



# 4<sup>th</sup> Round Affordable Housing Obligation Clinton Township, New Jersey

by: Tom Behrens, P.P., AICP | January 22, 2025



# History of Affordable Housing Decisions

## **Mount Laurel I:**

Every *developing* municipality has an affordable housing obligation

## **Mount Laurel III:**

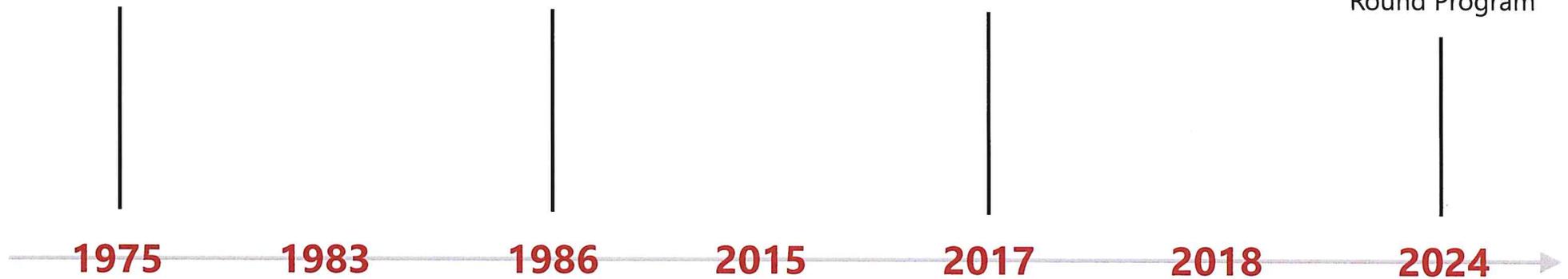
Affirms validity of Fair Housing Act (adopted in 1985)

## **Gap Period:**

Finds that gap period (1999-2015) generated an affordable housing obligation

## **Fair Housing Act Amended:**

- Abolishes COAH
- Establishes new 4<sup>th</sup> Round Program



## **Mount Laurel II:**

- Every municipality has an obligation
- Towns in growth areas have a greater obligation than those in non-growth areas

## **Mount Laurel IV:**

- COAH dysfunctional
- Courts take over certification process

## **Jacobson Decision:**

Established methodology for determining affordable housing obligations

# Clinton Township – 3<sup>rd</sup> Round Compliance

## **3<sup>rd</sup> Round Obligation**

## **Credit /Units**

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Rehabilitation (Present Need)	10
Prior Round Obligation (1987-1999)	335
Prospective Need (1999-2025)	337

- Executed settlement agreement w/ Fair Share Housing Center
- Adopted Housing Element & Fair Share Plan May 2018 w/ amendments
- Received Court certification of Third Round HE&FSP & granted immunity
- Implemented ordinances to facilitate 3<sup>rd</sup> Round plan mechanisms

# Fair Share Plan - Prior Round

Plan Mechanism	Number of Units	Bonus Credits	Total Credits
<u>Prior Cycle Credits (Pre-1986)</u>			<u>13</u>
Credits Without Controls	13	-	13
<u>RCA with New Brunswick</u>	108	-	<u>108</u>
<u>Inclusionary &amp; Group Home Rentals</u>			<u>55</u>
Village Green at Annandale	4	-	4
The Mews (Senior Housing)	35	3	38
CRC Longview Group Home	4	4	8
142-144 West Main Street	3	2	5
<u>100% Affordable - Rentals</u>			
Willows at Annandale	66	66	132
<u>100% Affordable – Municipally Sponsored Rentals</u>			<u>27</u>
Former Municipal Building Site	1	-	1
(Clinton Woods) Marookian Site	26	-	26
<b>Total</b>	<b>260</b>	<b>75</b>	<b>335</b>

# Fair Share Plan – 3rd Round

Plan Mechanism	Number of Units	Bonus Credits	Total Credits
<u>Inclusionary Development</u>			<u>139</u>
Headley Farm Estate	104	-	104
108 Alton Place	28	-	28
Grayrock Road	7	-	7
<u>100% Affordable Rentals</u>			<u>198</u>
Clinton Woods (Marookian Site)	58	58	116
Willows at Spruce Run (Ingerman)	82	-	82
<b>Total Required</b>	<b>279</b>	<b>58</b>	<b>337</b>
Surplus Credits (Willows at Spruce Run)	14	-	14

# 2024 Fair Housing Act Amendments

- Bill A4/S50 signed by Gov. Murphy on March 20, 2024
- Abolished COAH & creates new compliance Program
- Established 4<sup>th</sup> Round rules & procedures
- Established 4<sup>th</sup> Round compliance deadlines

# 4<sup>th</sup> Round Obligation Per DCA

## Township's 4<sup>th</sup> Round Obligation

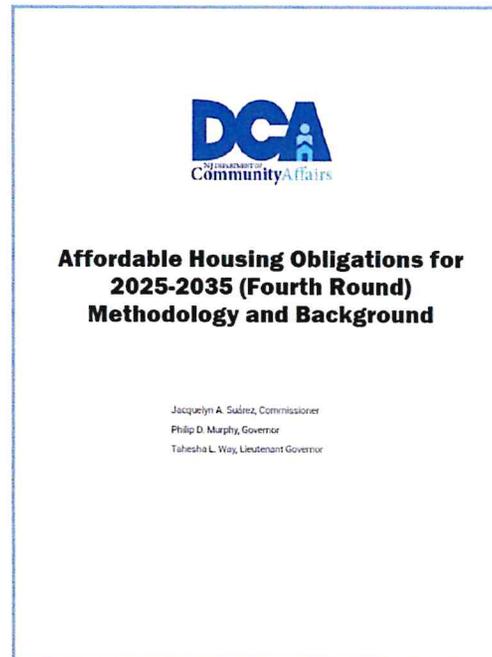
## DCA

Present Need (Rehabilitation)

0 units

Prospective Need (2025-2035)

174 units



# Methodology

- Average three factors to establish Avg. Allocation
- Apply to Region 3 Need of 11,604 affordable units

<b>Factors</b>	<b>DCA</b>
Equalized Nonresidential Valuation	0.38%
Income Capacity	1.88%
Land Capacity	2.24%
Average Allocation	1.50%
<b>Prospective Need Obligation</b>	<b>174 units</b>

# Land Capacity Factor Analysis

- Criteria for exclusion from analysis:
  1. Parcels included in Township's 3<sup>rd</sup> Round HE&FSP
  2. Parcels with more than one property tax classification w/ exempt primary use
  3. Parcels with conservation easements
  4. Areas that entirely landlocked
  5. Parcels with building permits and/or vested development rights from recent land use board approvals
  6. Properties under construction or recently developed
  7. Parcels classified as vacant per tax assessment but are developed w/ significant improvements or supporting infrastructure for adjacent uses
  8. Areas or portions of areas <25 ft wide (per DCA threshold)
  9. Areas with environmental constraints not captured in DCA analysis
  10. Parcels held by homeowners association as common space

# Modifications to Obligation

	<b>DCA</b>	<b>Township</b>
Equalized Nonresidential Valuation Factor	0.38%	0.38%
Income Capacity	1.88%	1.88%
Land Capacity	2.24%	0.56%
Average Allocation	1.50%	0.94%
<b>Prospective Need</b>	<b>174 units</b>	<b>109 units</b>

# 4<sup>th</sup> Round Process

## 4<sup>th</sup> Round Program Deadlines:

- January 31, 2025 – Adopt resolution determining 4<sup>th</sup> Round Obligation
- June 30, 2025 – Adopt Housing Element & Fair Share Plan
  - Conduct Highlands Build-out Analysis to determine Realistic Development Potential
  - Apply 3<sup>rd</sup> Round surplus credits
  - Identify appropriate sites & mechanisms as necessary to address 4<sup>th</sup> Round RDP
  - To include draft ordinances & resolutions
  - Seek Compliance Certification from Program
- March 15, 2026 – Adopt implementing ordinances & resolutions