

Readington Township

Affordable Housing : Obligation + Compliance

Planning Board and Township Committee
Informational Forum

March 25, 2019

Who qualifies for Affordable Housing?

Based on 2018 Regional Median Income in
Hunterdon, Somerset & Middlesex Counties

Maximum Household Income				
	1 Person	2 Person	3 Person	4 Person
Median <small>(reference)</small>	\$75,530	\$86,320	\$97,110	\$107,900
Moderate	\$60,424	\$69,056	\$77,688	\$86,320
Low	\$37,765	\$43,160	\$48,555	\$53,950
Very Low	\$22,659	\$25,896	\$29,133	\$32,370



What is Affordable Housing?

Affordable Home Sales Prices (illustrative) – Low - Moderate

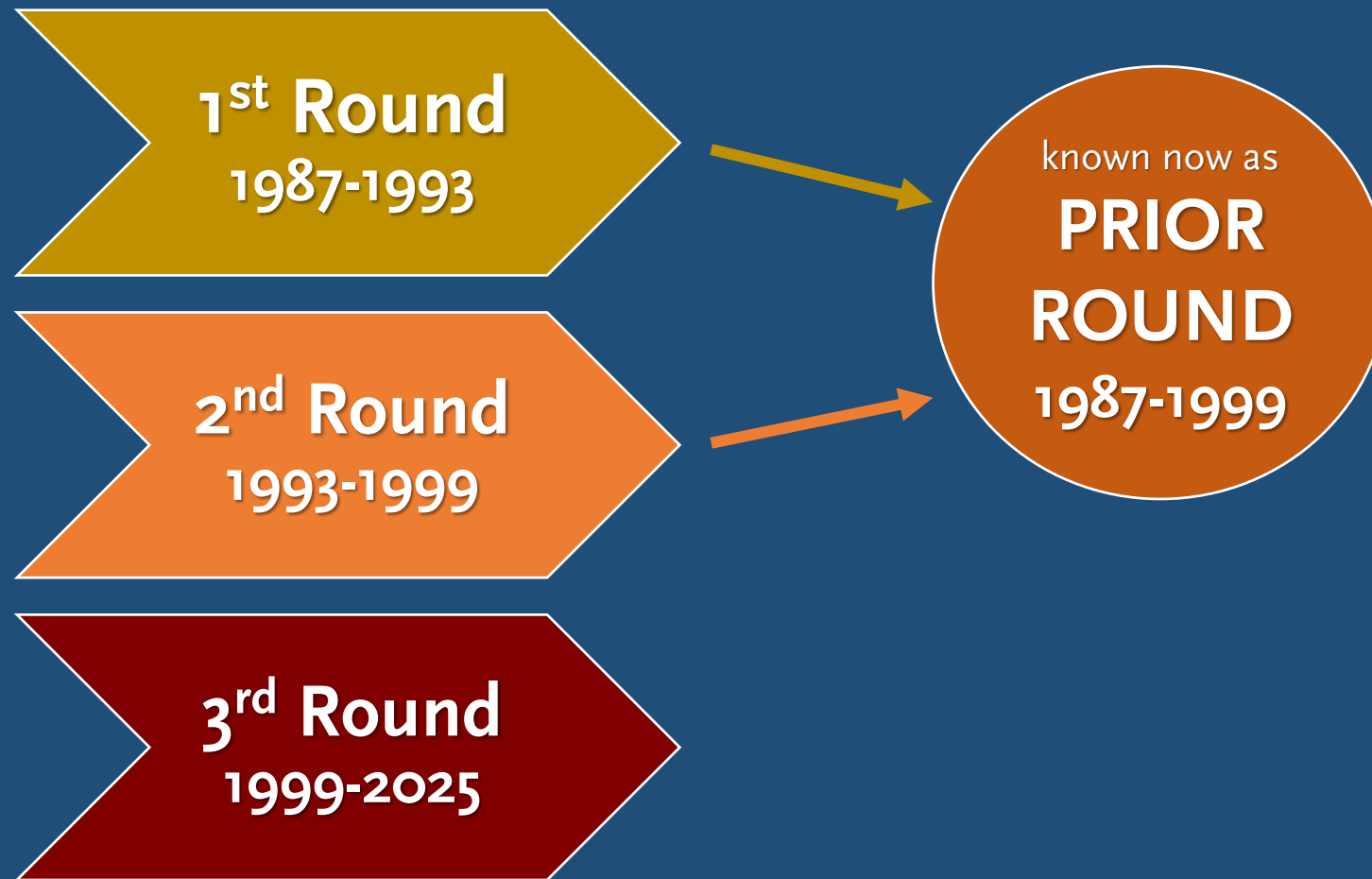
- One-bedroom: \$97,000 - \$146,000
- Two-bedroom: \$116,000 - \$176,000
- Three-bedroom: \$134,000 - \$203,000

Affordable Rents (illustrative) – Very Low/Low - Moderate

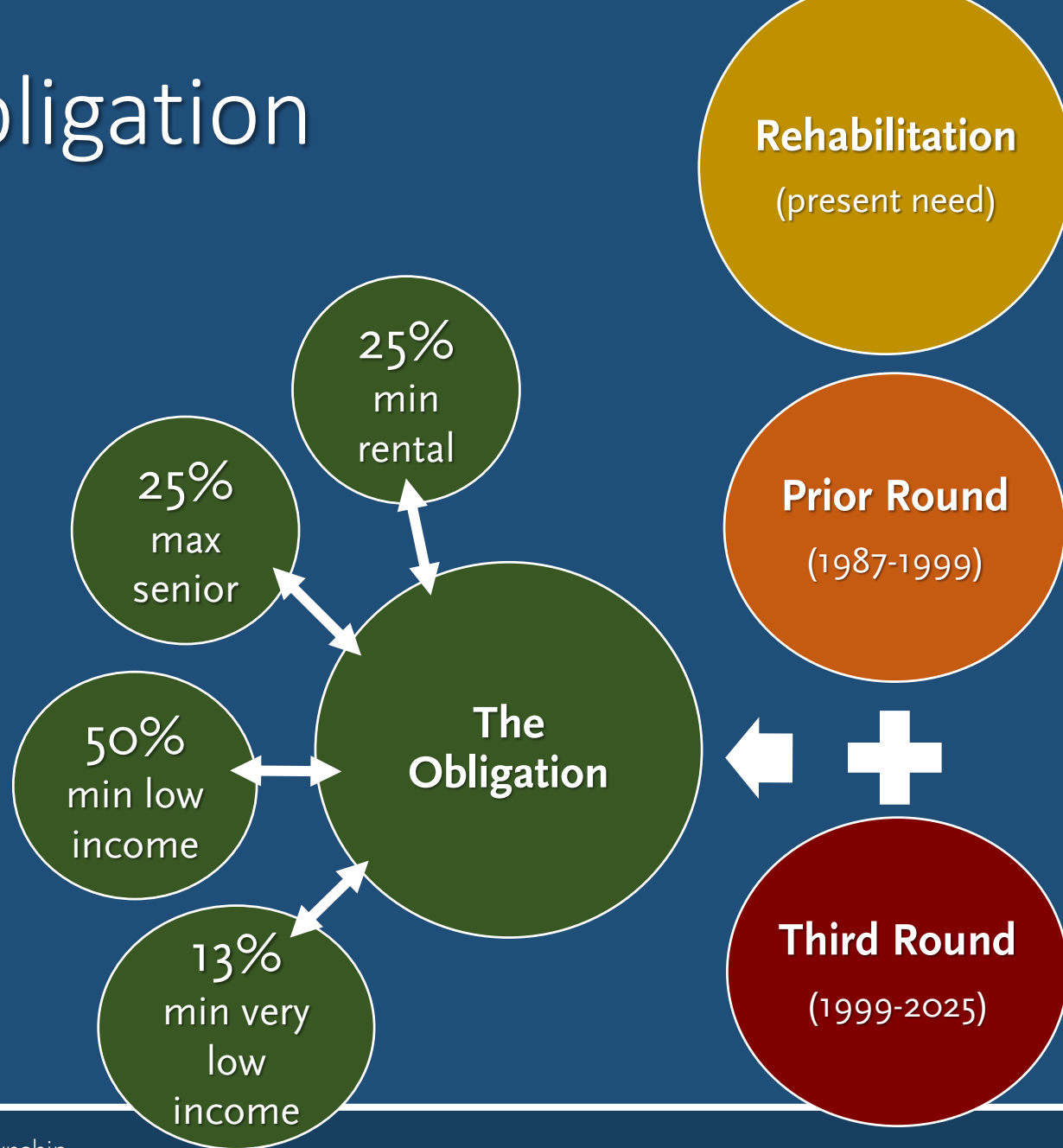
- One-bedroom: \$600 - \$1,100
- Two-bedroom: \$700 - \$1,400
- Three-bedroom: \$800 - \$1,600



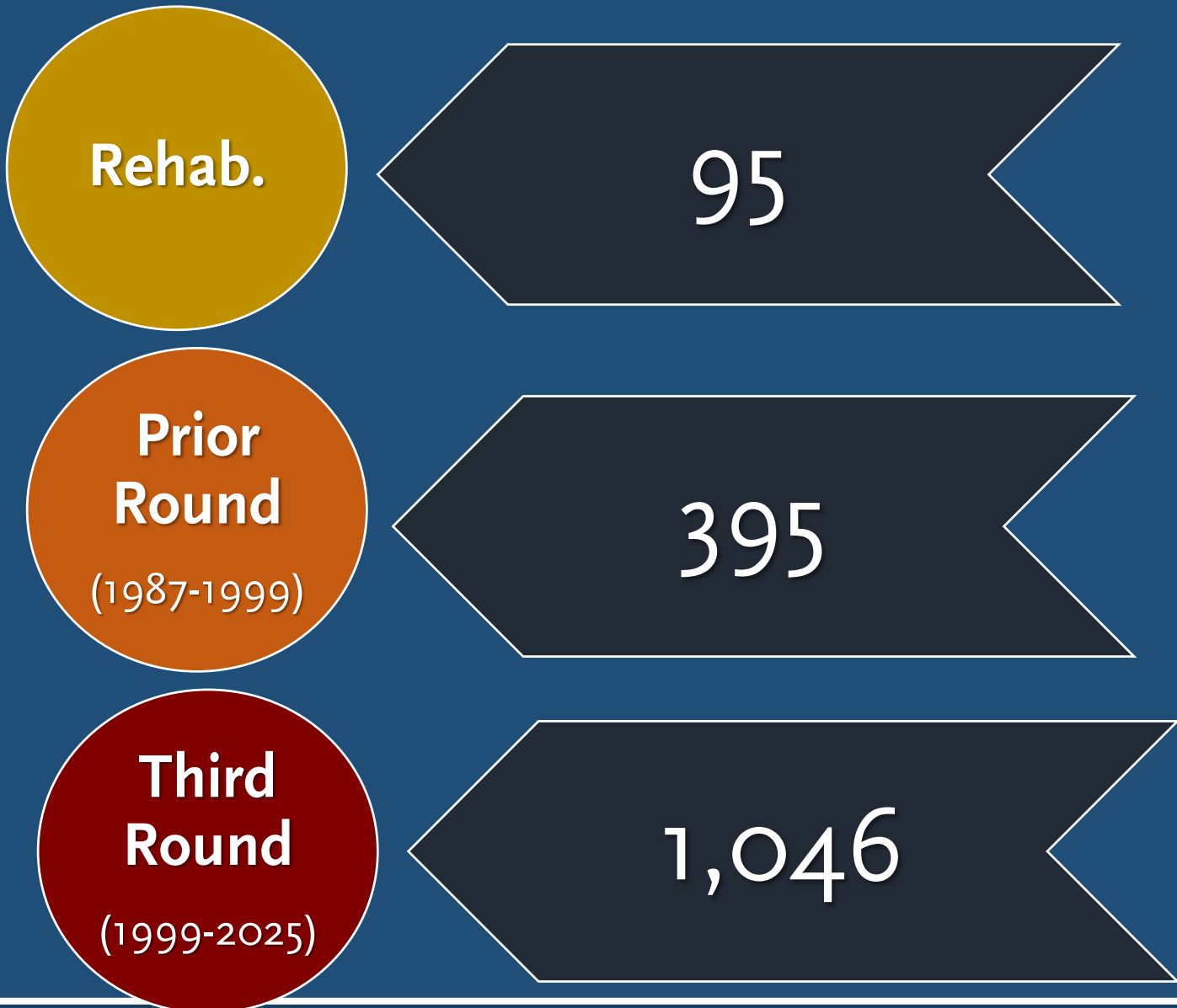
COAH Rulemaking “Rounds”



The Obligation



The Obligation



Satisfying the Obligation



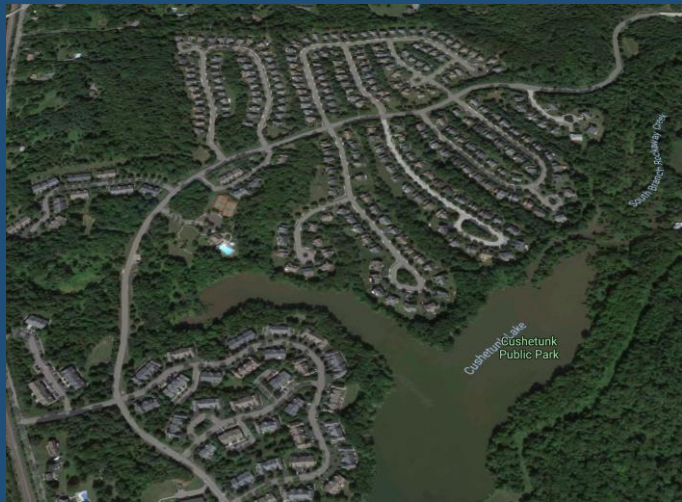
Satisfying the Obligation

What?

Zoning that requires market rate (MR) residential development to include affordable housing (AH).

Why?

To create mixed income neighborhoods that would not otherwise be created.



Benefits

- Developer responsibility
- Integrated affordable housing

Challenges

- Increased densities, units and land area
- Base set-aside (15-20%)
5 MR units = 1 AH is required

Satisfying the Obligation



- 100% Affordable Development
- Supportive/Special Needs Housing (Group Homes)
- Market-to-Affordable
- Extension of Expiring Controls



Satisfying the Obligation



- Credits without Controls
- Surplus Credits
- Rental Bonuses – 25% of obligation

Satisfying the Obligation

Rehabilitation: 95

- County Program - homeownership
- Township Program – rental

Prior Round: 394

- RCA – funds transferred
- Group Homes – Existing - completed
- Inclusionary family for sale – completed
- 100% Affordable senior and family rental units – completed
- Credits without Controls - proposed



Satisfying the New Construction Obligation

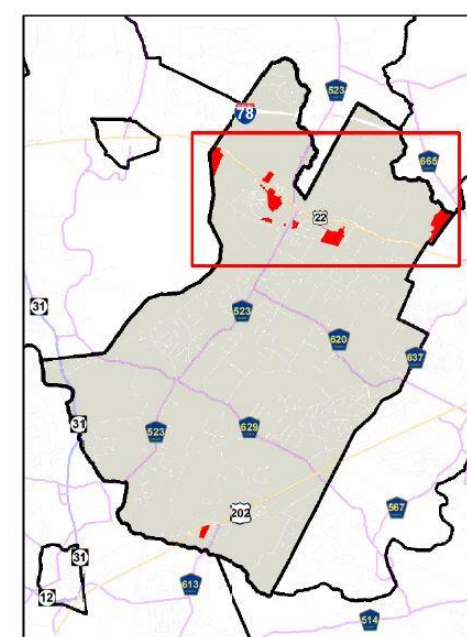
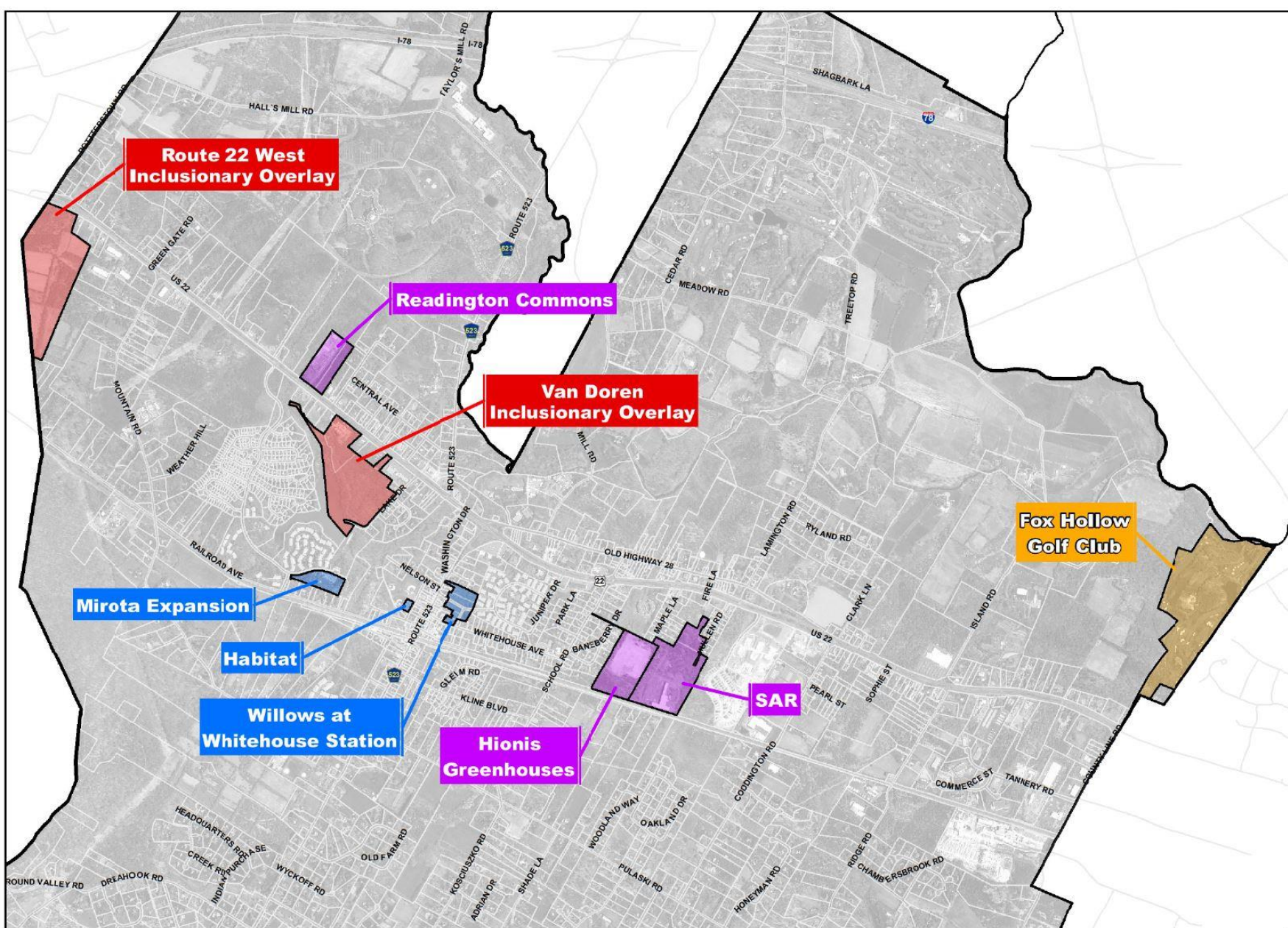
Utilize Existing Stock of Housing

- Extension of Controls
- Surplus Credits
- Group Homes
- Market to Affordable

New Programs/Sites

- Inclusionary Housing
- 100% Affordable Development: Municipally Sponsored
- Maximize family rental bonuses (25%) + senior credits (25%)





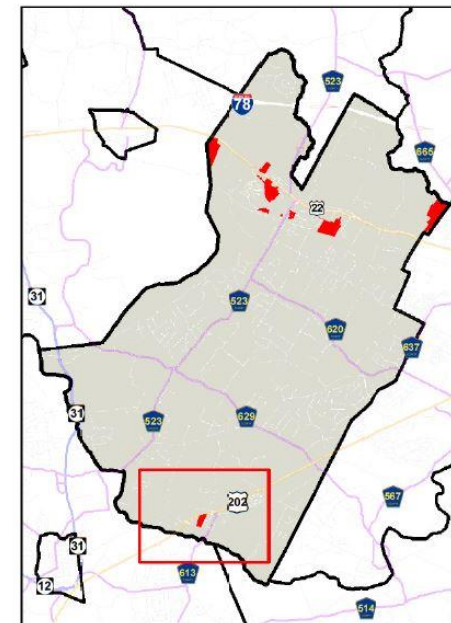
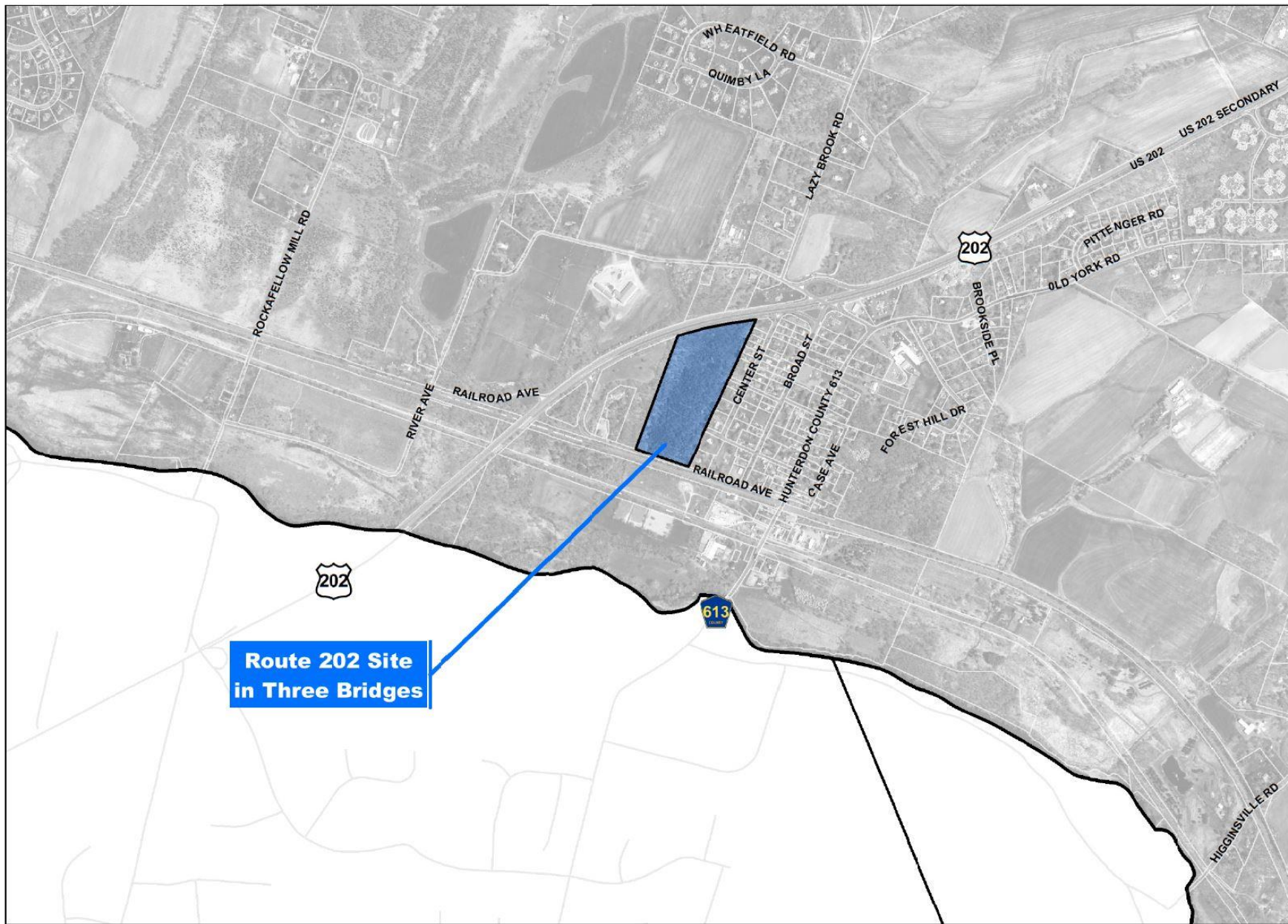
KEY MAP

Legend

Housing Site

- Inclusionary Sites - Family
- Inclusionary Sites - Senior
- Inclusionary Overlay
- Municipally Sponsored





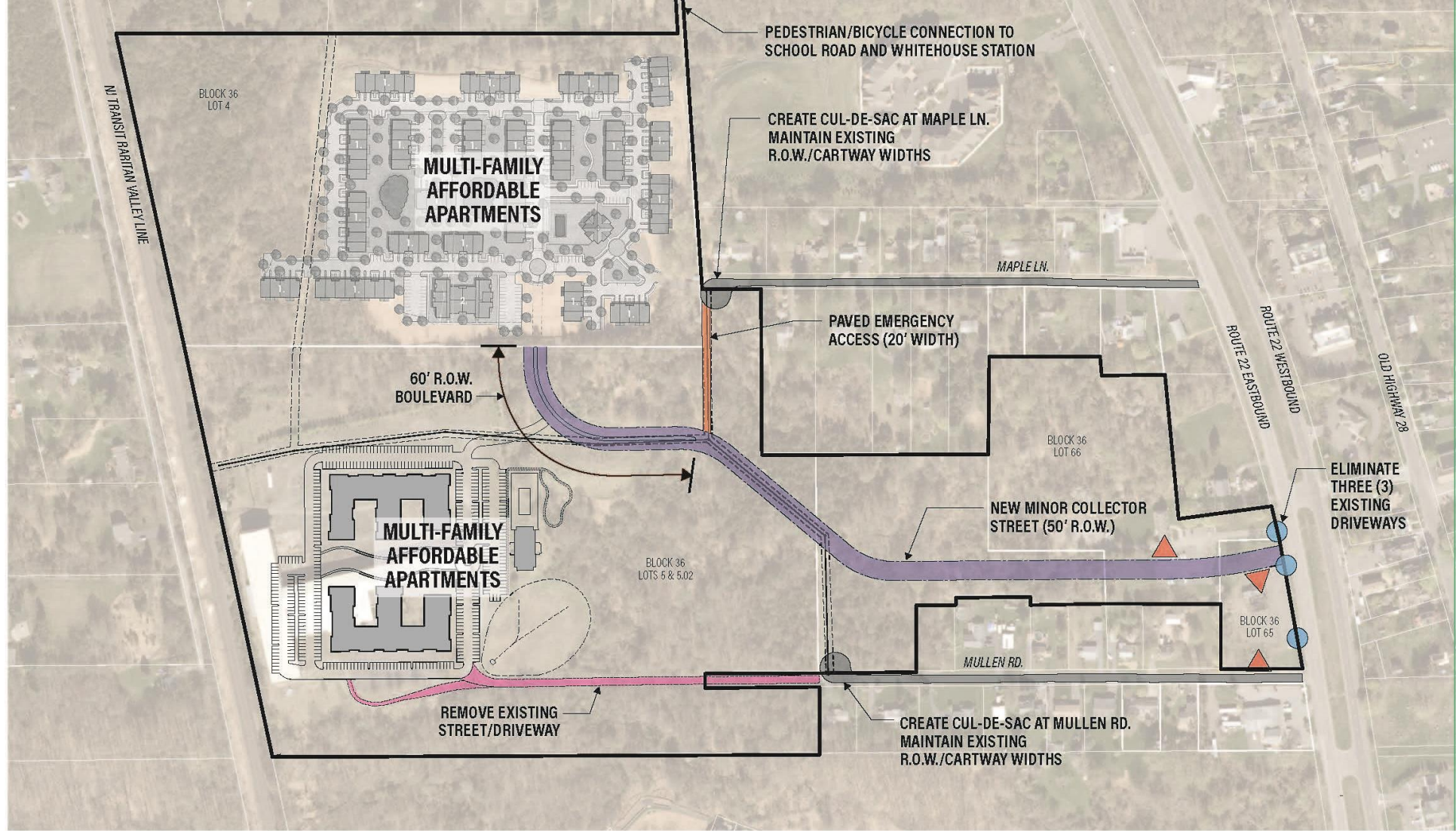
KEY MAP

Legend

Housing Site

- Inclusionary Sites - Family
- Inclusionary Sites - Senior
- Inclusionary Overlay
- Municipally Sponsored





0 200 400 FT

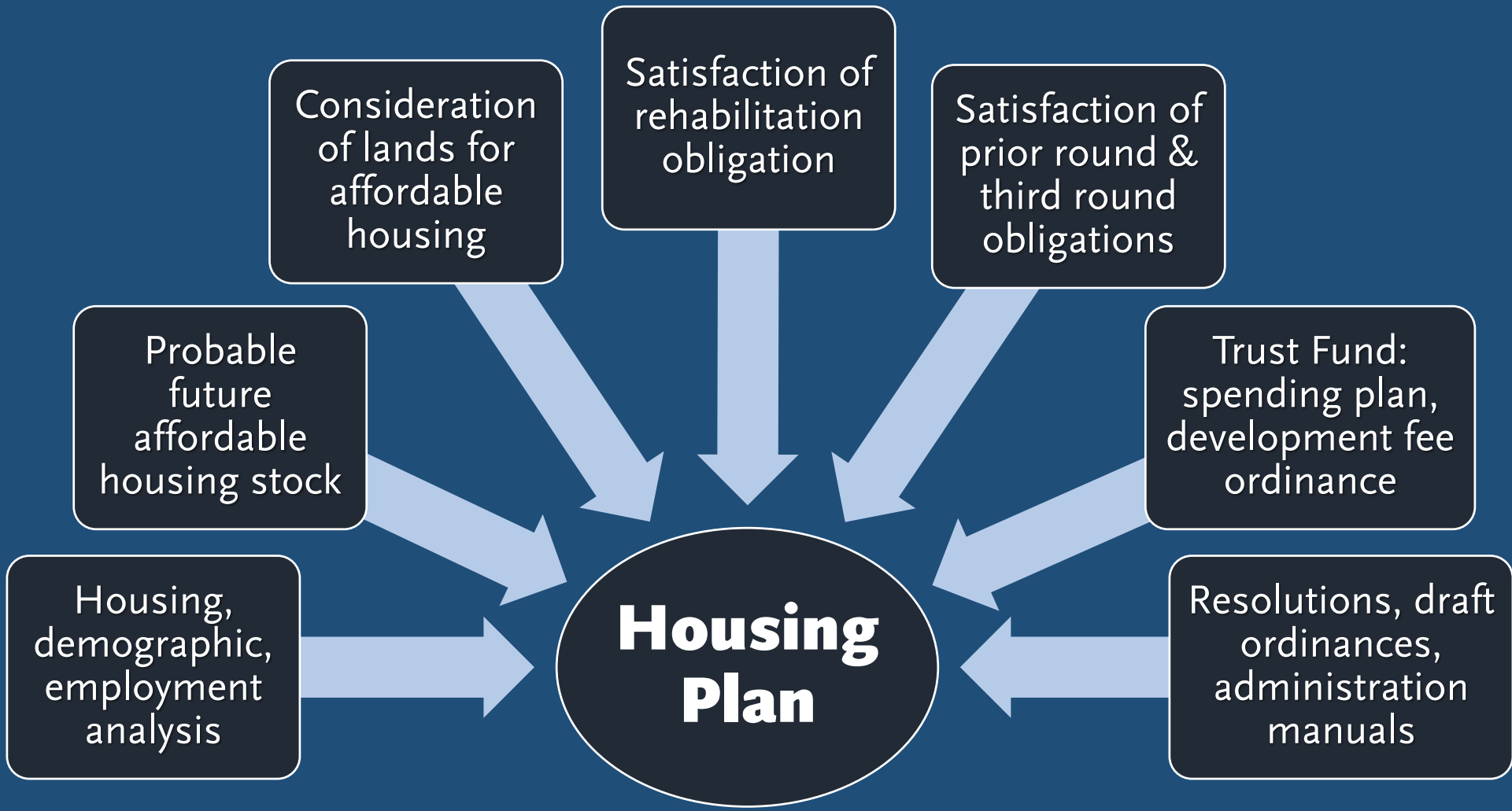
Clarke Caton Hintz
 Architecture
 Planning
 Landscape Architecture

Block 36 Redevelopment: Proposed Multi-family Housing + Circulation

LOCATION: Readington Township, NJ | DATE: February 2019



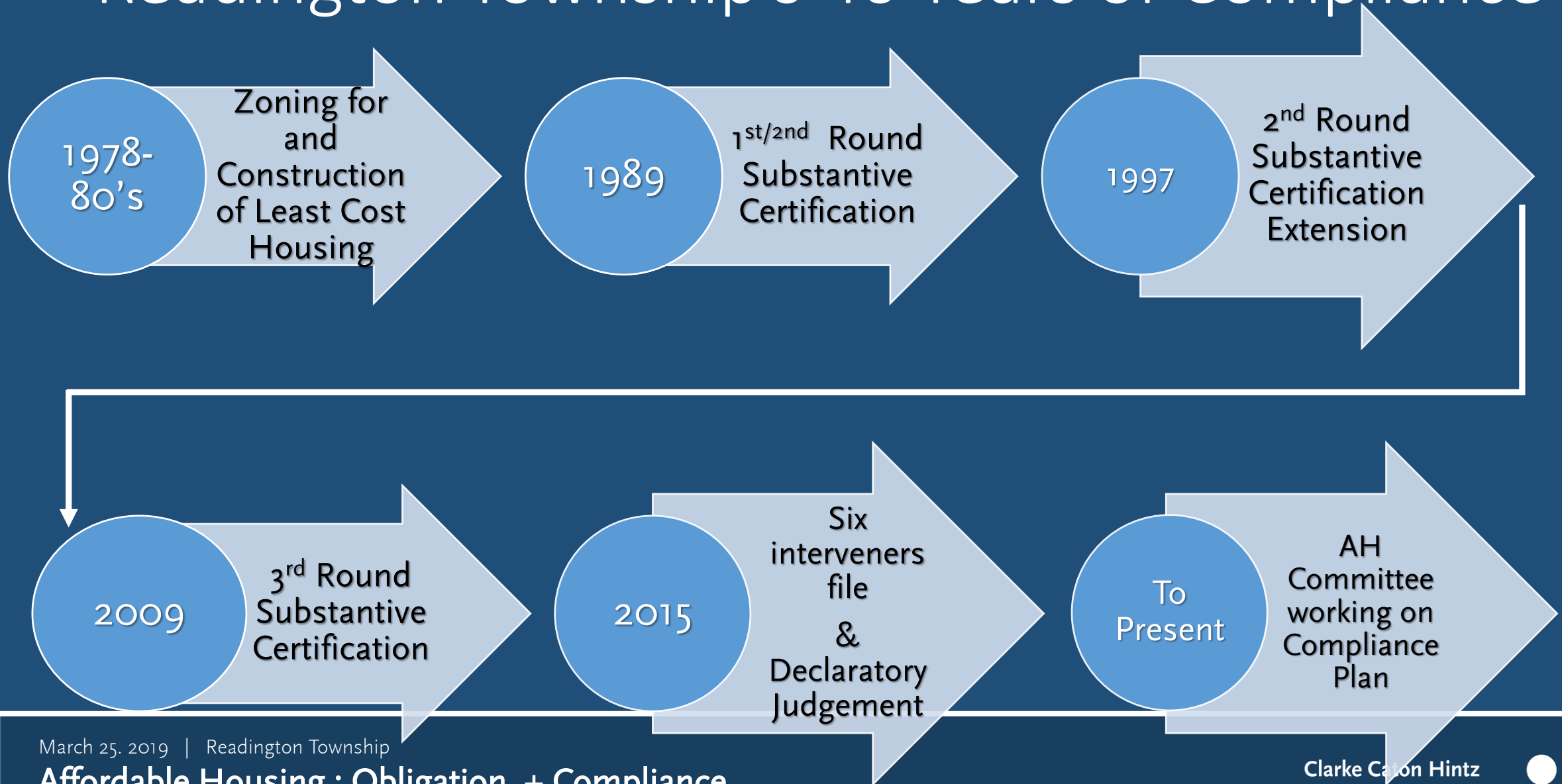
Housing Element/Fair Share Plan



Readington Commons Inclusionary Zoning



Readington Township's 40 Years of Compliance



Historical Context

1975

Mount Laurel I

Each municipality has a constitutional obligation to provide affordable housing

1983

Mount Laurel II

Required creation of municipal obligations
Court approves Housing Plans

1985

Fair Housing Act

COAH created to administer FHA

1986 - 2014

COAH Rule Making

COAH administered the FHA and promulgated first, second and third round rules



Third Round History

2004 - 2013

3rd Round Rules

“Growth share” rules are adopted twice and overturned

2013

Supreme Court Decision

Invalidated methodology
Ordered new rules to be adopted

2014

COAH Fails to Adopt

COAH fails to adopt 3rd round rules

2014

FSHC Motion

Fair Share Housing Center (FSHC) files motion to compel the State to adopt rules

2015

Mount Laurel IV

Supreme Court transfers approval of housing plans to Courts



Satisfying the Obligation

- **100% Affordable Development**
- Supportive/Special Needs Housing (Group Homes)
- Market-to-Affordable
- Accessory Apartments
- Extension of Expiring Controls



Benefits

- Economies of scale
- Federal/State Funding
- Bonus credits for rental – 2 for 1
- Municipal control

Challenges

- Concentrated of AH units
- Funding is not guaranteed



Satisfying the Obligation

- 100% Affordable Development
- Supportive/Special Needs Housing (Group Homes)
- Market-to-Affordable
- Accessory Apartments
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Benefits

- Fulfills Large Need
- Infill Housing
- Credits by Bedroom

Challenges

- Increasing Costs



Satisfying the Obligation

- 100% Affordable Development
- Supportive/Special Needs Housing (Group Homes)
- **Market-to-Affordable**
- Accessory Apartments
- Extension of Expiring Controls



Benefits

- Use of existing housing stock
- Integrated throughout Twp
- Remedy for vacant homes

Challenges

- Cost based on market conditions
- Credit Cap
- Management of rental units



Satisfying the Obligation

- 100% Affordable Development
- Supportive/Special Needs Housing (Group Homes)
- Market-to-Affordable
- **Accessory Apartments**
- Extension of Expiring Controls



Benefits

- Low Cost
- Integration within residential areas

Challenges

- Participation is limited
- Affirmative marketing
- Cost for adm. agent



Satisfying the Obligation

- 100% Affordable Development
- Supportive/Special Needs Housing (Group Homes)
- Market-to-Affordable
- Accessory Apartments
- **Extension of Expiring Controls**



Benefits

- Low cost
- Use of existing housing stock

Challenges

- Participation is voluntary