	15 808	2 703	4 947	63 4
	UNION CITY CITY	15084	3061	10252	20755							63 3



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													1987 GROWTH AREA (5)	% REG EMPLOY MENT (6)	% REG AGGREG INCOME (7)	% REG EMPLOY CHANGE (8)	PRES NEED FACTOR (9)	PROG NEED FACTOR (10)
	FREEHOLD TWP	230	94	1079	7030	4.44	4.336	2.850	4.894	3.879	4.171	31.1						
	HAZLET TWP	1254	138	1518	7175	1.89	1.842	2.855	2.471	1.362	2.790	31.5						
	HIGHLANDS BORO	1254	94	1518	2378	.78	4.458	.72	4.04	4.45	4.48	31.6						
	HOLMDEL TWP	1254	25	1518	3211	.78	5.535	2.074	3.019	3.132	3.174	31.6						
	HOWELL TWP	230	335	1079	11205	5.802	2.016	3.145	2.738	3.721	3.476	31.7						
	INTERLAKEN BORO	1498	5	2315	396	.08	.010	.199	.003	.096	.073	42.3						
	KEANSBURG BORO	1254	274	1518	3516							31.8						
	KEYSBORO BORO	1254	151	1518	3122	.29	.991	.776	1.381	4.89	1.71	31.8						
	LITTLE SILVER BORO	871	23	1448	1948	.99	4.54	1.106	1.011	.785	.841	42.0						
	LOCH ARBOUR VILLAGE	1498	3	2315	127	.02	.030	.068	-.047	.040	.018	42.0						
	LONG BRANCH CITY	871	818	1448	12908							42.0						
	MANALAPAN TWP	230	155	1079	7639	3.079	1.257	3.273	1.193	2.976	2.201	31.7						
	MANASQUAN BORO	1498	97	2315	2256	.29	1.282	1.717	1.514	.768	.493	42.3						
	MARLBORO TWP	230	78	1079	8377	4.768	1.906	3.431	4.478	3.369	3.645	31.7						
	MATAWAN BORO	1254	55	1518	3183	.48	4.415	1.235	1.122	1.247	1.283	31.8						
	MIDDLETOWN TWP	1254	173	1518	23133	8.462	4.588	10.375	4.819	7.908	7.260	31.9						
	HILLSTONE TWP	230	93	1079	1410							31.9						
	MONMOUTH BEACH BORO	871	19	1448	1511	.24	.225	.834	.478	.431	.437	42.3						
	NEPTUNE TWP	1498	559	2315	10704							42.3						
	NEPTUNE CITY BORO	1498	58	2315	2287	.91	1.027	.881	-.694	.630	.701	42.3						
	OCEAN TWP	1498	125	2315	9213	2.378	8.367	3.807	12.697	4.117	5.262	42.3						
	OCEANPORT BORO	871	23	1448	2113	.658	1.137	.843	1.204	8.79	1.608	40.0						
	RED BANK BORO	871	225	1448	5004	.372	5.604	1.809	5.283	2.528	3.217	40.0						
	ROCKEVELT BORO	230	13	1079	325							40.0						
	RUMSON BORO	871	44	1448	2828	1.104	.488	1.949	.392	1.180	.983	40.0						
	SEA BRIGHT BORO	871	31	1448	1116	.12	.352	.388	.249	.282	.274	40.0						
	SEA GIRT BORO	1498	5	2315	1058	.22	.372	.554	.197	.383	.336	42.3						
	SHREWSBURY BORO	871	14	1448	1097	.488	1.450	.492	1.343	8.10	.943	40.0						
	SHREWSBURY TWP	871	27	1448	556	.079	.189	1.02	.286	1.03	1.44	40.0						
	SOUTH BELMAR BORO	1498	34	2315	683	.042	.105	.171	.204	1.08	1.30	42.3						
	SPRING LAKE BORO	1498	37	2315	1575	.276	.548	.752	.719	.525	.574	42.3						
	SPRING LAKE HEIGHTS BORO	1498	34	2315	2782	.276	.569	.845	.765	.583	.614	42.3						
	TINTON FALLS BORO	871	70	1448	3298	1.255	2.279	1.159	4.999	1.564	2.423	40.0						
	UNION BEACH BORO	1254	118	1518	2126	.382	.430	.598	-.044	.470	.341	31.9						
	UPPER FREEHOLD TWP	230	47	1079	1051							31.9						
	WALL TWP	1498	191	2315	7350	3.888	2.898	2.598	4.309	3.061	3.373	42.3						
	WEST LONG BRANCH BORO	871	23	1448	2538	.601	1.193	1.058	1.477	1.150	1.232	40.0						

MORRIS

BOONTON TOWN	280	177	798	3255	680	622	705	-.246	869	440	23.8
BOONTON TWP	280	63	798	1242	1.049	.253	.406	1.144	.569	.141	27.6
BUTLER BORO	418	84	1448	2672	.593	.323	.600	-.598	.492	.220	29.4
CHATHAM BORO	537	36	741	3315	.680	.810	1.081	.663	.784	.704	24.1
CHATHAM TWP	537	20	741	3558	1.244	.247	1.184	.743	.863	.808	24.1
CHESTER BORO	769	13	1211	497							28.2
CHESTER TWP	769	50	1211	1819							28.2

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COUNTY	NAME	SUBREG MULTI INDEX (1)	MUNIC SINGLE INDEX (2)	SUBREG SINGLE INDEX (3)	1987 OCCUPIED HOUSING EST. (4)	% REG GROWTH AREA (5)	% REG EMPLOY MENT (6)	% REG AGGREG INCOME (7)	% REG EMPLOY CHANGE (8)	PRES NEED FACTOR (9)	PROG NEED FACTOR (10)	LOW MOO INCOME SUBREG PERCENT (11)						
													1987 GROWTH AREA (5)	% REG EMPLOY MENT (6)	% REG AGGREG INCOME (7)	% REG EMPLOY CHANGE (8)	PRES NEED FACTOR (9)	PROG NEED FACTOR (10)
	DENVILLE TWP	418	112	1448	4917	3.533	1.245	1.369	2.748	2.049	2.229	29.4						
	DOVER TOWN	769	350	1211	5322	.705	1.434	1.101	1.106	1.080	.534	28.2						
	EAST HANOVER TWP	280	50	798	2958	1.875	2.289	.949	3.479	1.659	2.113	27.6						
	ELDHAM PARK BORO	537	1	741	7039	2.106	2.584	1.181	5.429	1.324	2.900	24.1						
	HANDLER TWP	280	40	798	3931	3.033	3.047	1.198	2.042	2.422	2.592	27.6						
	HARDING TWP	537	1	741	3115	1.353	.238	.911	1.014	.974	.879	24.1						
	JEFFERSON TWP	418	391	1448	5905	.056	2.13	1.305	.296	.626	.418	29.4						
	KINNEON BORO	418	58	1448	2672	.493	.182	.985	.142	.547	.446	29.4						
	LINCOLN PARK BORO	418	80	1448	3893	1.138	.387	.884	1.183	.716	.507	29.4						
	LINCOLN BORO	537	108	741	5384	1.190	1.088	1.750	1.269	1.339	1.322	24.1						
	MANORAH BORO	537	23	741	1748							24.1						
	MANORAH TWP	537	33	741	1624	.048	.055	.703	.034	.269	.210	24.1						
	NINE HILL TWP	769	30	1211	829	.029	.032	.277	.087	.379	.104	28.2						
	MONTVILLE TWP	280	38	798	4835	2.751	1.322	1.562	2.772	1.878	2.172	27.6						
	MORRIS TWP	537	98	741	7245	3.039	1.471	2.584	.587	2.165	1.921	24.1						
	MORRIS PLAINS BORO	537	24	741	1831	.700	1.369	.628	3.383	1.105	1.820	24.1						
	MORRISTOWN TOWN	537	349	741	7156	.873	4.305	1.587	11.712	2.998	5.102	24.1						
	MOUNTAIN LAKES BORO	280	9	798	1239	.815	.205	.811	.187	.514	.453	27.6						
	MOUNT ARLINGTON BORO	769	37	1211	1452	.190	.031	.352	.209	.141	.145	28.2						
	MOUNT OLIVE TWP	769	165	1211	6847	1.629	.592	1.648	1.279	1.217	1.117	28.2						
	NETcong BORO	769	35	1211	1280		.253	1.179	.284	1.272	.192	28.2						
	PASSICUMP-TROY HILLS TWP	280	360	798	18470	6.070	5.581	4.689	13.936	5.474	7.574	27.6						
	PASSAIC TWP	537	35	741	2717	2.340	.331	.817	1.911	1.161	.919	24.1						
	PEELANOCK TWP	418	65	1448	4394	1.678	.980	1.269	1.079	1.216	1.226	29.4						
	RANDOLPH TWP	769	180	1211	5728	4.000	.942	1.986	2.183	2.178	2.163	28.2						
	RIERDALE BORO	418	34	1448	877	.525	.285	.207	.124	.713	.288	29.4						
	ROCKAWAY BORO	418	77	1448	2448	.562	.562	.616	.911	.640	.529	29.4						
	ROCKAWAY TWP	418	191	1448	6775	2.896	1.714	1.875	4.111	2.148	2.174	29.4						
	ROXBURY TWP	769	194	1211	6460	4.473	1.162	1.709	1.111	2.448	2.111	28.2						
	VICTORY GARDENS BORO	769	32	1211	407	.056	.005	.079	.708	.741	.701	28.2						
	WASHINGTON TWP	769	124	1211	4799	.198	.251	1.255	.362	.568	.617	28.2						
	WHARTON BORO	418	19	1448	1976	.548	.478	.477	.129	.501	.419	29.4						

OCEAN

BARNEGAT TWP	859	122	2258	3758	3.541	.297	.864	.612	1.567	.123	.621	50.7
BARNEGAT LIGHT BORO	943	14	2258	405	.149	.161	.112	.142	.141	.141	.141	50.7
BAY HEAD BORO	710	9	2181	585	.127	.138	.221	.150	.161	.161	.161	46.6
BEACH HAVEN BORO	859	26	2258	942	2.12	.558	.287	.077	.346	.263	.671	50.7
BEACHWOOD BORO	859	86	2258	2646	.583	.274	.759	1.10	.519	.472	.571	50.7
BERKELEY TWP	859	259	2258	15928	5.573	.922	2.833	.738	3.116	2.527	3.116	50.7
BRICK TWP	730	494	2181	24040	5.544	4.201	6.634	1.819	5.460	4.582	4.582	46.6
DOVER TWP	730	537	2181	25834	8.838	11.897	7.969	10.933	3.568	3.909	4.616	46.6
EAGLESWOOD TWP	859	28	2258	399							.571	50.7
HARVEY CEDARS BORO	859	1	2258	297	.117	.087	.055	.039	.079	.049	.049	50.7
ISLAND HEIGHTS BORO	730	19	2181	631	.127	.059	.179	.028	.122	.038	.038	46.6
JACKSON TWP	859	380	2258	8654	2.668	2.347	2.875	2.892	2.529	2.895	.671	50.7



EXHIBIT 1  
COUNCIL ON AFFORDABLE HOUSING  
NEW JERSEY  
BASE DATA FOR MUNICIPAL LOW & MODERATE INCOME  
HOUSING NEED CALCULATION  
MAY 88

Table with columns: COUNTY, NAME, SUBREG MUNIC, SUBREG OCCUPIED BORO, AREA HOUSING, INCOME CHANGE, NEED, INDEX, NEED, SUBREG, FACTOR, PERCENT. Includes rows for Salem and Essex counties.

Table with columns: COUNTY, NAME, SUBREG MUNIC, SUBREG OCCUPIED BORO, AREA HOUSING, INCOME CHANGE, NEED, INDEX, NEED, SUBREG, FACTOR, PERCENT. Includes rows for Somerset and Sussex counties.

COUNTY NAME

SUSSEX

SOMERSET

SALEM

ESSEX

COUNTY	NAME	1987	% REG	% AGG	% EMPLOY	AGGREG EMPLOY	CHANGE	NEED	NEED	NEED	
BARREN	BECKLEY HEIGHTS TWP	1162	24	1549	1912	1528	1907	1585	1172	1379	1372
	CLARK TWP	79	45	5740	1272	659	1551	101	494	1095	1095
	CRAWFORD TWP	79	121	925	844	378	2082	160	247	2400	2400
	ELLIZABETH CITY	309	4463	4035							
	FANWOOD BOBO	162	20	1449	2581	382	773	345	479	445	445
	GABWOOD BOBO	79	53	129							
	HILLSIDE TWP	667	448	1947	1332						
	KENTWOOD BOBO	667	448	1947	1332						
	LINCOLN CITY	667	96	1947	2828	1885	1132	292	1021	839	839
	MOUNTAINSIDE BOBO	667	699	1947	15089	3075	5999	2898	991	2447	2447
	MOUNTAINSIDE BOBO	79	9	925	2441	152	312	979	148	982	982
	NEW PROVIDENCE BOBO	1162	44	1549	1342	932	2591	1470	2779	1888	1946
	PLAINFIELD CITY	1162	1201	1549	15951						
	RAMWAY CITY	79	479	925	10122	1223	2781	2099	865	2001	1717
	ROSELLE BOBO	667	308	1947	7863						
	ROSELLE PARK BOBO	667	141	1947	5141	525	1082	198	657	532	532
SCOTCH PLAINS TWP	667	101	1949	7581	2584	782	2387	921	1917	1668	
SPRINGFIELD TWP	79	83	925	8307	1460	1973	1400	1804	833	833	
SUMMIT CITY	79	182	1999	1549	1885	2780	3002	2440	2582	2547	
UNION TWP	667	307	1947	18707	1828	5228	4360	113	4968	2454	
WESTFIELD TOWN	667	156	925	10714	1828	5228	4360	113	4968	2454	
WINDFIELD TWP	79	28	925	712	1048	808	123	822	860	860	
UNION	BECKLEY HEIGHTS TWP	1162	24	1549	1912	1528	1907	1585	1172	1379	1372
	CLARK TWP	79	45	5740	1272	659	1551	101	494	1095	1095
	CRAWFORD TWP	79	121	925	844	378	2082	160	247	2400	2400
	ELLIZABETH CITY	309	4463	4035							
	FANWOOD BOBO	162	20	1449	2581	382	773	345	479	445	445
	GABWOOD BOBO	79	53	129							
	HILLSIDE TWP	667	448	1947	1332						
	KENTWOOD BOBO	667	448	1947	1332						
	LINCOLN CITY	667	96	1947	2828	1885	1132	292	1021	839	839
	MOUNTAINSIDE BOBO	667	699	1947	15089	3075	5999	2898	991	2447	2447
	MOUNTAINSIDE BOBO	79	9	925	2441	152	312	979	148	982	982
	NEW PROVIDENCE BOBO	1162	44	1549	1342	932	2591	1470	2779	1888	1946
PLAINFIELD CITY	1162	1201	1549	15951							
RAMWAY CITY	79	479	925	10122	1223	2781	2099	865	2001	1717	
ROSELLE BOBO	667	308	1947	7863							
ROSELLE PARK BOBO	667	141	1947	5141	525	1082	198	657	532	532	
SCOTCH PLAINS TWP	667	101	1949	7581	2584	782	2387	921	1917	1668	
SPRINGFIELD TWP	79	83	925	8307	1460	1973	1400	1804	833	833	
SUMMIT CITY	79	182	1999	1549	1885	2780	3002	2440	2582	2547	
UNION TWP	667	307	1947	18707	1828	5228	4360	113	4968	2454	
WESTFIELD TOWN	667	156	925	10714	1828	5228	4360	113	4968	2454	
WINDFIELD TWP	79	28	925	712	1048	808	123	822	860	860	
BARREN	BECKLEY HEIGHTS TWP	1162	24	1549	1912	1528	1907	1585	1172	1379	1372
	CLARK TWP	79	45	5740	1272	659	1551	101	494	1095	1095
	CRAWFORD TWP	79	121	925	844	378	2082	160	247	2400	2400
	ELLIZABETH CITY	309	4463	4035							
	FANWOOD BOBO	162	20	1449	2581	382	773	345	479	445	445
	GABWOOD BOBO	79	53	129							
	HILLSIDE TWP	667	448	1947	1332						
	KENTWOOD BOBO	667	448	1947	1332						
	LINCOLN CITY	667	96	1947	2828	1885	1132	292	1021	839	839
	MOUNTAINSIDE BOBO	667	699	1947	15089	3075	5999	2898	991	2447	2447
	MOUNTAINSIDE BOBO	79	9	925	2441	152	312	979	148	982	982
	NEW PROVIDENCE BOBO	1162	44	1549	1342	932	2591	1470	2779	1888	1946
	PLAINFIELD CITY	1162	1201	1549	15951						
	RAMWAY CITY	79	479	925	10122	1223	2781	2099	865	2001	1717
	ROSELLE BOBO	667	308	1947	7863						
	ROSELLE PARK BOBO	667	141	1947	5141	525	1082	198	657	532	532
SCOTCH PLAINS TWP	667	101	1949	7581	2584	782	2387	921	1917	1668	
SPRINGFIELD TWP	79	83	925	8307	1460	1973	1400	1804	833	833	
SUMMIT CITY	79	182	1999	1549	1885	2780	3002	2440	2582	2547	
UNION TWP	667	307	1947	18707	1828	5228	4360	113	4968	2454	
WESTFIELD TOWN	667	156	925	10714	1828	5228	4360	113	4968	2454	
WINDFIELD TWP	79	28	925	712	1048	808	123	822	860	860	
BARREN	BECKLEY HEIGHTS TWP	1162	24	1549	1912	1528	1907	1585	1172	1379	1372
	CLARK TWP	79	45	5740	1272	659	1551	101	494	1095	1095
	CRAWFORD TWP	79	121	925	844	378	2082	160	247	2400	2400
	ELLIZABETH CITY	309	4463	4035							
	FANWOOD BOBO	162	20	1449	2581	382	773	345	479	445	445
	GABWOOD BOBO	79	53	129							
	HILLSIDE TWP	667	448	1947	1332						
	KENTWOOD BOBO	667	448	1947	1332						
	LINCOLN CITY	667	96	1947	2828	1885	1132	292	1021	839	839
	MOUNTAINSIDE BOBO	667	699	1947	15089	3075	5999	2898	991	2447	2447
	MOUNTAINSIDE BOBO	79	9	925	2441	152	312	979	148	982	982
	NEW PROVIDENCE BOBO	1162	44	1549	1342	932	2591	1470	2779	1888	1946
	PLAINFIELD CITY	1162	1201	1549	15951						
	RAMWAY CITY	79	479	925	10122	1223	2781	2099	865	2001	1717
	ROSELLE BOBO	667	308	1947	7863						
	ROSELLE PARK BOBO	667	141	1947	5141	525	1082	198	657	532	532
SCOTCH PLAINS TWP	667	101	1949	7581	2584	782	2387	921	1917	1668	
SPRINGFIELD TWP	79	83	925	8307	1460	1973	1400	1804	833	833	
SUMMIT CITY	79	182	1999	1549	1885	2780	3002	2440	2582	2547	
UNION TWP	667	307	1947	18707	1828	5228	4360	113	4968	2454	
WESTFIELD TOWN	667	156	925	10714	1828	5228	4360	113	4968	2454	
WINDFIELD TWP	79	28	925	712	1048	808	123	822	860	860	
UNION	BECKLEY HEIGHTS TWP	1162	24	1549	1912	1528	1907	1585	1172	1379	1372
	CLARK TWP	79	45	5740	1272	659	1551	101	494	1095	1095
	CRAWFORD TWP	79	121	925	844	378	2082	160	247	2400	2400
	ELLIZABETH CITY	309	4463	4035							
	FANWOOD BOBO	162	20	1449	2581	382	773	345	479	445	445
	GABWOOD BOBO	79	53	129							
	HILLSIDE TWP	667	448	1947	1332						
	KENTWOOD BOBO	667	448	1947	1332						
	LINCOLN CITY	667	96	1947	2828	1885	1132	292	1021	839	839
	MOUNTAINSIDE BOBO	667	699	1947	15089	3075	5999	2898	991	2447	2447
	MOUNTAINSIDE BOBO	79	9	925	2441	152	312	979	148	982	982
	NEW PROVIDENCE BOBO	1162	44	1549	1342	932	2591	1470	2779	1888	1946
	PLAINFIELD CITY	1162	1201	1549	15951						
	RAMWAY CITY	79	479	925	10122	1223	2781	2099	865	2001	1717
	ROSELLE BOBO	667	308	1947	7863						
	ROSELLE PARK BOBO	667	141	1947	5141	525	1082	198	657	532	532
SCOTCH PLAINS TWP	667	101	1949	7581	2584	782	2387	921	1917	1668	
SPRINGFIELD TWP	79	83	925	8307	1460	1973	1400	1804	833	833	
SUMMIT CITY	79	182	1999	1549	1885	2780	3002	2440	2582	2547	
UNION TWP	667	307	1947	18707	1828	5228	4360	113	4968	2454	
WESTFIELD TOWN	667	156	925	10714	1828	5228	4360	113	4968	2454	
WINDFIELD TWP	79	28	925	712	1048	808	123	822	860	860	
UNION	BECKLEY HEIGHTS TWP	1162	24	1549	1912	1528	1907	1585	1172	1379	1372
	CLARK TWP	79	45	5740	1272	659	1551	101	494	1095	1095
	CRAWFORD TWP	79	121	925	844	378	2082	160	247	2400	2400
	ELLIZABETH CITY	309	4463	4035							
	FANWOOD BOBO	162	20	1449	2581	382	773	345	479	445	445
	GABWOOD BOBO	79	53	129							

EXHIBIT 2 - BASE DATA BY HOUSING REGION

REGION	COLUMN A 1987 REGIONAL AVERAGE PERCENT DETERIORATION	COLUMN B REGIONAL POOL OF EXCESS DEFICIENT HOUSING UNITS	COLUMN C 1993 PROSPECTIVE NEED	COLUMN D 1987-1993 FILTERING ESTIMATES	COLUMN E 1980 MULTIFAMILY UNIT TOTALS	COLUMN F 1987-1993 RESIDENTIAL CONVERSION ESTIMATES	COLUMN G 1980 2-4 FAMILY UNIT TOTALS	COLUMN H 1987-1993 SPONTANEOUS REHABILITATION ESTIMATES	COLUMN I 1983/1984 AGGREGATE PER CAPITA INCOME (\$)
1	.075	17,676	5,509	12,202	410,972	5,118	224,294	1,884	21,112,820,558
2	.047	8,829	9,759	12,678	334,839	3,257	165,631	1,194	22,029,857,240
3	.025	1,631	13,661	7,222	104,628	1,048	50,697	384	12,235,480,836
4	.015	750	23,752	6,706	73,799	662	29,269	243	9,830,614,791
5	.026	4,060	18,179	9,587	121,352	1,478	42,692	542	14,201,442,966
6	.042	1,465	9,561	3,494	57,287	1,174	27,873	431	4,592,475,839

APPENDIX C

Growth Area Allocation Index Totals

**GROWTH AREA ALLOCATION INDEX TOTALS  
UPON WHICH ALLOCATION PERCENTAGES ARE BASED<sup>1</sup>**

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REGION	1984 TOTAL COVERED EMPLOYMENT	1977-1984 REGRESSED ANNUAL COVERED EMPLOYMENT CHANGE
1. Northeast	530,670	9,248
2. Northwest	472,159	13,295
3. West Central	347,443	10,622
4. East Central	187,414	6,618
5. Southwest	362,365	10,249
6. South-Southwest	152,928	6,353
Total	2,052,979	56,385

REGION	GROWTH AREA <sup>2</sup> IN ACRES	1983-1984 AGGREGATE PER CAPITA INCOME
1. Northeast	180,278	\$15,200,259,200
2. Northwest	227,868	\$14,100,784,128
3. West Central	291,294	\$10,539,986,795
4. East Central	301,384	\$ 8,549,553,470
5. Southwest	409,260	\$12,406,160,844
6. South-Southwest	258,254	\$ 3,556,207,381
Total	1,668,338	\$64,352,951,818

*Notes*

1. For all communities in the growth area with the exception of selected Urban Aid Cities. See Technical Appendix, *infra*.
2. Includes applicable growth area designations of the *State Development Guide Plan*, Pinelands Commission, and the Coastal Zone. See Technical Appendix, *infra*.

Source: Rutgers University, Center for Urban Policy Research, 1986

## SECTION 8 INCOME LIMITS BY COUNTY

COUNTY		1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
Atlantic	Moderate Income (80%)	\$14,850	\$16,950	\$19,100	\$21,200	\$22,550	\$23,850	\$25,200	\$26,500
	Low Income (50%)	9,300	10,600	11,900	13,250	14,300	15,350	16,450	17,500
Bergen	Moderate Income (80%)	20,380	23,300	26,210	29,210	30,940	32,760	34,580	36,400
	Low Income (50%)	12,740	14,560	16,380	18,200	19,340	20,475	21,610	22,750
Burlington	Moderate Income (80%)	17,100	19,500	21,950	24,400	25,950	27,450	29,000	30,500
	Low Income (50%)	10,700	12,200	13,700	15,250	16,450	17,700	18,900	20,150
Camden	Moderate Income (80%)	17,100	19,500	21,950	24,400	25,950	27,450	29,000	30,500
	Low Income (50%)	10,700	12,200	13,700	15,250	16,450	17,700	18,900	20,150
Cape May	Moderate Income (80%)	14,850	16,950	19,100	21,200	22,550	23,850	25,200	26,500
	Low Income (50%)	9,300	10,600	11,900	13,250	14,300	15,350	16,450	17,500
Cumberland	Moderate Income (80%)	14,300	16,300	18,350	20,400	21,700	22,950	24,250	25,500
	Low Income (50%)	8,950	10,200	11,450	12,750	13,750	14,800	15,800	16,850
Essex	Moderate Income (80%)	19,770	22,590	25,420	28,240	30,010	31,770	33,540	35,300
	Low Income (50%)	12,355	14,120	15,885	17,650	18,755	19,855	20,960	22,065
Gloucester	Moderate Income (80%)	17,100	19,500	21,950	24,400	25,950	27,450	29,000	30,500
	Low Income (50%)	10,700	12,200	13,700	15,250	16,450	17,700	18,900	20,150
Hudson	Moderate Income (80%)	14,050	16,100	18,100	20,100	21,350	22,600	23,850	25,150
	Low Income (50%)	8,800	10,050	11,300	12,550	13,550	14,550	15,550	16,550
Hunterdon	Moderate Income (80%)	21,620	24,700	27,790	30,880	32,810	34,740	36,670	38,600
	Low Income (50%)	13,510	15,440	17,370	19,300	20,505	21,710	22,920	24,125
Mercer	Moderate Income (80%)	18,950	21,700	24,400	27,100	28,800	30,500	32,200	33,900
	Low Income (50%)	11,850	13,550	15,250	16,950	18,000	19,650	21,000	22,350
Middlesex	Moderate Income (80%)	21,620	24,700	27,790	30,880	32,810	34,740	36,670	38,600
	Low Income (50%)	13,510	15,440	17,370	19,300	20,505	21,710	22,920	24,125

-1-

## SECTION 8 INCOME LIMITS BY COUNTY

COUNTY		1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
Monmouth	Moderate Income (80%)	17,900	20,500	23,050	25,600	27,100	28,400	30,400	32,400
	Low Income (50%)	11,200	12,800	14,400	16,000	17,000	18,150	19,350	20,550
Morris	Moderate Income (80%)	19,770	22,590	25,420	28,240	30,010	31,770	33,540	35,300
	Low Income (50%)	12,355	14,120	15,885	17,650	18,755	19,855	20,960	22,065
Ocean	Moderate Income (80%)	17,900	20,500	23,050	25,600	27,100	28,400	30,400	32,400
	Low Income (50%)	11,200	12,800	14,400	16,000	17,100	18,150	19,350	20,550
Passaic	Moderate Income (80%)	20,380	23,300	26,210	29,210	30,940	32,760	34,580	36,400
	Low Income (50%)	12,740	14,560	16,380	18,200	19,340	20,475	21,610	22,750
Salem	Moderate Income (80%)	17,550	20,100	22,650	25,100	26,650	28,250	29,850	31,450
	Low Income (50%)	11,000	12,550	14,150	15,700	16,450	17,200	18,400	19,600
Somerset	Moderate Income (80%)	21,620	24,700	27,790	30,880	32,810	34,740	36,670	38,600
	Low Income (50%)	13,510	15,440	17,370	19,300	20,505	21,710	22,920	24,125
Sussex	Moderate Income (80%)	19,770	22,590	25,420	28,240	30,010	31,770	33,540	35,300
	Low Income (50%)	12,355	14,120	15,885	17,650	18,755	19,855	20,960	22,065
Union	Moderate Income (80%)	19,770	22,590	25,420	28,240	30,010	31,770	33,540	35,300
	Low Income (50%)	12,355	14,120	15,885	17,650	18,755	19,855	20,960	22,065
Warren	Moderate Income (80%)	14,400	16,770	19,100	21,400	22,400	23,400	24,870	26,300
	Low Income (50%)	9,200	10,700	12,200	14,550	15,500	16,200	17,100	18,000

Source: 1. US Dept. of Housing and Urban Development estimates as of October 21, 1985.  
 2. For areas of unusually high income, a maximum income limit has been established at the national median family income level of \$27,000 applicable to the four person income limit for lower income (moderate) families. These figures above do not reflect this limit or cap.

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APPENDIX E  
 AVERAGE COST OF REPLACING MAJOR SYSTEMS  
 FOR HOUSING REHABILITATION<sup>1</sup>

APPENDIX E

Average Cost of Replacing Major Systems for Housing Rehabilitation

	<u>LOW RISK</u>	<u>HIGH RISK</u>
Plumbing	\$ 3,000	\$ 3,300
HVAC <sup>2</sup>	2,500	5,500
Electric	4,000	6,000
Dry Wall, Carpentry, Insulation	5,000	10,400
Painting	750	850
Roofing, Flashing	1,400	1,300
Windows	550	950
Kitchen Cabinets	850	1,100
Flooring	1,700	1,400
Ceramic Tile	450	450
<b>TOTAL AVERAGE</b>	<b>\$19,200</b>	<b>\$31,250</b>
<b>AVERAGE OF TOTAL AVERAGE</b>	<b>\$ 9,600</b>	<b>\$15,625</b>

<sup>1</sup> These are average figures that are not adjusted by municipality.

<sup>2</sup> Heating, ventilation, air conditioning

Source: New Jersey Housing and Mortgage Finance Agency, April, 1986

## COUNTY REVIEW CHECKLIST

The Act allows a municipality to transfer up to 50% of its low and moderate income housing obligation to a willing receiving municipality. The terms of this transfer are determined by the individual negotiations between willing sending and receiving municipalities within the same housing region as adopted by the Council.

APPENDIX I

## County Review Checklists

Recognizing the need for sound regional comprehensive planning, the Act permits the county of the receiving municipality to review the proposed RCA and submit its comments and recommendations to the Council. The Act indicates that this review shall be performed by the county planning board or other designated agency and that in its review, the county "shall consider the master plan and zoning ordinance of the sending and receiving municipalities, its own county master plan and the State development and redevelopment plan"

The Act permits the Council to establish time limits for county review and, since the Council views expedient review of RCAs as crucial, it shall impose a 30 day limit for the county to complete its review. The Council may provide a 15 day extension if the county requests such an extension for legitimate reasons. If the county is unable to complete its review within the allotted time, or if there is no county planning board or designated county agency, the Council shall perform the required review.

To facilitate county review, the Council has developed a four section checklist. This checklist is to be completed as part of the county review process.



COUNTY REVIEW CHECKLIST

For Sound Comprehensive Regional Planning  
Of Proposed Low and Moderate Income Housing Sites  
Proposed Through Regional Contribution Agreements

SECTION I ACCESS TO EMPLOYMENT OPPORTUNITIES

A. Does the proposed agreement provide realistic housing opportunities within convenient access to employment opportunities?

	Housing Site(s) Proposed		Check One		II Access Possible, Briefly Explain on Attached Sheet, By Site #
	Loc	#	Yes	No	
1. Within Receiving Munic.			A. / /	/ /	/ /
			B. / /	/ /	/ /
			C. / /	/ /	/ /
2. Within Sending Munic.			A. / /	/ /	/ /
			B. / /	/ /	/ /
			C. / /	/ /	/ /

B. Is the proposed housing served by available transit?

	Housing Site(s) Proposed		Check Appropriate Boxes If yes, (check Type(s) of Service				II Transit Possible, Briefly Explain On Attached Sheet by Site #
	Loc	#	Yes	Munic	Inter-Municipal	County Inter-co	
1. Within Receiving Munic.			/ /	/ /	/ /	/ /	/ /
			/ /	/ /	/ /	/ /	/ /
			/ /	/ /	/ /	/ /	/ /
2. Within Sending Munic.			/ /	/ /	/ /	/ /	/ /
			/ /	/ /	/ /	/ /	/ /
			/ /	/ /	/ /	/ /	/ /

1) These sites represent possible alternate locations of sites within the sending municipality that would be developed for housing in the absence of a successful RCA

SECTION II CURRENTLY ADOPTED AND/OR OFFICIAL LAND USE ELEMENT CONSISTENCY REVIEW (ATTACH RELEVANT PAGES OF DOCUMENTS CITED BELOW)

	Check One		Brief Explanation (Attach Additional Sheets As Necessary)
	Complies In Whole	Part (Explain)	
A.1. Receiving Munic (a) Master Plan Of ; Adopted	/ /	/ /	/ /
(b) Zoning Ordinance Of ; Adopted	/ /	/ /	/ /
2. Sending Munic (a) Master Plan Of ; Adopted	/ /	/ /	/ /
(b) Zoning Ordinance Of ; Adopted	/ /	/ /	/ /
B.1. Receiving County Land Use Element Of ; County; Adopted:	/ /	/ /	/ /
2. Sending County (if different from B.1) Land Use Element of ; County; Adopted:	/ /	/ /	/ /
C.1 Other Regional Plan Land Use Element(s) 2) Affecting; (a) Receiving Munic ; Adopted:	/ /	/ /	/ /
(b) Sending Munic ; Adopted:	/ /	/ /	/ /
D.1 State Development Redevelopment Plan (S.D.R.P.) 1) (a) Receiving Munic.	/ /	/ /	/ /
(b) Sending Munic.	/ /	/ /	/ /

2) For example, is site(s) consistent with Hackensack Meadowland Development Commission's Adopted Land Use Element?

1) Use official State Development Guide Plan until S.D.R.P. is adopted.

SECTION III CURRENTLY ADOPTED TRANSPORTATION PLAN AND/OR PROGRAM ELEMENT CONSISTENCY REVIEW (ATTACH RELEVANT PAGES OF DOCUMENTS CITED BELOW)

	Check Complies In		Conflicts In Whole	Brief Explanation (Attach Additional Sheets As Necessary)
	Whole	Part (Explain)		
<b>A.1. Receiving Municipality</b>				
(a) Plan of _____, Adopted	/ /	/ /	/ /	
(b) Program of _____, Adopted	/ /	/ /	/ /	
<b>B.1. Receiving County</b>				
(a) Plan of _____, Adopted	/ /	/ /	/ /	
(b) Program of _____, Adopted	/ /	/ /	/ /	
<b>2. Sending County (if different from B.1.)</b>				
(a) Plan of _____, Adopted	/ /	/ /	/ /	
(b) Program of _____, Adopted	/ /	/ /	/ /	
<b>C. Other Regional Plan/Prog. (4)</b>				
(a) Receiving Municipality				
(1) Plan; Adopted	/ /	/ /	/ /	
(2) Program; Adopted	/ /	/ /	/ /	
(b) Sending Municipality				
(1) Plan; Adopted	/ /	/ /	/ /	
(2) Program; Adopted	/ /	/ /	/ /	
<b>D. State Plan/Prog. (4)</b>				
(a) Plan; Adopted				
(1) Receiving Municipality	/ /	/ /	/ /	
(2) Sending Municipality	/ /	/ /	/ /	
(b) Program; Adopted				
(1) Receiving Municipality	/ /	/ /	/ /	
(2) Sending Municipality	/ /	/ /	/ /	

- 4) For example, is site(s) consistent with applicable W.M.D.C. and/or N.J. Turnpike plans and programs.  
 5) Use current and official State Transportation Plan and Program as prepared by the N.J. Department of Transportation.

SECTION IV CURRENTLY ADOPTED WATER QUALITY MANAGEMENT PLAN (QRP) (ATTACH RELEVANT PAGES OF DOCUMENT)

A. Is the proposed housing consistent with the QRP Plan?

	Housing Site(s) Proposed Loc. #	Check One	
		Yes	No
1. Within Receiving Municipality		A / / / /	B / / / /
2. Within Sending Municipality		A / / / /	B / / / /

This review is certified by the undersigned as representing a true and accurate statement of fact.

Based on this review, it is found that the following sites are:

	Housing Site(s) Proposed Loc. #	In Keeping With Sound Regional Comprehensive Planning	Not in Keeping With Sound Regional Comprehensive Planning
1. Within Receiving Municipality		A / / / /	B / / / /
2. Within Sending Municipality		A / / / /	B / / / /

CERTIFIED BY

DATE

TYPE NAME

TITLE

REPRESENTING

PROFESSIONAL LICENSE #

(AS APPLICABLE)

RECEIVED

MAY 1 1986

DEPT. OF COMMUNITY AFFAIRS  
100 N. MONTGOMERY ST.  
TRENTON, N.J. 08646

**MUNICIPAL PRESENT,  
PROSPECTIVE, AND  
PRE-CREDITED NEED**

The following figures reflect the gross, aggregate and unadjusted fair share calculations for each municipality determined pursuant to the method outlined in Subchapter 5 of the substantive rules and related base data.

These figures are illustrative of the method described and do not account for crediting (Subchapter 6), drastic alterations (Subchapter 7) and adjustments (Subchapter 8) which may apply to individual municipalities, and which may ultimately result in a lower estimate of the municipal obligation.

From N.J. Council on  
Affordable Housing

May 21, 1986

1987-1993 LOW AND MODERATE NEED ESTIMATES BY STATE AND REGION

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- HOUSING DEFICIENT PRESENT NEED -
- HISTORIC MODEL PROSPECTIVE NEED -
- FAIR SHARE PRESENT NEED ALLOCATION -
- FAIR SHARE PROSPECTIVE NEED ALLOCATION -

Accounting for:  
Demolition, Filtering, Residential Conversion,  
and Spontaneous Rehabilitation

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1987 Present Need  
1987-1993 Prospective Need

**CALCULATING NEED**

Indigenous Need	85,134
Reallocated Present Need	34,411
Prospective Need	80,421
Total Need	199,966
Demolition	13,367
Filtering	-51,004
Residential Conversion	-12,102
Spontaneous Rehabilitation	-4,520

**STATEWIDE PRE-CREDITED NEED** 145,707 \*

**REGIONAL NEED**

Northeast	42,534
Northwest	28,773
West Central	14,720
East Central	23,247
Southwest	21,884
South-Southwest	14,549

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\* The Council on Affordable Housing is prepared to adjust municipal housing need such that precredited final need will not exceed twenty percent of a municipality's occupied housing units in 1987. This adjustment is to prevent a municipality from expending a drastically altered development pattern as per Section 7 of the Fair Housing Act. The adjustment, if pursued by all municipalities who qualify, will not diminish statewide need by more than 1421 housing units.

# THE MOUNT LAUREL HOUSING REGION COUNTY GROUPS

## Region 1 - Northeast

Bergen  
Hudson  
Passaic

## Region 2 - Northwest

Essex  
Morris  
Sussex  
Union

## Region 3 - West Central

Hunterdon  
Middlesex  
Somerset  
Warren

## Region 4 - East Central

Monmouth  
Ocean

## Region 5 - Southwest

Burlington  
Camden  
Gloucester  
Mercer

## Region 6 - South-Southwest

Atlantic  
Cape May  
Cumberland  
Salem

