

Public Hearing Document
Housing Element and Fair Share Plan
First Amendment

Township of Lawrence
Mercer County, New Jersey

July 16, 2020

Clarke Caton Hintz



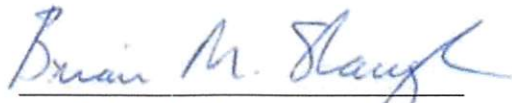
Housing Element and Fair Share Plan

Planning Board Township of Lawrence Mercer County, New Jersey

Adopted _____, 2020

Endorsed _____, 2020

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INTRODUCTION

The Housing Element and Fair Share Plan is intended to address the affordable housing obligation mandated by the New Jersey Constitution as expressed in the Fair Housing Act of 1985. Together, the Housing Element and Fair Share Plan constitute the affordable housing plan for the Township of Lawrence (Township, or Lawrence). The Housing Element is a component of the Township's Master Plan for development and redevelopment, and the Fair Share Plan constitutes the means and documents designed to implement the Housing Element. Together, the two components will be known as the "housing plan."

The New Jersey Supreme Court in its March 10, 2015¹ decision established a process for individual municipalities to gain approval of their housing plans after determining that the administrative process operated by the New Jersey Council on Affordable Housing (COAH) had broken down and become moribund. The Court's decision led to the Township of Lawrence filing a declaratory judgment action on July 7, 2015 in Superior Court.²

In this judicial process, the Township appeared before the Hon. Mary C. Jacobson, A.J.S.C., in its effort to address its affordable housing obligation. As will be discussed further below, the Township entered into a settlement agreement with Fair Share Housing Center, Inc. (FSHC), dated April 28, 2017, an interested party in this and other Mount Laurel cases. A fairness hearing was held on July 5, 2017 before Judge Jacobson, who determined that the agreements was fair to the low- and moderate-income citizens of the state. An order approving the settlement agreement was entered on June 15, 2017. The Township also entered into a developer's agreement with Brandywine Realty Trust, filing as Brandywine Operating Partnership, L.P. (Brandywine), an intervenor, dated September 17, 2017. The judge's order required a duly adopted and endorsed Housing Element and Fair Share Plan to be filed with the Court and established the following affordable housing obligations for the Township:

- Rehabilitation Share of 73 units;
- Prior Round obligation of 891 units; and
- A Third Round obligation encompassing both the Gap Present Need and Prospective Need of 1,110 units; subsequently modified to 696 units through a vacant land adjustment.

A Third Round housing plan, dated June 15, 2018, that addressed these obligations, was developed for consideration by the Planning Board. A public hearing was held on August 6, 2018 when the housing plan was adopted by the Planning Board. The housing plan was endorsed by the Township Council on August 28, 2018. All of the implementing ordinances of the housing plan were adopted by this date.

¹ - *In Re N.J.A.C. 5:96 and 5:97*, 221 N.J. 1 (2015)

² - Docket No. MER-L-1538-15

The housing plan was the subject of a compliance hearing before Judge Jacobson on September 5, 2018. The plan was unconditionally approved by the Court as set forth in the judge's September 26, 2018 order.

This document is a revision of the June 15, 2018 Housing Element to address unforeseen circumstances related to the development of the property held by the intervenor, Brandywine Operating Partnership, LP. The developer's agreement anticipated the construction of 300 rental apartments, of which 60 units would be affordable to low- and moderate-income households. Unbeknownst at the time of the original agreements, however, was the fact that a small portion of the property is within 1,000 feet of the Delaware and Raritan Canal. Under the rules of the Delaware and Raritan Canal Commission, buildings on property situated within that distance are not permitted to be taller than 40 feet, even though the municipal zoning district permits taller structures. Consequently, where the plan anticipated that a certain density was possible with four-story apartment buildings, height is effectively limited to three stories with a concomitant reduction in the expected yield of the site. As matters now stand, the yield of affordable units is expected to be 42 rental apartments (with a non-affordable manager's apartment) and up to 168 market-rate townhouses. The rental bonus credit expected from the development is also reduced from 60 to 42.

In addition, the owners of one of the unmet need sites, the Lawrence Shopping Center, has entered into an option agreement with the RPM Development Group for a 4.1-acre portion of the 47-acre site for the development of 69 units of affordable housing. This follows the Township's analysis of the redevelopment potential of the shopping center to determine if residential development was feasible. This report from December 2018 identified the area proposed for the development as a possible location. The development of this portion of the site with housing will raise the Township's RDP from 696 units to 710 units. These additional units more than make up the difference in the loss of the 18 units and 18 bonus rental credits from the Brandywine development, contributing to a new total of 790 units and credits to address the increased RDP in the Third Round.

BRIEF HISTORY AND REGIONAL LOCATION

Lawrence Township was founded in 1697 and was originally known as Maidenhead, named by the early Quaker settlers after a Thames River village that is the administrative capital of the Royal Borough of Windsor and Maidenhead just west of London. Originally Maidenhead was part of Burlington County and the State of West Jersey. In 1714, the Township became part of the newly-constituted Hunterdon County.

The Township was legally incorporated through an act of the State legislature in 1798. In 1816, the municipality was renamed Lawrence, after Captain James Lawrence, commander of the frigate Chesapeake and one of the naval heroes of the War of 1812. In 1838, Mercer County was formed from parts of Hunterdon, Middlesex, and Burlington Counties. The Township's boundaries and geographic relationships have remained the same since that time.

Lawrence Township is located in central Mercer County north of the City of Trenton, which is the county seat and capital of New Jersey. Ewing and Hopewell Townships lie to the west of Lawrence, Princeton and West Windsor Townships to the north and east, and Hamilton Township to the east and south. Lawrence is located between New York City and Philadelphia, approximately 54 and 33 miles distant, respectively.

The Township is approximately 22.06 square miles in area and had a population of 33,472 people in 2010. The population is estimated to have been 32,435 persons on July 1, 2019 by the New Jersey Department of Labor and Workforce Development, or a decline of 3.1% from the decennial count. Additional demographic characteristics are found in the tables beginning on page 12.

AFFORDABLE HOUSING JUDICIAL AND LEGISLATIVE BACKGROUND

The affordable housing landscape in New Jersey is complex and continues to evolve in a rapid fashion following the failure of COAH to produce a constitutional set of rules for the “Third Round.” This section provides an overview of the laws, decisions and rules that pertain to affordable housing in the state.

Providing affordable housing within each municipality was found to be a constitutional obligation by the New Jersey Supreme Court in its landmark 1975 decision now referred to as “Mount Laurel I.” The Court found that developing municipalities have a constitutional obligation to provide a realistic opportunity for the construction of low and moderate income housing.³ In its 1983 “Mount Laurel II” decision, the Supreme Court extended the obligation to all municipalities within any “growth area” as designated in the State Development Guide Plan (New Jersey Department of Community Affairs, 1978). Subject to a number of limitations, Mount Laurel II also gave developers the opportunity to secure a “builder’s remedy.”⁴ In a builder’s remedy a developer is granted the right to develop what is typically a multi-family project on land that was not zoned to permit this use or at a greater density where a “substantial” percentage of the units are reserved for low and moderate income households.

In 1985, the Legislature enacted the Fair Housing Act⁵ (“FHA”) in response to Mount Laurel II. The FHA created as an administrative alternative to municipal compliance in a court proceeding. The Legislature conferred “primary jurisdiction” on the agency and charged COAH with promulgating regulations: (i), to establish housing regions; (ii), to estimate low and moderate income housing needs; (iii), to set criteria and guidelines for municipalities to determine and address their fair share numbers, and (iv), to create a process for the review and approval of appropriate housing elements and fair share plans.

³ - Southern Burlington NAACP v. Twp. of Mount Laurel, 67 N.J. 151 (1975)

⁴ - Southern Burlington NAACP v. Twp. of Mount Laurel, 92 N.J. 158 (1983)

⁵ - N.J.S.A. 52:27D-301

First and Second Round Methods

COAH created the criteria and guidelines for municipalities to determine and address their respective affordable housing obligation, or number of affordable dwellings.⁶ Following guidelines established by the U.S. Department of Housing and Urban Development (“HUD”), COAH defined affordable housing as dwellings that could be occupied by households with incomes 80% or less of the regional household income – typically from 38% to 41% of the total population. COAH originally established a formula for determining municipal affordable housing obligations for the six-year period between 1987 and 1993 (*N.J.A.C. 5:92-1 et seq.*), which became known as the “First Round.” The First Round rules established an existing need where sub-standard housing was being occupied by low and moderate income households (variously known as “present need” or “rehabilitation share”), and future demand to be satisfied typically, but not exclusively with new construction (“prospective need” or “fair share”).

The First Round rules were superseded by new COAH regulations in 1994 (*N.J.A.C. 5:93-1.1 et seq.*). The 1994 regulations recalculated a portion of the 1987-1993 affordable housing obligations for each municipality and computed the additional municipal affordable housing need from 1993 to 1999 using 1990 U.S. Census data. The regulations COAH adopted in 1994 are known as “the Second Round.” Though the FHA did not require that the housing rounds accumulate with time, COAH decided that each municipality’s obligation would extend from the First Round forward into the future, *ad infinitum*. This cumulative new construction component from the two earlier rounds is called either the prior obligation or “Prior Round.” This plan will refer to the new construction obligation for the first and second housing cycles as the “Prior Round Obligation.”

Third Round Method

On December 20, 2004, COAH’s first version of the Third Round rules became effective some five years after the end of the Second Round in 1999 (*N.J.A.C. 5:94-1 and 5:95-1*). The FHA had originally required housing rounds to be for a six-year period, but in 2001, this was amended to extend the time period to ten-year intervals. Therefore, the Third Round should have been from 1999 to 2009. However, because of the delay in promulgating updated rules, the Third Round was extended by five years to 2014 and condensed into an affordable housing delivery period of 10 years from January 1, 2004 through January 1, 2014. In other words, fifteen years of obligatory affordable housing activity was to take place in 10 years.

This set of rules changed, however, when the New Jersey Appellate Division invalidated key elements of the 2004 version of the Third Round rules on January 25, 2007. COAH eventually issued revised rules that became effective on June 2, 2008 (as well as a further rule revision effective on October 20, 2008). It met the Court’s directive to provide residential development and job projections for the Third Round. The Third Round was expanded again from 2014 to 2018. COAH retained the “growth share” approach that was challenged in its 2004 rules, but

⁶ - Also called a municipality’s “fair share” of affordable housing.

revised its ratios to require one affordable housing unit for every four market-rate housing units developed and one affordable housing unit for every 16 jobs created.

Just as various parties challenged COAH's initial Third Round regulations, parties challenged COAH's 2008 revised Third Round rules. The Appellate Division issued a decision on October 8, 2010 deciding those challenges (*see* below).

Fair Housing Act Amendments of 2008

On July 17, 2008, Governor Corzine signed P.L. 2008, c. 46, which amended the Fair Housing Act in a number of ways.⁷ Key provisions of the legislation included the following:

- Established a statewide 2.5% non-residential development fee instead of requiring non-residential developers to provide affordable housing.
- Eliminated regional contribution agreements as a means available to municipalities to transfer up to 50% of their required affordable housing to a "receiving" municipality.
- Added a requirement that 13% of all affordable housing units be restricted to very low income households (30% or less of median income).
- Added a requirement that municipalities had to commit to spend development fees within four years of the date of collection after its enactment on July 17, 2008.

Appellate Division's 2010 Decision

On October 8, 2010, the Appellate Division issued a decision on the legal challenges to the 2008 iteration of COAH regulations.⁸ The Appellate Division affirmed the COAH regulations that assigned rehabilitation and Prior Round numbers to each municipality, but invalidated the regulations by which the agency allocated affordable housing obligations in the Third Round. Specifically, the Appellate Division ruled that COAH could not allocate obligations through a "growth share" formula. The Court directed COAH to use similar methods to those previously used in the First and Second Rounds. Other highlights of the Appellate Division's decision included:

- To be credited, municipally-sponsored or 100% affordable housing sites must show site control, site suitability, and a proposed source of funding.
- COAH's rules did not provide sufficient incentive for the private construction of inclusionary developments (market-rate and affordable units). Clearly defined percentages supported by economic data must be provided. The Court noted that a 20% affordable housing set-aside was typical.

⁷ - Also known as the "Roberts Bill," named after former New Jersey Assembly Speaker Joseph Roberts who sponsored the bill.

⁸ - In Re N.J.A.C. 5:96 and 5:97, 416 N.J. Super. 462 (App. Div. 2010).

- The Court invalidated Prior Round rental bonuses for developments that were not built within a reasonable timeframe.
- Bonuses for smart growth and redevelopment activities were upheld; however, the Court invalidated Third Round compliance bonuses.
- The Court upheld its prior ruling on COAH's formula that did not reallocate present need (existing substandard housing) from urban aid eligible municipalities to other municipalities in the region. The Court also questioned whether or not urban municipalities should be assigned an allocation for future growth.

Judicial Activity from 2011 to 2014

COAH sought a stay from the New Jersey Supreme Court of the March 8, 2011 deadline the Appellate Division had imposed in its October 2010 decision for the agency to issue new Third Round housing numbers. The Supreme Court granted COAH's application for a stay on January 18, 2011 and on March 31, 2011, the Court granted petitions and cross-petitions to all of the various challenges to the Appellate Division's 2010 decision. However, the Supreme Court did not hear oral argument on the various petitions and cross-petitions until November 14, 2012.

In the meantime, the NJ Supreme Court decided on an appeal by the executive branch of the Appellate Division's decision on March 8, 2012 that prevented the dissolution of COAH under Governor Christie's Reorganization Plan No. 001-2011. The Supreme Court upheld the lower Court's ruling, finding that the governor did not have the power to unilaterally dissolve COAH. The Court found that such action requires the passage of new legislation.

On September 26, 2013, the NJ Supreme Court upheld the Appellate Division decision in In re Adoption of N.J.A.C. 5:96 and 5:97 by New Jersey Council on Affordable Housing, 215 N.J. 578 (2013), and ordered COAH to prepare the necessary rules. Subsequent delays in COAH's rule preparation and ensuing litigation led to the New Jersey Supreme Court, on March 14, 2014, setting forth a schedule for adoption. COAH approved draft Third Round rules on April 30, 2014. Although ordered by the New Jersey Supreme Court to adopt revised new rules on or before October 22, 2014, COAH deadlocked 3-3 at its October 20th meeting and failed to adopt the draft rules. An initial motion to table the rule adoption for 60 days to consider amendments also deadlocked at 3-3 and thus also failed.

March 2015 New Jersey Supreme Court Decision

The failure of COAH to adopt new regulations in November 2014 as ordered by the New Jersey Supreme Court led FSHC, as the lead plaintiff, to file a Motion in Aid of Litigants' Rights to compel the government to produce constitutional affordable housing regulations. The New Jersey Supreme Court heard oral arguments on the motion on January 6, 2015. Two months later, on March 10, 2015, the Supreme Court issued its ruling entitled In Re N.J.A.C. 5:96 and 5:97, 221 N.J. 1 (2015), which is already being called Mt. Laurel IV as a shorthand for its conclusions.

The decision provided a new direction for the means by which New Jersey municipalities are to comply with the constitutional requirement to provide their fair share of affordable housing. The Court transferred responsibility to review and approve housing plans from COAH to designated Mount Laurel trial judges. This has meant that municipalities are no longer able to wait for COAH to adopt constitutional Third Round rules before preparing their own new Third Round housing plans. Municipalities must apply to a Mount Laurel Court, instead of COAH, if they wish to be protected from exclusionary zoning lawsuits. The trial judges, usually with the assistance of an appointed Special Master to the Court – as is the case with Lawrence – have been reviewing municipal plans much in the same manner as COAH previously did. Those municipalities whose plans are approved by the Court receive a Judgment of Compliance and Repose, the Court-equivalent of COAH’s substantive certification. Lawrence’s 2018 housing plan met this standard and was granted a Judgment of Repose on September 28, 2018.

January 2017 New Jersey Supreme Court Decision

The NJ Supreme Court had one additional issue to address before municipalities could complete their plans. On January 17, 2017, the New Jersey Supreme Court issued its decision In Re Declaratory Judgment Actions Filed by Various Municipalities, County of Ocean, Pursuant to The Supreme Court’s Decision in In Re Adoption of N.J.A.C. 5:96, 221 N.J. 1(2015). The Supreme Court found that the “gap period,” defined as the period between the end of the Second Round in 1999 and 2015, generates a new construction affordable housing obligation. The decision required an expanded definition of municipal “present need” beyond its original meaning as substandard housing where low and moderate income households lived to also include new construction for low and moderate income households formed during the gap period that were entitled to their delayed opportunity to seek affordable housing.

Accordingly, the municipal affordable housing obligation is now composed of the following four components: Present Need or Rehabilitation Share, Prior Round Obligation (new construction 1987-1999), “Gap” Present Need (new construction 1999 to 2015) and Prospective Need (new construction in the Third Round from 2015 to 2025).

AFFORDABLE HOUSING HISTORY OF LAWRENCE TOWNSHIP

Lawrence Township has demonstrated a long-standing commitment of voluntary compliance with its Mount Laurel fair share obligations. The municipality voluntarily addressed its constitutional affordable housing obligation in response to the FHA and COAH’s First Round, Second Round, and Third Round regulations (both adopted iterations from 2004 and 2008). As described below, the Township received substantive certification from COAH for its first round, Second Round and the Third Round housing elements and fair share plans.

First and Second Round Plans

In the First Round, Lawrence Township petitioned COAH for first round substantive certification in 1987 and COAH granted the Township first round substantive certification on October 19, 1987. Lawrence's certified housing element and fair share plan addressed its first round new construction component of 784 and its rehabilitation share of 127 (based on the 1980 census).

To address COAH's Second Round regulations, Lawrence Township adopted a housing element and fair share plan to meet its Second Round cumulative new construction component of 890 and its rehabilitation share of 72 (based on the 1990 census).

The Township received Second Round substantive certification from COAH on December 4, 1996. This Plan addressed the new construction obligation with 161 Prior Cycle credits, two alternative living arrangements totaling 30 units, six constructed projects totaling 329 units, five approved but unbuilt sites totaling 220 units and two zoned sites with an affordable housing development potential of 93 units.

On September 6, 2000 the Township received substantive certification from COAH for an amended Second Round housing element and fair share plan. The amended plan provided for a conversion of the Yorkshire Village age-restricted affordable housing development into a payment in lieu of construction which funded a 98-unit regional contribution agreement (hereinafter "RCA") with the City of Trenton. The amended Plan also added a 54-unit affordable family rental complex for persons with developmental disabilities, known as Project Freedom, who has developed a number of similar projects both in Mercer and other counties.

On March 3, 2004 an additional amendment to the Township's Second Round plan was approved by COAH. The amendment included replacement of an inclusionary site (AvalonBay) with a 62-unit RCA with the City of Trenton, the addition of two new age-restricted inclusionary developments (Milestones at Lawrenceville and Traditions at Federal Point), and the conversion of on-site units into a payment in lieu of construction for the Denow Associates (also known as Ventana) project. Also included in the amendment was documentation on three previously approved, constructed and occupied sites (Avalon Run East, Liberty Green and Tiffany Woods), revisions to a previously approved inclusionary development (Brookshire/RFP, Inc.), and the addition of a mixed-use site (CIS/Heritage Village) that includes 64 affordable age-restricted units funded in part through a regional contribution agreement between Lawrence Township and the Township of Manalapan. Out of 205 RCAs listed on COAH's website, Lawrence has the distinction of being the only municipality in the State to be both a sender and receiver of RCAs.

Like many other municipalities, Lawrence Township received an extension of its Second Round substantive certification from COAH as the agency finally issued Third Round rules. The extension was granted on April 13, 2005 for a period "up to one year after the effective date of the adoption of the Council's Third Round methodology and rules," or December 20, 2005.

2005 Third Round Plan

As previously indicated, COAH's Third Round rules marked a significant departure from the affordable housing formulas utilized in COAH's two earlier rounds. Previously, COAH assigned an affordable housing obligation as an absolute number to each municipality. The new Third Round rules in 2004 implemented a "growth share" approach that linked the production of affordable housing with future residential and non-residential development within a municipality. Each municipality was required to project the amount of residential and non-residential growth that would occur from 2004 through 2014. Then municipalities were required to provide one affordable unit for every eight market rate housing units developed and one affordable unit for every 25 jobs created (expressed as non-residential building square footage – actual jobs were not counted).

The Township petitioned for Third Round substantive certification on December 20, 2005. However, prior to COAH's review of the Township's Third Round Plan, In Re Adoption of N.J.A.C. 5:94 and 5:95 by New Jersey Council on Affordable Housing, 390 N.J. Super. 1 (App. Div.) certif. denied, 192 N.J. 72, was issued that invalidated most of the 2004 COAH rules. COAH only granted substantive certification to three municipalities of the hundreds of petitions made to the agency prior to the decision.

2008 Third Round Plan

Lawrence adopted a revised Third Round Housing Element and Fair Share Plan, dated December 1, 2008, addressing its cumulative Third Round (1987-2018) fair share obligation. The second iteration of the Third Round rules imposed a fair share obligation on the Township consisting of three components: a 47-unit rehabilitation share (based on the 2000 census); an 891-unit prior round obligation (the cumulative obligation from the first and Second Rounds); and a 524-unit Third Round growth share obligation. On December 30, 2008 Lawrence Township petitioned COAH for substantive certification for the Third Round pursuant to N.J.A.C. 5:96 and 5:97. This petition included a request for approval of the Township's Spending Plan. The Spending Plan sets forth how the monies in the affordable housing trust fund were expected to be used.

In its 2008 housing plan, Lawrence Township relied upon a number of COAH-eligible compliance mechanisms to address its Third Round growth share obligation, including approved and constructed inclusionary developments, existing and proposed special needs/supportive housing, proposed municipally sponsored affordable family housing, and continuation of an ongoing Extension of Expiring Controls program. The Township's Third Round Plan met its 524-unit growth share obligation and fulfilled all rental, family, age-restricted and low income requirements with 537 credits, yielding a surplus of 13 credits to be carried over into the fourth round.

On April 2, 2009, COAH granted Lawrence Township Third Round substantive certification, indicating that its housing element and fair share plan comported with the standards set forth in N.J.S.A. 52:27D-314 and satisfied the criteria for substantive certification set forth in

N.J.A.C. 5:96-6.3. Lawrence was the first municipality in New Jersey to receive Third Round substantive certification from COAH. On the same date, COAH also approved Lawrence Township's Spending Plan, so local affordable housing trust funds could be used to implement the housing plan. COAH's substantive certification, however, indicated the need for the Township to make a few technical revisions to its Housing Element. These were addressed in an amendment dated June 15, 2009 adopted by the Planning Board.

Lastly, on August 26, 2014 COAH adopted Resolution 2014-02 which found that Lawrence had "committed" all of the funding received by March 31, 2013 within 4 years of receipt and approved \$1,051,041.47 for expenditure to implement the housing plan.

HOUSING ELEMENT AND FAIR SHARE REQUIREMENTS

In accordance with the Municipal Land Use Law (*N.J.S.A. 40:55D-1, et seq.*), a municipal Master Plan must include a housing plan element as the foundation for the municipal zoning ordinance (*N.J.S.A. 40:55D-28b (3)*). Pursuant to the FHA, a municipality's housing element must be designed to provide access to affordable housing to meet present and prospective housing needs, with particular attention to low and moderate income housing. Specifically, *N.J.S.A. 52:27D-310* requires that the housing plan element contain at least the following:

- 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;
- A projection of the municipality's housing stock, including the probable future construction of low and moderate income housing, for the next 10 years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development, and probable residential development trends;
- An analysis of the municipality's demographic characteristics, including, but not necessarily limited to, household size, income level, and age;
- An analysis of the existing and probable future employment characteristics of the municipality;
- A determination of the municipality's present and prospective fair share of low and moderate income housing and its capacity to accommodate its present and prospective housing needs, including its fair share of low and moderate income housing; and
- A consideration of the lands 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.

This housing plan has been drawn utilizing these master plan components.

AFFORDABILITY REQUIREMENTS

Affordable housing is defined under New Jersey’s FHA as a dwelling, either for-sale or rent that is within the financial means of households of low or moderate income as income is measured within each housing region. Lawrence is in COAH’s Region 4, which includes Mercer, Monmouth and Ocean Counties. These housing regions have been upheld in judicial proceedings. Moderate income households are those with incomes exceeding 50% up to 80% of the regional median income. Low income households are those with annual incomes 50% or less than regional median income. In 2008 the New Jersey Legislature created an additional sub-category of low income – very low-income – which has been defined as households with incomes 30% or less of the regional median income.

The Uniform Housing Affordability Controls (“UHAC”) found at N.J.A.C. 5:80-26.3(d) and - (e), sets out income limits, maximum rents and maximum sales prices for dwellings to be considered affordable to households. For example, the maximum rent must be affordable to households that earn no more than 60% of the median income for the region and the average rent must be affordable to households earning no more than 52% of the median income. The maximum sale prices for affordable units must be affordable to households that earn no more than 70% of the median income and the average sale price must be affordable to a household that earns no more than 55% of the median income. However, the UHAC rules were not revised to address the very low income requirements of the 2008 Fair Housing Act amendments. Consequently, the FSHC agreement sets the very low income requirement at the 30% of median maximum and a minimum of 13% of total units as stated in the Act.

The regional median income had been defined by COAH annually using HUD income limits. However, COAH has not published updated income limits or rent increases since 2014.

To redress the lack of official income limits in recent years, the Township sought and was granted permission to use the methodology approved by the Superior Court in another vicinage that establishes the criteria to follow to annually update income limits. The criteria adhere to COAH’s Prior Round methodologies. For 2019, the most recent available, the Affordable Housing Professionals of New Jersey (“AHPNJ”) and FSHC have jointly developed updated income limits for all housing regions in New Jersey. See Table 1 for 2019 income limits for Region 4.

Table 1. 2019 Income Limits for Region 4

Household Income Levels	1 Person Household	2 Person Household	3 Person Household	4 Person Household	5 Person Household	6 Person Household
Median	\$72,165	\$82,474	\$92,783	\$107,216	\$111,340	\$119,587
Moderate	\$57,732	\$65,979	\$74,226	\$85,773	\$89,072	\$95,670
Low	\$36,082	\$41,237	\$46,392	\$53,608	\$55,670	\$59,794
Very Low	\$21,649	\$24,742	\$27,835	\$32,165	\$33,402	\$35,876



Tables 2 and 3 provide illustrative sale prices and gross rents for 2019. The sample rents and sale prices are illustrative and are gross figures, which do not account for the specified utility allowance.

Table 2. Illustrative 2019 Affordable Gross Rents for Region 4

Household Income Levels (% of Median Income)	1 Bedroom Unit Rent	2 Bedroom Unit Rent	3 Bedroom Unit Rent
Moderate (60%)	\$1,160	\$1,392	\$1,608
Low (46%)	\$966	\$1,160	\$1,340
Very Low (30%)	\$580	\$696	\$804

Source: AHPNJ and FSHC

Table 3. Maximum Illustrative 2019 Affordable Sales Prices for Region 4

Household Income Levels (% of Median Income)	1 Bedroom Unit Price	2 Bedroom Unit Price	3 Bedroom Unit Price
Moderate (70%)	\$176,773	\$214,840	\$250,370
Low (50%)	\$122,391	\$149,582	\$174,960
Very Low (30%)	\$68,009	\$84,323	\$99,550

Source: AHPNJ and FSHC

HOUSING CONDITIONS

The 2011-2015 American Community Survey (ACS)⁹ estimates that Lawrence Township has approximately 13,073 housing units, of which 710 units, or 5.4%, are vacant. This is a substantially lower than the 9.2% vacancy rate for Mercer County as a whole. The Township's housing stock consists predominantly of single-family detached and attached units, which represents 65.2% of the overall housing stock. This is a slightly lower percentage than that of Mercer County as a whole (70.0%). While the composition of the Township's housing stock is generally similar to that of Mercer County, Lawrence Township has a larger concentration of multi-family units in buildings with 10 or more units. These multi-family units represent nearly one-quarter (23.3%) of the Township's housing stock with the large majority of these units being renter-occupied. Despite this concentration of larger multi-family development, the percent of renter-occupied units in the Township (31.6% of occupied housing units) in the Township is slightly lower than the 35.6% rate for Mercer County and 35.5% rate statewide. See Table 4, Housing Units by Number of Units in Structure and Tenure of Occupant, for a detailed explanation of the Township's housing units in 2015.

⁹ - The American Community Survey replaced the long-form Census as the source for much of the housing data necessary to complete this section. The Census is a one-time count of the population while this ACS is an estimate taken over five years through sampling. As such, data in the ACS is subject to a margin of error.

Table 4. Housing Units and Tenure of Occupant, 2015

Number of Units	Owner Occupied	Percent of Total	Renter Occupied	Percent of Total	Vacant	Percent of Total	Total	Percent of Total
1, Detached	5,372	63.5%	242	6.2%	177	24.9%	5,791	44.3%
1, Attached	1,954	23.1%	566	14.5%	211	29.7%	2,731	20.9%
2	131	1.5%	139	3.6%	13	1.8%	283	2.2%
3 or 4	117	1.4%	264	6.8%	35	4.9%	416	3.2%
5 to 9	204	2.4%	543	13.9%	53	7.5%	800	6.1%
10 to 19	417	4.9%	1,043	26.7%	92	13.0%	1,552	11.9%
20 or more	262	3.1%	1,101	28.2%	129	18.2%	1,492	11.4%
Mobile Home	0	0.0%	8	0.2%	0	0.0%	8	0.1%
Other	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	8,457	100.0%	3,906	100.0%	710	100.0%	13,073	100.0%

Source: 2011-2015 American Community Survey 5-Year Estimate (B25032, DP04)

Table 5, Housing Units by Age, illustrates the age of the Township’s housing stock. Housing prior to 1950, constitutes 12.8% of Lawrence Township’s housing stock. The Township’s housing stock grew steadily from 1950 to 1980. The rate of growth in housing units more than doubled during the 1980s and stable growth continued through 2009. The age of the housing units in the Township is reflected in the median year built, 1982. This contrasts with the median year built of homes in Mercer County, 1965, and the statewide median, 1966. This means that the housing stock in Lawrence Township is relatively new in comparison to that of the County and the State as a whole.

Table 5. Housing Units by Age, 2015

Year Built	Total Units	Percent	Owner	Renter	Vacant
2014 or later	0	0.0%	0	0	0
2010 to 2013	12	0.1%	12	0	0
2000 to 2009	2,086	16.0%	1,216	724	146
1990 to 1999	1,767	13.5%	621	994	152
1980 to 1989	3,474	26.6%	2,482	789	203
1970 to 1979	1,390	10.6%	792	572	26
1960 to 1969	1,364	10.4%	1,099	230	35
1950 to 1959	1,309	10.0%	952	261	96
1940 to 1949	713	5.5%	444	244	25
1939 or earlier	958	7.3%	839	92	27
Totals	13,073	100.0%	8,457	3,906	710
Median Year Built	1982		1980	1987	

Source: 2011-2015 American Community Survey 5-Year Estimate (Tables DP04, B25036, B25037)

Table 6, Number of Rooms per Housing Unit, shows that 12.6% of homes have between one and three rooms, 51.2% have between four and six rooms, and 36.2% have seven or more rooms. The data from this and other tables indicate that the housing stock in Lawrence Township is, on average, slightly smaller than the state’s median of 5.7 rooms per unit.

Table 6. Number of Rooms per Housing Unit, 2013

Rooms	Number of Units	Percent of Total
1	112	0.9%
2	194	1.5%
3	1,339	10.2%
4	2,296	17.6%
5	2,283	17.5%
6	2,120	16.2%
7	1,599	12.2%
8	1,409	10.8%
9+	1,721	13.2%
Total	13,073	100.0%
Median	5.6 Rooms	

Source: 2011-2015 American Community Survey 5-Year Estimate (Table DP04)

In terms of bedrooms, only 53.4% of all units have three or more bedrooms. The most common number of bedrooms per housing unit is two (at 31.2%), which is a higher percentage than that of the County and the State (23.6% and 26.1%, respectively). See Table 7, Number of Bedrooms per Housing Unit, 2013, for more detail.

Table 7. Number of Bedrooms per Housing Unit, 2013

Bedrooms	Number of Units	Percent of Total
Efficiency	112	0.9%
1	1,905	14.6%
2	4,073	31.2%
3	3,778	28.9%
4	2,603	19.9%
5+	602	4.6%
Total	13,073	100.0%

Source: 2011-2015 American Community Survey 5-Year Estimate (Table DP04)

Table 8, Value of Owner-Occupied Housing Units, shows that the median home value in Lawrence Township increased between 2000 and 2015. The median value of owner-occupied

homes in the Township in 2015 was \$285,000, which is greater than the median value of homes in Mercer County (\$276,500), but less than that of the State (\$315,900). In 2015, only 6.4% of homes were valued at less than \$100,000 compared with 15.1% in 2000. The large majority (66.4%) of homes in 2015 were valued between \$200,000 and \$500,000.

Based on the 2017 Illustrative Sales Prices for Housing Region 4 provided in Table 3, which are based on 2017 income limits, approximately 208 (2.5%) of 2015 owner-occupied housing units in Lawrence Township may be affordable to very low-income households (depending on the number of bedrooms in the unit). Approximately 438 of owner-occupied units (5.2%) (exclusive of units that may be affordable to very low-income households) may be affordable to low-income households, and approximately 737 units (8.7%) may be affordable to moderate-income households (excluding those units affordable to low- and very low-income households). In total, approximately 1,383 owner-occupied units, or 16.4% of owner-occupied units in the Township, may be affordable to low- and moderate-income households.

Table 8. Value of Owner-Occupied Housing Units, 2000 and 2015

Housing Unit Value	2000 Units	Percent	2015 Units	Percent
Less than \$50,000	98	1.3%	159	1.9%
\$50,000 to \$99,999	1,051	13.8%	377	4.5%
\$100,000 to \$149,999	1,904	24.9%	337	4.0%
\$150,000 to \$199,999	1,669	21.9%	974	11.5%
\$200,000 to \$299,999	1,624	21.3%	2,760	32.6%
\$300,000 to \$499,999	1,033	13.5%	2,857	33.8%
\$500,000 to \$999,999	180	2.4%	907	10.7%
\$1,000,000 or more	78	1.0%	86	1.0%
Total	7,637	100.0%	8,457	100.0%
Median Value	\$169,400		\$285,000	

Sources: 2000 Census (Tables H084 and H085); 2011-2015 American Community Survey 5-Year Estimate (Table DP04)

The median gross rent in Lawrence Township in 2015 was estimated to be \$1,406, compared to \$1,132 across Mercer County. The vast majority of rental units in Lawrence Township, approximately 81%, had monthly gross rents greater than \$1,000 in 2015; 64.1% had rents between \$1,000 and \$2,000 and 16.9% had rents greater than \$2,000. See Table 9, Gross Rent by Housing Unit in Lawrence Township and Mercer County.

Based on the 2017 Illustrative Gross Rents for Housing Region 4 provided in Table 2, which are based on 2017 income limits, approximately 303 (7.8%) of 2015 renter-occupied housing units in Lawrence Township may be affordable to very low-income households (depending on the number of bedrooms in the unit). Approximately 934 rental units (23.9%) (exclusive of units that may be affordable to very low-income households) may be affordable to low-income households, and approximately 949 units (24.3%) may be affordable to moderate-income

households (excluding those units affordable to low- and very low-income households). In total, approximately 2,186 renter-occupied units, or 56.0% of renter-occupied units in the Township, may be affordable to low- and moderate-income households.

Table 9. Gross Rent by Housing Unit in Lawrence and Mercer County, 2015

Gross Rent	Units in Lawrence	Percent of Total	Units in Mercer County	Percent of Total	Difference
Less than \$100	0	0.0%	475	0.3%	0.30%
\$100 to \$149	0	0.0%	501	0.3%	0.30%
\$150 to \$199	0	0.0%	970	0.6%	0.60%
\$200 to \$249	0	0.0%	3,832	2.2%	2.20%
\$250 to \$299	29	0.7%	1,698	1.0%	0.26%
\$300 to \$349	19	0.5%	1,438	0.8%	0.31%
\$350 to \$399	30	0.8%	1,774	1.0%	0.23%
\$400 to \$449	18	0.5%	1,592	0.9%	0.44%
\$450 to \$499	94	2.4%	1,992	1.2%	-1.21%
\$500 to \$549	0	0.0%	1,897	1.1%	1.10%
\$550 to \$599	0	0.0%	2,111	1.2%	1.20%
\$600 to \$649	19	0.5%	2,795	1.6%	1.11%
\$650 to \$699	8	0.2%	2,738	1.6%	1.40%
\$700 to \$749	71	1.8%	3,070	1.8%	-0.02%
\$750 to \$799	87	2.2%	3,339	1.9%	-0.33%
\$800 to \$899	141	3.6%	10,535	6.1%	2.49%
\$900 to \$999	155	4.0%	13,582	7.9%	3.93%
\$1,000 to \$1,249	863	22.1%	34,821	20.3%	-1.79%
\$1,250 to \$1,499	614	15.7%	27,265	15.9%	0.18%
\$1,500 to \$1,999	1,026	26.3%	26,103	15.2%	-11.07%
\$2,000 or more	661	16.9%	25,802	15.0%	-1.92%
No cash rent	71	1.8%	3,165	1.8%	0.00%
Total	3,906	100.0%	46,501	100.0%	
Median Rent	\$1,406		\$1,132		

Sources: Table B25063 Gross Rent; Table B25064 Median Gross Rent (Dollars), ACS 2011-2015

Housing is generally considered to be affordable if rents, mortgages, and other essential costs consume 28% or less of an owner-household's income or 30% or less of a renter-household's income. This percentage is lower for homeowners to account for the additional home

maintenance costs associated with ownership. In Lawrence Township, 37.6% of all households in occupied units are expending more than 30% of their incomes on housing. The percentage of renter-occupied households expending more than 30% of their incomes on housing (50.9%) is substantially higher than that of owner-occupied households (31.6%). With approximately half of all renters spending over 30% of income on housing, much of the Township’s existing rental housing appears unaffordable to the population.

Table 10. Housing Affordability, 2015

Monthly Housing Costs as Percent of Income	Owner-Occupied	% of Total	Renter	% of Total	All Occupied	% of Total
Less than 20 Percent	1,506	36.4%	760	33.7%	2,269	35.5%
20 to 29 Percent	1,183	28.6%	507	22.5%	1,687	26.4%
30 Percent or More	1,406	34.0%	841	37.3%	2,250	35.2%
Total	4,136	99.0%*	2,255	93.5%*	6,391	97.1%*

Source: Table S2503 Financial Characteristics, ACS 2009-2013

*Remaining households, expressed as percent, have zero or negative income, or paid no cash rent.

In 2015, there were an estimated 80 units that had incomplete kitchen facilities and 38 units that were overcrowded (more than one occupant per room) and built before 1950, which may include some of the aforementioned units. It should be noted that overcrowding is often associated with substandard housing due to overuse of facilities. Overcrowded housing is often occupied by lower income households who share space to save on housing costs. These households may not be able to afford to maintain the home, leading to deteriorated conditions. There were zero units with incomplete plumbing facilities. Historically, the conditions mentioned in this paragraph have been indicators of housing deficiency, which are used to determine the number of units requiring rehabilitation.

Table 11. Indicators of Housing Deficiency, 2015

Indicator	Incomplete Plumbing	Incomplete Kitchen	Crowded or Overcrowded, and Built Pre-1950
Number of Units	0	80	38

Source: 2011-2015 American Community Survey 5-Year Estimate (DP04, B25050)

POPULATION CHARACTERISTICS

The population of Lawrence Township has grown substantially since 1990. Between 1990 and 2000, the Township’s population increased by 13.1%, which is nearly double the growth rate of Mercer County during the same decade. The Township continued to experience significant growth during the 2000s. Between 2000 and 2010, population increased by 14.8%, compared to 4.5% population growth in the County as a whole. Since 2010, the rate of growth in both the Township and the County has slowed. In 2015, the estimated population in Lawrence

Township has generally remained consistent with 2010 levels. See Table 12, Population Change, for additional detail.

Table 12. Population Change 1990 to 2015, Lawrence and Mercer County

Government	1990	2000	Percent Change	2010	Percent Change	2015	Percent Change
Lawrence Township	25,787	29,159	13.1%	33,472	14.8%	33,357	-0.3%
Mercer County	325,824	350,761	7.7%	366,513	4.5%	370,212	1.0%

Source: U.S. Census 1990, 2000, 2010; NJ Dept. of Labor and Workforce Development, 2015 Annual Estimates

Between 2000 and 2015, there was a large increase in the numbers of Township residents approaching retirement age, as well as in senior residents. The most substantial growth was in the 55 to 64 age cohort, whose population grew nearly 74% between 2000 and 2015. This is a function of the aging baby boom. The number of residents between the ages of 25 and 44 years, typically representing families with school-aged children, decreased during the same time period. Lawrence Township's aging population contributes to the increase in the median age from 36.7 in 2000 to 39.5 in 2015. See Table 13, Age of Population, 2000-2015, for additional detail.

Table 13. Age of Population, 2000 to 2015

Age Cohort	2000	Percent	2010	Percent	2015	Percent	% Change (2000-'15)
Under 5	1,678	5.8%	1,830	5.5%	1,702	5.1%	1.4%
5-14	3,584	12.3%	3,707	11.1%	3,941	11.8%	10.0%
15-24	4,683	16.1%	5,681	17.0%	5,182	15.5%	10.7%
25-34	3,865	13.3%	4,031	12.0%	3,729	11.2%	-3.5%
35-44	4,696	16.1%	4,684	14.0%	4,452	13.3%	-5.2%
45-54	4,239	14.5%	4,782	14.3%	4,750	14.2%	12.1%
55-64	2,461	8.4%	4,146	12.4%	4,274	12.8%	73.7%
65-74	1,915	6.6%	2,228	6.7%	2,765	8.3%	44.4%
75+	2,038	7.0%	2,383	7.1%	2,562	7.7%	25.7%
Total	29,159	100.0%	33,472	100.0%	33,357	100.0%	
Median Age	36.7		38.3		39.5		

Source: 2000 and 2010 US Census; 2011-2015 American Community Survey 5-Year Estimate (DP05)

HOUSEHOLD CHARACTERISTICS

A household is defined by the U.S. Census Bureau as those persons who occupy a single room or group of rooms constituting a housing unit; however, these persons may or may not be related. By comparison, a family is identified as a group of persons including a householder and one or more persons related by blood, marriage or adoption, all living in the same household. In 2015, there were 12,363 households in the Township, with an average of 2.44 persons per household. There were average of 3.14 persons per family in 8,061 such households. Approximately 35% of the Township’s households are non-family households, which include individuals living alone. See Table 14, Household Composition, 2015.

Table 14. Household Composition, 2015

Household Type	Number of Households	Percent
Family households	8,061	67.9%
Married-couple family	6,578	53.8%
With Children under 18	2,968	21.6%
With No Children under 18	3,620	32.2%
Male householder, no spouse present	203	3.2%
With Own Children Under 18	31	0.5%
Without Own Children Under 18	172	2.7%
Female householder, no spouse present	1,063	10.9%
With Own Children Under 18	506	4.9%
Without Own Children Under 18	557	6.0%
Nonfamily households	4,302	32.1%
Householder living alone	3,569	28.8%
TOTAL HOUSEHOLDS	12,363	100.0%

Source: Table DP02. Selected Social Characteristics, ACS 2009-2013

INCOME CHARACTERISTICS

Households in Lawrence Township have, on average, higher incomes than households in Mercer County. Median household income in 2015 in the Township was \$86,301. Comparable figures for the County and the State were \$72,804 and \$72,093, respectively. Table 15, Household Income, 2015, further illustrates these findings by noting the number of households in each income group. The Township’s poverty rates for individuals and families (6.0% and 3.9%, respectively) are less than half of the poverty rates for the County as a whole (11.5% and 8.0%, respectively). See Table 16, Individual and Family Poverty Rates, 2015, for the comparison.



Table 15. Estimated Household Income in Lawrence and Mercer County, 2015

Household Income	Lawrence	Percent	Mercer	Percent
Less than \$10,000	448	3.4%	8,075	6.2%
\$10,000-\$14,999	325	3.4%	4,748	3.6%
\$15,000-\$24,999	839	5.1%	10,335	7.9%
\$25,000-\$34,999	632	6.2%	9,469	7.3%
\$35,000-\$49,999	980	8.8%	13,049	10.0%
\$50,000-\$74,999	2,139	16.0%	21,112	16.2%
\$75,000-\$99,999	1,629	13.0%	15,729	12.0%
\$100,000-\$149,999	2,854	23.4%	21,487	16.5%
\$150,000-\$199,999	1,316	8.9%	11,462	8.8%
\$200,000+	1,201	11.8%	15,080	11.6%
Total	12,363	100.0%	130,873	100.0%
Median Income	\$86,301		\$72,804	

Source: Table DP03 Selected Economic Characteristics, ACS 2011-2015

Table 16. Individual and Family Poverty Rates, 2015

Government	Families	Individuals
Lawrence Township	3.9%	6.0%
Mercer County	8.0%	11.5%

Source: Tables S1702 and DP03, Poverty Status in Past 12 Months, ACS 2011-2015.

EMPLOYMENT CHARACTERISTICS

Table 17, Employed Residents by Industry Sector, shows the distribution of employment by industry for employed Township residents. The four industries representing the largest concentrations of employed residents in 2015 were Educational Services, Health Care and Social Assistance with 26.2% of employed residents; Professional, Scientific, and Management, and Administrative and Waste Management Services with 15.6%; Manufacturing with 9.7%; and Financing and Insurance, Real Estate, Rental, and Leasing with 9.4%.

Table 17. Employed Residents by Economic Sector, 2013

Industry	Number	Percent
Agriculture, Forestry, Fishing and Hunting, and Mining	31	0.2%
Construction	632	3.7%
Manufacturing	1,678	9.7%
Wholesale Trade	394	2.3%
Retail Trade	1,447	8.4%
Transportation and Warehousing, and Utilities	530	3.1%
Information	331	1.9%
Financing and Insurance, and Real Estate, Rental, and Leasing	1,621	9.4%
Professional, Scientific, and Management, Administrative and Waste Management Services	2,690	15.6%
Educational Services, and Health Care and Social Assistance	4,521	26.2%
Arts, Entertainment, and Recreation, and Accommodation and Food Services	1,491	8.6%
Public Administration	1,132	6.6%
Other	754	4.4%
Total	17,252	100.0%

Source: Table DPO3 Selected Economic Characteristics, ACS 2011-2015

Table 18, Employed Residents by Occupation, 2015, identifies the occupations of employed residents in Lawrence Township. While Township residents work in a variety of industries, more than half (52.2%) of employed residents work in Management, Business, Science, and Arts occupations and 23.6% are employed in Sales and Office occupations.

Table 18. Employed Residents by Occupation, 2015

Occupation	Number	Percent
Management, Business, Science, Arts	8,997	52.2%
Services	2,354	13.6%
Sales and Office Functions	4,064	23.6%
Natural Resources, Construction, Maintenance	853	4.9%
Production, Transportation, Material Moving	984	5.7%
Total	17,252	100.0%

Source: Selected Economic Characteristics, ACS 2011-2015 (Table DPO3)

Since 2010, the size of the Township's labor force has increased with most of the growth occurring only since 2014. The Township's unemployment rate fell below 5% in 2014 and further decreased to 3.4% by 2016. Therefore, despite recent the growth in labor force

participation, the Township’s unemployment rate has continued to decrease a positive trend. Table 19, Change in Employment Since 2010, illustrates these trends.

Table 19. Change in Employment Since 2010

Year	Labor Force	Employment	Unemployment	Unemployment Rate
2010	18,611	17,410	1,201	6.5%
2011	18,538	17,335	1,203	6.5%
2012	18,570	17,356	1,214	6.5%
2013	18,487	17,431	1,056	5.7%
2014	18,578	17,732	846	4.6%
2015	18,951	18,243	708	3.7%
2016	19,176	18,523	653	3.4%

Source: NJ Department of Labor and Workforce Development

The number of jobs in Lawrence Township is higher than the number of working age residents in the labor force, making the municipality a jobs center. The New Jersey Department of Labor tracks covered employment throughout the State. Covered employment data includes only those jobs for which unemployment compensation is paid. By definition it does not include the self-employed, unpaid family workers, most part-time or temporary employees, and certain agricultural and in-home domestic workers. See Table 20, Covered Employment Estimates in Lawrence and Mercer County, for additional detail.

Table 20. Covered Employment Estimates in Lawrence and Mercer County

Year	Lawrence	Mercer County	Lawrence as % of Mercer County
2006	23,539	226,390	10.4%
2010	23,618	224,170	10.5%
2016	25,279	243,906	10.4%

Source: New Jersey Department of Labor, Quarterly Census of Employment and Wages

The retail trade and health/social services industry sectors represented the largest concentration of jobs in the Township, with 4,030 and 3,465 average annual jobs in 2016, respectively. Table 21, Employment by Industry Sector, 2016, provides additional employment information for those persons employed in Lawrence Township.

Table 21. Covered Employment by Industry Sector, 2016

Category	Employment					Wages	
	March	June	Sept.	Dec.	Average	Annual	Weekly
PRIVATE SECTOR							
Construction	510	550	537	555	537	\$99,461	\$1,913
Manufacturing	434	450	452	447	447	\$74,628	\$1,435
Wholesale Trade	202	221	226	229	219	\$70,483	\$1,355
Retail Trade	3,844	3,876	4,086	4,591	4,030	\$31,945	\$614
Finance/Insurance	642	655	649	641	646	\$107,660	\$2,070
Real Estate	433	444	432	442	435	\$67,405	\$1,296
Admin/Waste Remediation	2,018	2,069	1,990	2,013	2,006	\$35,448	\$682
Health/Social	3,432	3,469	3,498	3,521	3,465	\$47,635	\$916
Arts/Entertainment	300	348	305	281	304	\$15,558	\$299
Accommodations/Food	1,616	1,726	1,624	1,721	1,650	\$18,647	\$359
Other Services	483	487	476	506	494	\$35,902	\$690
Subtotal/Average	23,684	24,080	24,099	24,898	23,990	\$78,827	\$1,516
PUBLIC SECTOR							
Federal Government	81	73	73	75	76	\$80,317	\$1,545
State Government	250	242	230	227	238	\$78,712	\$1,514
Local Government	1,069	1,063	988	1,077	974	\$62,252	\$1,197
Subtotal/Average	1,400	1,378	1,291	1,380	1,288	\$73,760	\$1,418
Total Covered Employment	25,084	25,458	25,390	26,277	25,279		

Source: New Jersey Department of Labor, Quarterly Census of Employment and Wages

As Table 22, Journey to Work, shows, 74.8% of the Township's employed residents drive to work alone compared to 72.2% in Mercer County and 71.9% in New Jersey as a whole. The number of residents driving to work alone is consistent with the suburban context of the Township and nearby employment centers.

Table 22. Journey to Work, 2015

Mode	Lawrence Township	Mercer County	New Jersey
Drive Alone	74.8%	72.2%	71.9%
Carpool	8.5%	9.6%	8.1%
Transit	6.1%	8.1%	11.1%
Walk	2.3%	3.1%	3.1%
Other	1.1%	2.0%	1.9%
Work at Home	7.2%	5.1%	4.0%

Source: 2011-2015 American Community Survey: Selected Economic Characteristics (DP03)

Approximately one-third (33.7%) of households in Lawrence Township only have one vehicle and 5.3% have no vehicle available. Some one-car households likely comprise the approximately 29% of Township residents who live alone. For one-car households with more than one adult and households with no car, the lack of available vehicles in a suburban context such as Lawrence Township is typically an indicator of lower income households and implies difficulty in traveling to jobs, community services and commercial establishments. See Table 23, Available Vehicles by Household, 2015.

Table 23. Available Vehicles by Household, 2015

Vehicles	Number	Percent
None	659	5.3%
One	4,165	33.7%
Two	5,212	42.2%
Three +	2,327	18.8%
Total	12,363	100.0%

Source: 2011-2015 American Community Survey: Selected Housing Characteristics (DP04)

The most common commuting destination of employed Township residents is neighboring Princeton Borough (9.8%), followed by Trenton (5.2%). As shown in Table 24, Top Ten Commuting Destinations for Lawrence Township Residents, many of the top employment destinations for residents are in Mercer County or other major urban centers in the region. However, the large majority of residents (75%), commute to dispersed locations.

Table 24. Top Ten Commuting Destinations for Lawrence Township Residents, 2014

Destination	Jobs	Percent
Princeton, NJ	1,490	9.8%
Trenton, NJ	791	5.2%
New York City, NY	616	4.1%
New Brunswick, NJ	171	1.1%
Philadelphia, PA	167	1.1%
Newark, NJ	154	1.0%
Mercerville, NJ	135	0.9%
Pennington, NJ	108	0.7%
Jersey City, NJ	106	0.7%
Hamilton Square, NJ	66	0.4%
All Other Locations	11,382	75.0%

Source: US Census, Center for Economic Studies, Longitudinal Employer-Household Dynamics, 2014

POPULATION PROJECTIONS

The Delaware Valley Regional Planning Commission (“DVRPC”), the Metropolitan Planning Organization that contains Lawrence Township as well as the remainder of Mercer County, publishes population and employment projections for the region. DVRPC projects that the Township’s population and employment will increase by 4.2% and 7.2%, respectively, from 2015 to 2045. As Table 25, Population and Employment Projections, shows, these rates are lower than for the County as a whole.

Table 25. Population, Household, and Employment Projections, 2015 to 2045

	Lawrence Township			Mercer County		
	2015	2045	% Change	2015	2045	% Change
Population	33,242	34,645	4.2%	371,398	402,283	8.3%
Employment	28,005	30,015	7.2%	286,295	310,084	8.3%

Source: Delaware Valley Regional Planning Commission

The Fair Housing Act requires that housing plans include a ten-year projection of new housing units based on the number of building permits, development applications approved, probable developments, and other indicators deemed appropriate (N.J.S.A. 52:27D-310.b). Annual building permit issuance for residential new construction in Lawrence Township averaged approximately 111 units between 2000 and 2016. However, building permit issuance



substantially decreased during the years 2009 through 2015, which was likely the result of the Great Recession. During those seven years, a total of only 21 residential units were issued new construction permits in the Township, or an annual average of approximately 3 units. In contrast, between 2000 and 2008, annual building permit issued for new residential construction averaged approximately 195 units. Data for 2016 suggests that the rate of building permits issuance is beginning to increase. However, as will be seen in the Fair Share Plan section of this document, Lawrence lacks the land resources to address its affordable housing obligation and this factor will reduce overall growth in Lawrence to a much lower figure than pre-Recession levels. Table 26, Past Housing Activity, indicates new residential permits issued from 2000-2016.

Table 26. Past Housing Activity

Year	Building Permits Issued
2000	296
2001	206
2002	332
2003	418
2004	96
2005	231
2006	41
2007	19
2008	119
2009	3
2010	2
2011	0
2012	4
2013	4
2014	7
2015	1
2016	104
Total	1,110 dwellings
Average per Year	111

Source: NJDCA Construction Reporter, Building Permits, Yearly Summary Data, and Housing Units Authorized by Building Permits for New Construction

The number of units required to address the realistic development potential described in the Fair Share Plan section of this document includes 650 total units, or 93 per year until 2025. Other infill development of four units per year plus the Green Acres Country Club subdivision

of 97 units would add an average of 14 units per year for a total projection of 775 units or an annual average of 111 units – coincidentally the average over the past decade and a half.


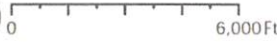
CONSIDERATION OF LAND FOR AFFORDABLE HOUSING

As Lawrence Township has matured as a suburb, undeveloped land available for housing that meets suitability criteria has become scarce. Accordingly, this document includes a vacant land analysis as part of the Housing Plan. This analysis determined the municipality lacked the land resources necessary to meet its entire Third Round allocation. These factors led the Township to review possible redevelopment areas, or densification of existing development in locations accessible to the transportation network, services, and satisfaction of personal needs. The focus of this analysis resulted in the close examination of sites centered on the Route 1 and I-95/I-295 highway corridors.

Because of the densities involved, affordable housing requires public sanitary sewer, which is controlled by law and administrative rules to ensure the quality of water, both ground and surface water. About one-third of Lawrence is located in areas outside of the sanitary sewer service area. Though those areas contribute to the Township's realistic development potential, they offer no solution to finding appropriate locations for affordable housing. Consequently, land for affordable housing was reviewed for suitability only within the sanitary sewer service area.

Map 1, Environmental Constraints, following page, depicts environmentally sensitive land and the sanitary sewer service area.



Clarke Caton Hintz ● ● ■
 Architecture
 Planning
 Landscape Architecture

Environmental Constraints w/ Sewer Service Areas

LOCATION: Lawrence Township, Mercer County, NJ | DATE: December 2017

FAIR SHARE PLAN

LAWRENCE'S AFFORDABLE HOUSING OBLIGATION

In its March 10, 2015 decision, the New Jersey Supreme Court directed that the methods of determining municipal allocation be substantially similar to the calculations used in the First and Second Round rules. The New Jersey Supreme Court also upheld certain bonuses and methods that were only instituted during the Third Round, such as the extension of expiring affordability deed restrictions, redevelopment bonuses, and others. Consequently, the methods and means of crafting a housing element include both the Second Round rules, the small parts of the Third Round rules found constitutionally compliant by the Court, and statutory changes, such as the elimination of the use of regional contribution agreements.

Since the January 2017 New Jersey Supreme Court ruling on the “gap period,” housing plans must address the four main components of a municipality’s affordable housing obligation. These include the Rehabilitation Share to improve substandard housing occupied by the target population, the Prior Round for new construction from 1987 to 1999, the Gap Period Present Need for new construction (1999-2015); and the Prospective Need, or the Third Round’s future new construction demand (2015-2025).

Existing substandard affordable housing demand is defined in the Second Round rules as the sum of the “indigenous need” and the “reallocated present need.” However, this was modified by the Court such that the reallocated present need was no longer required to be assigned to municipalities in the region. Reallocated present need was the reassignment of units where excess indigenous need in one municipality is shifted to other municipalities where their need was lower than the regional average. This total of substandard housing need is called the “present need” in the Second Round rules but in this document is called the Rehabilitation Share which has been the more common usage in the Third Round. COAH’s elimination of the reallocated present need was first upheld by the Appellate Division on October 8, 2010¹⁰.

The cumulative affordable housing obligation is called the “Prior Cycle fair share” in the Second Round rules and it represents the new construction component of the First and Second Rounds together. However, this term tends to be confused with “Prior Cycle credits,” which are credits granted by COAH for affordable housing from the early 1980’s. Consequently, in this document it will be called the Prior Round Obligation that occurs in the time period of 1987-1999.

¹⁰ - 416 N.J. Super. 462, (App. Div. 2010)

Settlement Agreements

As noted, Lawrence Township has entered into two separate settlements - with FSHC, an interested party identified by the New Jersey Supreme Court, and with Brandywine Realty Trust, an intervenor in the Township's declaratory judgment matter. In the FSHC agreement and as codified by the Judgment of Repose, the Township's Rehabilitation Share, Prior Round obligation, and Third Round obligation have been agreed to by the parties and accepted by the Court. The Third Round obligation includes both the Gap Present Need and Prospective Need allocations. The FSHC agreement as approved by the Court is attached as Appendix A; the Brandywine agreement is attached as Appendix B. As previously noted, a fairness hearing on the FSHC settlement agreement was held on July 5, 2017 before Judge Jacobson and reflected in the Court's Order on Fairness and Preliminary Compliance Hearing (Appendix C) of the same date, Lawrence's obligation is as follows:

Table 26. Lawrence Affordable Housing Allocation, Third Round Summary

Affordable Housing Component	Number
Rehabilitation Share	73
Prior Round Obligation	891
Third Round Obligation	1,110
Total Obligation	2,074

Source: David N. Kinsey, PhD, PP, FAICP, New Jersey Low and Moderate Income Housing Obligations for 1999-2025 Calculated Using the NJ COAH Prior Round (1987-1999) Methodology, May 2016, as adjusted per the settlement agreement

The Court-approved settlement agreement establishes the Township's Rehabilitation Share of 73 units.

The Prior Round obligation follows the New Jersey Supreme Court's 2013 decision affirming the validity of the cumulative 1987 through 1999 affordable housing obligation. This time period corresponds to the First and Second Rounds of affordable housing. Lawrence's Prior Round obligation is 891 units as previously calculated by COAH.

The Township's 1,110-unit Third Round obligation includes both the Gap Present Need obligation and the Third Round Prospective Need obligation in accordance with the New Jersey Supreme Court's January 2017 decision and has been adjusted through the settlement agreement with FSHC and as approved by the Superior Court.

Although the settlement agreement established a Third Round obligation of 1,110 units, the Township received Court approval of its request for a vacant land adjustment as a result of limited vacant and developable land in the Township. Pursuant to an analysis of all vacant land in the Township conducted in accordance with N.J.A.C. 5:93-4.2, a number of sites were identified as generating a Realistic Development Potential ("RDP"). Based on these sites, the Township's Third Round RDP was determined to be 696 units, resulting in a Third Round

unmet need of 414 units (1,110 – 696 = 414). The sites making up the RDP are included in Appendix D.

Additionally, as indicated in the settlement agreement with FSHC, should the Third Round obligation of 1,110 units be reduced beyond 20% (to 888 or less) by a court of competent jurisdiction or an administrative agency responsible for implementing the FHA, the Township reserves the right to apply any surplus Third Round credits towards future fair share obligations. Despite any such reduction in the Township’s obligation, Lawrence will implement all mechanisms outlined in this housing plan to address its affordable housing obligations.

This amendment to the plan adjusts the RDP from 696 units and credits to 710. Though the Brandywine site’s yield is being reduced from 60 to 42 units and its rental bonus credits to the same number, the Township does not request a reduction in the RDP generated by the site due to changed circumstances, though it reserves its right to do so in a future proceeding.

REHABILITATION SHARE

N.J.A.C. 5:97-6.2(a), identifies the purpose of a rehabilitation program as the renovation of deficient housing units occupied by low and moderate income households. In N.J.A.C. 5:97-1.4, deficient housing units are those, “with health and safety code violations that require the repair or replacement of a major system” ... being, “weatherization, roofing, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement and/or load bearing structural systems.”

Between April 1, 2010 and May 5, 2017, Lawrence rehabilitated 19 owner-occupied housing units at a total hard cost of \$356,182, or \$18,746 per unit. Table 27, Rehabilitation Program, 2013-2017, provides a summary of Lawrence’ rehabilitation efforts between those dates.

Table 27. Rehabilitation Program, 2013-2017.

No.	System Rehabbed ⁽¹⁾	Contract Cost ⁽²⁾	Final Inspection Date	Affordable Controls
1	3	\$15,460	7/10/2013	10 yrs.
2	3	\$18,389	11/22/2013	10 yrs.
3	1	\$24,110	11/25/2013	10 yrs.
4	1	\$14,350	3/14/2014	10 yrs.
5	1	\$25,720	1/13/2014	10 yrs.
6	1	\$23,861	6/20/2014	10 yrs.
7	1	\$17,450	6/20/2014	10 yrs.
8	3	\$17,400	10/30/2014	10 yrs.
9	1	\$19,950	12/10/2014	10 yrs.
10	8	\$15,700	2/5/2015	10 yrs.



No.	System Rehabbed ⁽¹⁾	Contract Cost ⁽²⁾	Final Inspection Date	Affordable Controls
11	3	\$21,200	3/6/2015	10 yrs.
12	3	\$22,900	4/11/2015	10 yrs.
13	3	\$14,550	7/10/2015	10 yrs.
14	6	\$14,500	10/20/2015	10 yrs.
15	3	\$16,500	11/20/2015	10 yrs.
16	3	\$22,267	11/6/2015	10 yrs.
17	3	\$24,850	11/6/2015	10 yrs.
18	6	\$19,830	5/22/2016	10 yrs.
19	3	\$7,195	5/18/2017	10 yrs.
Total				\$356,182
Average				\$18,746

Source: Lawrence Affordable Housing Administrator.

(1) - 1 = roof; 2 = plumbing, water supply; 3 = heating; 4 = electrical; 5 = plumbing, sanitary; 6 = load bearing systems; 7 = lead paint abatement; 8 = weatherization.

(2) - Hard cost only.

Additional documentation on the units rehabilitated is contained in Appendix E. The municipality's goal will be to rehabilitate an additional 54 units during the Third Round. It is anticipated that sufficient revenue will be generated from the affordable housing development fee to fund the rehabilitation program as detailed in the Spending Plan, attached as Appendix F. Administrative services will be provided by the Township's Administrative Agent, under contract to the municipality. The continuing rehabilitation program will adhere to the regulations in *N.J.A.C. 5:97-6.2* as detailed below. The criteria to be met are paraphrased in *italics* along with the Township's responses:

1. *Rehabbed to code.* The standard for evaluating rehabilitation activity is the Uniform Construction Code (*N.J.A.C. 5:28*), Rehabilitation Subcode (*N.J.A.C. 5:23-6*) and BOCA Property Maintenance Code in effect at the time of evaluation. The rehabilitation activity will renovate one or more major building systems in accordance with the rule and will not include luxury improvements, the purchase of appliances (with the exception of stoves) or improvements that are strictly cosmetic.
2. *Occupied by eligible households at time of rehabilitation.* Units will be occupied by income-eligible households and will be so certified by the Lawrence Affordable Housing Administrator before any contract is executed.
3. *Appropriate affordability controls were enacted.* The length of affordability controls will be at least 10 years for both owner-occupied and renter-occupied dwellings or in the alternative, a perpetual lien against the property that is repaid to the issuing

agency at the time of the first sale of the property following the completion of the rehabilitation work, with such funds deposited into the Township's affordable housing trust fund.

4. *Administration.* The municipality anticipates that the Lawrence Affordable Housing Administrator will continue to operate the program. There is no expected change in the advertisement and processing of applications from income eligible households as the Housing Plan progresses.
5. *Rental units must be included in the program.* The program is open to eligible owner-occupied units and to the landlords of renter-occupied units. To date no landlord has applied to the program.
6. *Submission of a rehabilitation manual.* The rehabilitation manual includes length of controls, income qualification criteria, financing terms, amount of money available, eligible repairs, program marketing, staff responsibilities, and application intake procedures. The rehabilitation manual is attached as Appendix G.

The program is intended to continue until the municipality's 73-unit obligation is satisfied. As noted, 54 additional units are necessary to meet that obligation. The municipality will also contact Mercer County's Division of Housing and Community Development to determine if they can assist Lawrence in the rehabilitation program under their similar HOME Investment Partnership Program. The Township may gain credits through their program and if credits are available will record them in the CTM monitoring system. To the degree that there are credits available and approvable from Mercer County, the Township will reduce its activities.

PRIOR ROUND OBLIGATION

COAH permits new construction credits, reductions, and bonuses to address the Prior Round obligation. In accordance with N.J.A.C. 5:93-5.6(e), the provision of affordable housing is required to be based on the issuance of permanent certificates of occupancy for new residential units. The Township has addressed the entirety of its 891-unit Prior Round obligation with a combination of RCA's, 100% affordable developments, alternative living arrangements, inclusionary housing developments and rental bonus credits. In determining the obligation of the Prior Round, existing COAH rules require that the Township establish the maximum number of age-restricted affordable units¹¹ and the minimum number of affordable rental units¹² using the formulas in Table 28.

Table 28. Formulas Applicable to the Prior Round Obligation

Minimum Rental = 223 units

$$\begin{aligned} &.25 (\text{prior round obligation} - 20\% \text{ cap} - 1,000\text{-unit cap}) = \\ &.25 (891 - 0 - 0) = .25 (891) = 222.75 \text{ rounded up to } 223 \text{ units.} \end{aligned}$$

¹¹ - N.J.A.C. 5:93-6.1(b)1 - revised per COAH Second Round policy

¹² - N.J.A.C. 5:93-5.15(a)

Maximum Rental Bonus = 223 units

No more than the minimum rental obligation = 222.75 units, rounded up to 223 units

Maximum Senior Units w/RCA's (N.J.A.C. 5:93-6.1(b)1) = 185 Units

.25 (prior round obligation – RCA's) =

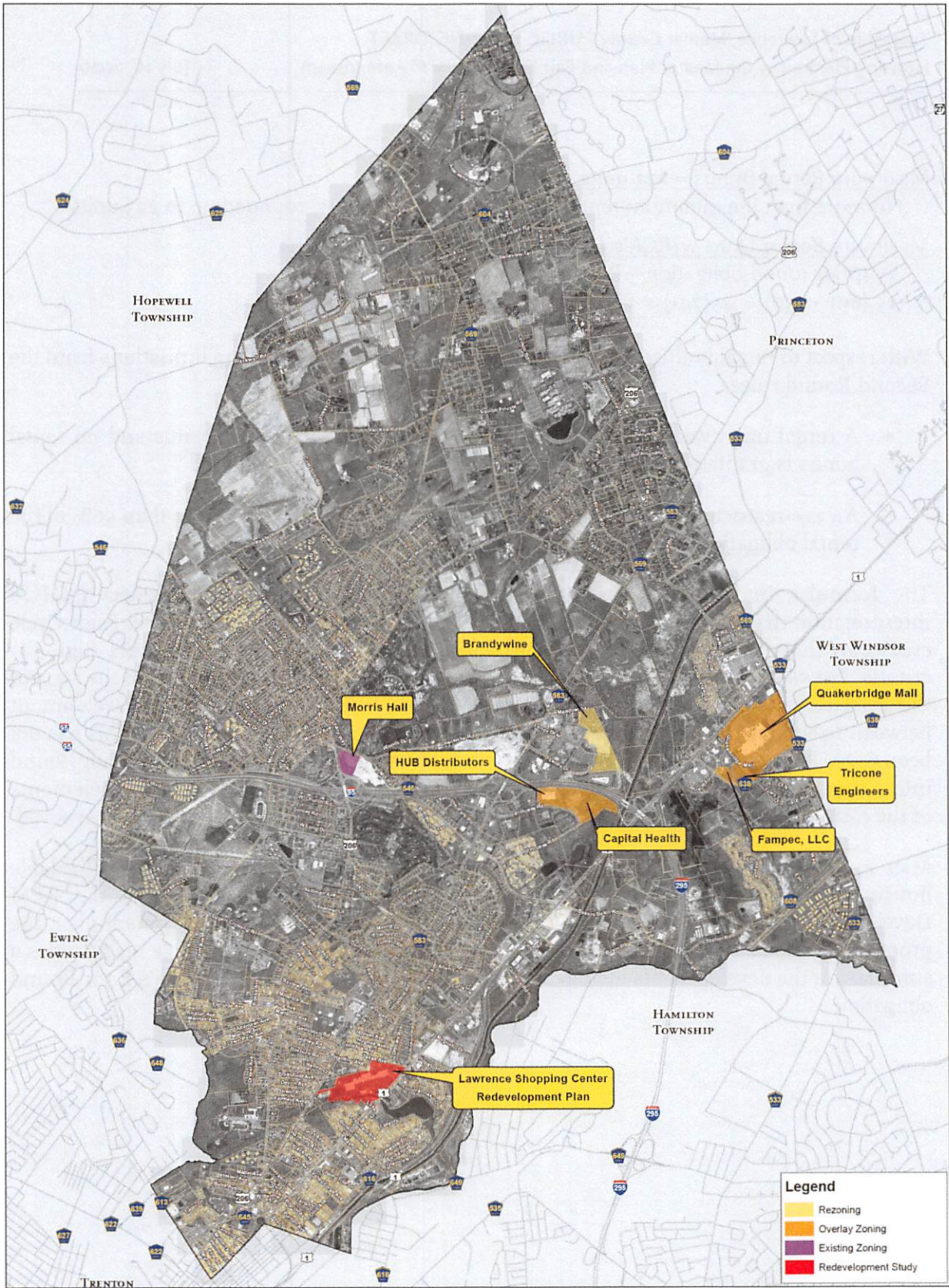
.25 (891 – 150) = .25(741) = 185.25 units, rounded down to 185 units

With respect to rental bonuses, the housing plan adheres to the following limitations from the Second Round rules:

- A rental unit available to the general public receives one rental bonus and no rental bonus is granted in excess of the Prior Round rental obligation; and
- An age-restricted rental unit receives a 0.33 rental bonus, but no more than 50% of the rental obligation may receive a bonus for age-restricted rental units.

The formulas in Table 28 attributable to the Prior Round obligation reflect FSHC's interpretation that Prior Cycle credits may not be applied as unrestricted credits. Prior Cycle credits are those due from affordable housing activities that otherwise meet COAH eligibility criteria, but were occupied between April 1, 1980 and December 15, 1986, before the start of the First Round. Specifically, FSHC views age-restricted affordable housing development between 1980 and 1986 as counting towards the limit on age-restricted housing. This has not been COAH's position. Effectively, FSHC's viewpoint merges the Prior Cycle and Prior Round into a single obligation before 1999. Because of this interpretation, the Prior Cycle elements of the formulas attributable to Prior Round obligations as established by COAH are removed.

Map 2, Affordable Housing Sites, on the following page, identifies all of the affordable housing sites discussed in the revised Third Round Housing Plan. While the RPM Development Group site is listed as the Lawrence Shopping Center redevelopment plan, the property will be subdivided from the commercial use. Following Map 2, Table 29 provides a summary of the developments included to address the entirety of the Township's Prior Round obligation.



Clarke Caton Hintz ● ● ■
 Architecture
 Planning
 Landscape Architecture

Affordable Housing Sites and Zoning

LOCATION:
 Lawrence Township, Mercer County, NJ

DATE:
 December 2017

Table 29. Satisfaction of the Prior Round Obligation

Prior Round Obligation	891	Bonuses	Rental	Senior
REGIONAL CONTRIBUTION AGREEMENT				
Trenton (AvalonBay)	62			
Trenton (Yorkshire Village) (88 of 98 units)	88			
Subtotal	150	0	N/A	0
ALTERNATIVE LIVING ARRANGEMENTS				
Allies, Inc.	6	6	6	
The ARC Mercer (Lawrence Rd.)	6	6	6	
The ARC Mercer (Vanderveer Dr.)	4	4	4	
The ARC Mercer (Darrah Lane)	4	4	4	
Community Options, Inc. (Federal City Rd.)	3	3	3	
Community Options, Inc. (Texas Ave.)	3	3	3	
Service Center of New Jersey	4	4	4	
Subtotal	30	30	30	0
100% AFFORDABLE HOUSING CONSTRUCTED				
Brookshire (24 of 117)	24		24	24
Lawrence Plaza*	161		161	161
Subtotal	185	0	185	185
INCLUSIONARY HOUSING CONSTRUCTED				
Avalon Run	64	64	64	
Avalon Run East	31	31	31	
Eagles Chase	40			
Lawrence Square Village	159			
Steward's Crossing	36	36	36	
Stonerise	12			
Tiffany Woods	23			
Subtotal	365	131	131	0
TOTALS	730	161	346	185
Total Units and Credits	891			

*-Lawrence Plaza was originally credited as Prior Cycle credits.

Lawrence meets its required minimum rental unit obligation of 223 units with 346 such units as indicated in Table 29. The Township does not surpass its limitation in the Prior Round of 185 senior units. Lawrence seeks 161 rental bonus credits, of which 30 are from alternative living arrangements and 131 from inclusionary development. All units for which bonus credit is sought have been constructed. All units meeting the Prior Round obligation were previously approved by COAH in the 2008 Third Round Housing Element and Fair Share Plan. Descriptions of the various projects are as follows:

Regional Contribution Agreements

Avalon Bay

The AvalonBay development was approved for 312 market-rate residential units with a 62-unit RCA with the City of Trenton. This site is located on Block 4201, Lot 11.01, a 108-acre site. These units were transferred for a price of \$25,000 for each unit for a total cost of \$1,550,000, which was made in three payments. COAH approved the RCA on March 3, 2004. The Township's Second Round Fair Share Plan originally included 53 on-site affordable units in this development; these were later replaced by the 62-unit RCA as part of the Township's Second Round amended Fair Share Plan. The RCA contributes 62 credits toward the Prior Round obligation.

Yorkshire Village

The Yorkshire Village development is a 490-unit residential development that funded a 98-unit RCA with the City of Trenton at a per-unit price of \$20,000 and a total cost of \$1,960,000. COAH approved the RCA on September 6, 2000. Yorkshire Village was first included in the Township's Second Round amended housing plan. This development is located on a 145-acre tract in Block 5201 now containing a myriad of subdivided lots. All funds have been paid to the City. The Township is utilizing 88 credits toward the Prior Round obligation from the RCA. Ten units will be used to address the Third Round RDP.

Alternate Living Arrangements

Allies, Inc.

This alternative living facility is located at 746 President Avenue on Block 1606, Lots 27-30. It contains six bedrooms for rent to low-income residents. The facility has 20-year affordability controls and received a final certificate of occupancy in May 2000. The property is a 0.40-acre lot in the R-4 district. The site is not located in a workforce housing census tract. The facility is administered by the provider. The site was approved by COAH as part of the Township's certified 2008 housing plan. This project will contribute one credit for each of the six bedrooms and is also eligible for six rental bonuses.

The ARC of Mercer (Lawrence Road)

This alternative living facility is located at 2013 Lawrence Road and contains six bedrooms. The property, Block 2801, Lot 25, is a 0.46-acre lot in the R-2B district. The site is not located in a workforce housing census tract. The facility has been in place since 1997 and has 20-year

affordability controls. The affordable units are administered by the provider. The site was approved by COAH as part of the Township's 2008 housing plan. This project will contribute one credit for each of the six bedrooms and is also eligible for six rental bonuses for the Prior Round.

The ARC of Mercer (Vanderveer Drive)

This group home is an ARC alternative living facility located at 8 Vanderveer Drive, on Block 3201, Lot 11 and was formerly known as St. John's Community Center. The facility has four bedrooms for rent to low-income individuals and has been occupied since August 1, 1987 (date of certificate of occupancy). The site was approved by COAH as part of the Township's 2008 Third Round housing plan. This project will contribute one credit for each of the four bedrooms and is also eligible for four rental bonuses for the Prior Round.

The ARC of Mercer (Darrah Lane)

This alternative living facility is located at 19 East Darrah Lane and contains four bedrooms. The property is also known as Block 3201, Lot 1. The site is a quarter-acre lot in the R-3 district. The property has 20-year affordability controls in place, and was approved by COAH as part of the Township's certified Third Round plan. The facility is administered by the provider.

Community Options (Federal City Road)

This alternative living facility has three low-income rental units located at 137 Federal City Road on Block 2005, Lot 8, a 0.69-acre site. The facility was occupied on June 23, 1992 (date of final certificate of occupancy). This site was included in the Township's previously certified Second and Third Round Fair Share Plans. This project will contribute one credit for each of the three bedrooms and is also eligible for three rental bonuses.

Community Options (Texas Avenue)

This alternative living facility has three low-income rental units located at 50 Texas Avenue on Block 2005, Lot 14.01. The facility was occupied on August 7, 1996 (date of final certificate of occupancy). The site was certified in the Township's Second Round Housing Element and Fair Share Plan for three units. This project will contribute one credit for each of the three bedrooms and is also eligible for three rental bonuses for the Prior Round.

Service Centers of New Jersey

This alternative living facility contains four bedrooms. It is located at 138 Darrah Lane on Block 3004, Lot 133. The site is not located in a workforce housing census tract. The property is 0.71 acres and is located in the R-3 district. The facility is administered by the provider. The property has 20-year affordability controls in place, and was approved by COAH as part of the Township's certified Third Round plan.

100% Affordable Housing Development - Constructed

Brookshire Senior Apartments

This project consists of 117 affordable age-restricted rental units. The site is located on Block 3301, Lot 2.01, an 8.39-acre tract at 3 Forest Ridge Drive. The final certificate of occupancy was issued for this development on June 10, 2004. The units consist of 59 low-income units (9 efficiencies, 50 one-bedroom) and 58 moderate-income units (8 efficiencies, 50 one-bedroom). Thirty-year affordability controls are in place.

The site was originally approved by both the Township and COAH for an inclusionary age-restricted development that would have included 15 affordable age-restricted units. However, in 2001 the Zoning Board approved a use variance and amended site plan converting the project to a 100% affordable development consisting of 117 age-restricted rental units. The change was a result of the developer receiving 4% tax credits through the New Jersey Housing Mortgage and Finance Agency ("HMFA"). Federal regulations require that developments financed with 4% tax credits must be affordable to households below 60% of the area's median gross income. This site was included in the 2008 certified housing plan.

Due to the maximum number of age-restricted units that may be used to satisfy the Prior Round obligation (185 units), only 24 of the units in this project will be used in the Prior Round; the remaining 93 units will be utilized in the Third Round. Each of these 24 units will contribute one credit towards the Prior Round and the rental obligation.

Lawrence Plaza

This project is a 161-unit low- and moderate-income senior rental housing development located on Block 2001, Lot 17, a 7.57-acre lot at 2350 Princeton Pike next to the Lawrence Shopping Center. The development consists of 145 one-bedroom low-income units and 16 two-bedroom low-income units. The site was financed by the HMFA with project-based Federal Section 8 rental subsidies. The final certificate of occupancy was issued in July 1980. Forty-year affordability controls are in place, effective November 1980. This project was included in the Township's previously certified Housing Element for Prior Cycle credits and will contribute 161 credits toward the Prior Round obligation.

Inclusionary Housing - Constructed

Avalon Run

Avalon Run, previously known as TCR-Town Run West, is located on Block 4201, a 19.62-acre tract on Grovers Mill Road across from the Quaker Bridge Mall. There are a total of 426 units on the site, with 64 affordable units. Thirty-seven of the affordable units are low-income units, including 17 one-bedroom units, 15 two-bedroom units, and five three-bedroom units. The remaining 27 units are moderate-income units consisting of 15 one-bedroom units, seven two-bedroom units, and five three-bedroom units.

The first certificate of occupancy was issued for this development on February 28, 1994 and the last was issued on January 23, 1995. This project was included in the Township's previously certified Housing Plan. Affordability controls had been in place for this development for 20 years but expired in 2014. This project will contribute 64 units plus 64 rental bonuses for a total of 128 credits and bonuses to help address the Prior Round obligation.

Avalon Run East

Avalon Run East, previously known as TCR-Town Run East, was approved for 312 units, of which 31 are affordable family rental units. There are 11 low-income units and 20 moderate-income units. Of the low-income units, four have one bedroom, five have two bedrooms and two have three bedrooms. Ten of the moderate-income units have one bedroom, six have two bedrooms, and four have three bedrooms. The site is located at Block 4201, Lot 10.62, a 27.13-acre lot on Quakerbridge Road. The first certificate of occupancy was issued for this development on May 8, 1996 and the last was issued on November 12, 1996. This project was included in the Township's previously certified housing plan.

Twenty-year affordability controls were in place for this development and have now expired. Each of the 31 affordable units in the development will contribute one credit plus one rental bonus toward the Prior Round obligation for a total of 62 credits and bonuses.

Eagles Chase

Eagles Chase (formerly known as Levitt Homes) was approved for 204 units, of which 41 were affordable units. However, the development lost one affordable unit due to foreclosure, resulting in credits being sought for 40 affordable units. This site was part of the Township's earlier housing plans, as well as its certified 2008 Third Round Plan. It is located on Block 3902, Lot 1, a 20.46-acre site. All units are family for-sale units, of which 20 are for low-income and 20 are for moderate-income households. Within the low-income units, there are three one-bedroom units, 11 two-bedroom units, and six three-bedroom units; and within the moderate-income units there are three one-bedroom units, three two-bedroom units, and 14 three-bedroom units. The construction of affordable units was completed in 1991. Twenty-year affordability controls were in place for this development. The development contributes 40 affordable units toward the Prior Round obligation. This site was previously approved by COAH for Prior Round credits.

Lawrence Square Village

This development, located on Block 4103 and 4104, contains 820 units, of which 159 are affordable family for-sale units. The date of the first certificate of occupancy was October 29, 1986 and the date of the final certificate of occupancy was January 8, 1988. Twenty-year affordability controls were in place for this development. This development received credit in earlier housing plans and the 2008 housing plan for the Prior Round.

Steward's Crossing

This development is located on a 24.44 acre tract known as Block 2701, Lot 32.01. The development contains 240 total units, of which 36 are affordable family rental units. There are 18 low-income and 18 moderate-income units. For both the low- and moderate-income categories, nine units each have one bedroom, six units each have two bedrooms and three units each have three bedrooms. The date of the first certificate of occupancy was August 31, 1990 and the date of the final certificate of occupancy was January 29, 1992. Twenty-year affordability controls had been in place for this development. The Township seeks 36 credits for units and 36 rental bonuses from this site, for a total of 72 credits and bonuses applied toward the Prior Round obligation. This site was previously approved by COAH for Prior Round credits.

Stonerise

This development contains 84 units, of which 12 are affordable family for-sale units. The site is 7.65 acres and is located on Gordon Avenue at Block 6301, Lots 76, 78, 81, 82, Block 5701, Lot 1, and Block 5703, Lot 1. This project was included in the Township's previous housing plan. All affordable units are for low-income households and contain two bedrooms. The construction of affordable units was completed on April 17, 1990. Affordability controls were in place for 20 years. All 12 units in this project have been applied toward satisfaction of the Prior Round obligation. This site was previously approved by COAH for Prior Round credits.

Tiffany Woods

Tiffany Woods was approved for 120 units, of which 23 are affordable family for-sale units. This site was originally approved for 24 affordable units; however, one affordable unit was lost due to foreclosure, resulting in 23 affordable units. This development is located in Block 201 and 202 and has an area of 10.20 acres. Of the 23 affordable units, 12 are for low-income households and 11 are for moderate-income households. Of the low-income units, seven are two-bedroom and five are three-bedroom units; of the moderate-income units, all 11 contain three bedrooms. The length of affordability controls for this project is 30 years. All 23 units at Tiffany Woods will address the Prior Round obligation. This site was previously approved by COAH for Prior Round credits.

THIRD ROUND REALISTIC DEVELOPMENT POTENTIAL

As previously indicated, the Township's Third Round obligation established through the Court-approved settlement agreement is 1,110 units. As a result of limited vacant and developable land in the municipality, the Court approved an adjustment of this Third Round obligation. Pursuant to a vacant land analysis conducted in accordance with *N.J.A.C. 5:93-4.2*, the Township has a Third Round realistic development potential, or "RDP," of 696 units and a Third Round "unmet need" of 414 units. With this amendment, Lawrence's RDP will increase to 710 units and its unmet need will be reduced to 400 units. Unmet need is the difference between the RDP and the Third Round obligation. This housing plan provides additional mechanisms to address unmet need in a later section, following the means to address the RDP.

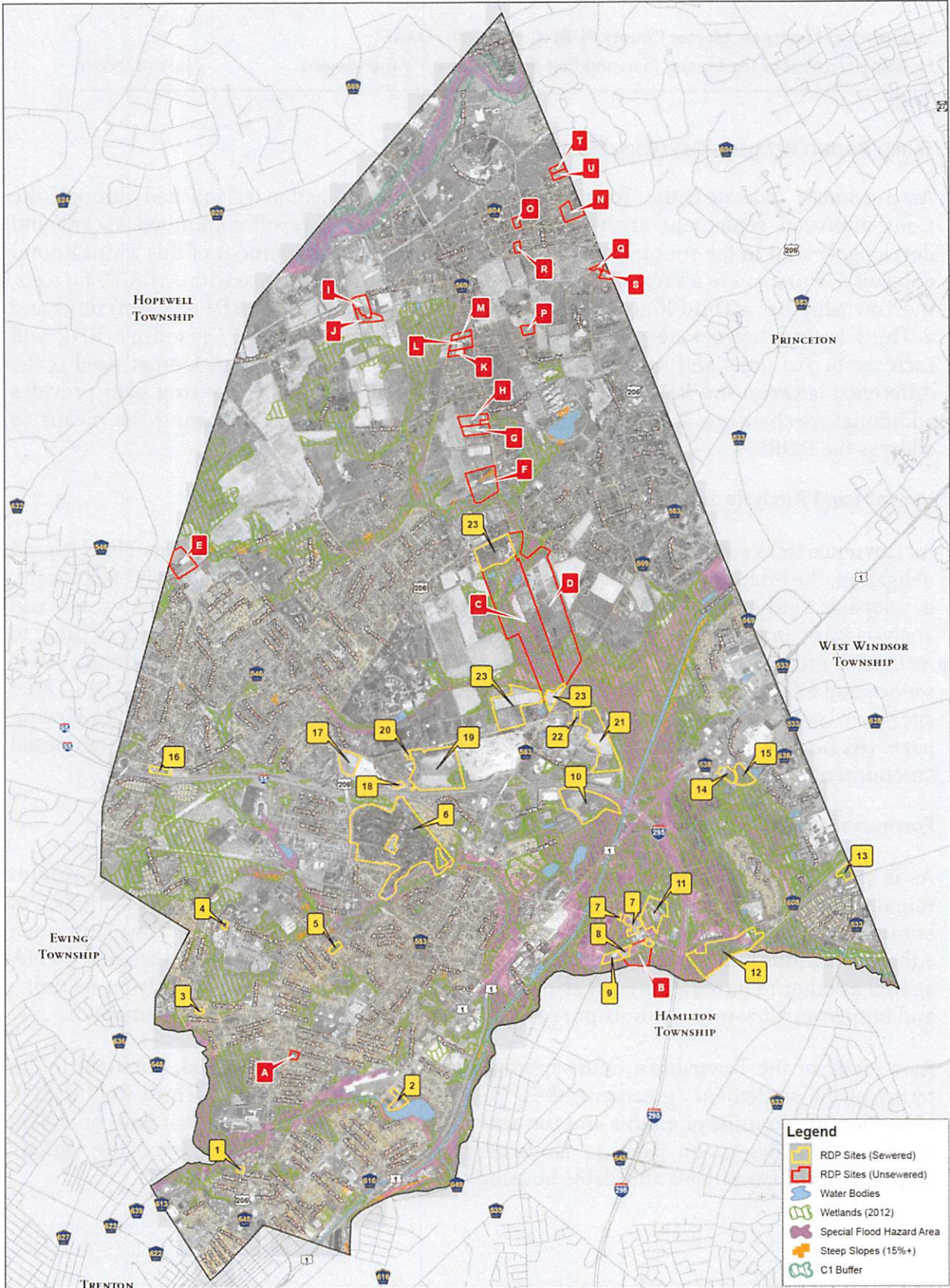
Vacant Land Analysis and Realistic Development Potential

As Lawrence lacks sufficient vacant developable land to address the entirety of its Third Round obligation, the extant rules permit an adjustment to be made based on an analysis of all vacant, developable land in the Township including all land held by the municipality. A vacant land analysis was conducted by using the Second Round rules at *N.J.A.C. 5:93-4.2*, Lack of Land, to include or exclude sites from the RDP. Of the land examined, 23 parcels in the sanitary sewer service and 21 parcels outside of the service area were identified as generating an RDP. These sites have been accepted by FSHC and approved by the Court and are depicted on the following page. (As noted above, the Lawrence Shopping Center site that is the subject of the proposed amendment to the Plan has been moved from unmet need to RDP.)

Formulas Applicable to the Third Round

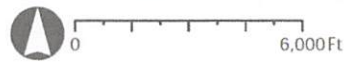
As is similar to the Prior Round obligation, the Township must also adhere to a minimum rental obligation, a maximum number of age-restricted units, and a maximum number of bonuses in the Third Round (based on Second Round rules). Further, the Township must adhere to a minimum number of very low-income units pursuant to the 2008 amended FHA as well as other requirements such as minimum number of family units, family rental units, and family very low-income units pursuant to the terms of the settlement agreement.

As a result of the Township's Court-approved vacant land adjustment and, pursuant to the terms of the settlement agreement, these calculations are based on the Third Round RDP obligation of 710 units or credits and the actual number of housing units that have or will be constructed. Table 31 on page 44 contains the formulas used to determine the various components of Lawrence's affordable housing obligation.



Legend

- RDP Sites (Sewered)
- RDP Sites (Unsewered)
- Water Bodies
- Wetlands (2012)
- Special Flood Hazard Area
- Steep Slopes (15%+)
- C1 Buffer



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 Architecture
 Planning
 Landscape Architecture

Realistic Development Potential

LOCATION: Lawrence Township, Mercer County, NJ | DATE: December 2017

The formulas applicable to Third Round obligation are calculated in the following table:

Table 31. Formulas Applicable to the Third Round Obligation

Minimum Rental Obligation N.J.A.C. 5:93-5.15(a) = 178 units

- .25 (RDP) = units
- .25 (710) = 177.5 rounded up to 178 units

Maximum Rental Bonus = 178 units

No more than the minimum rental obligation = 178 units

Maximum Senior Units N.J.A.C. 5:93-5.14(a)1 = 175 units

- .25 (RDP-RCAs) = units
- .25 (710-10) = .25 (700) = 175 units

Minimum Very Low Income Units (P.L. 2008, Ch. 46) = 18 units

- .13 (affordable units constructed or to be constructed after mid-2008) = units
- .13 (132) = 17.2, rounded up to 18 units

Minimum Family Rental Units = 89 units

- .50 (Third Round minimum rental obligation) = units
- .50 (178) = 89 units

Minimum Very Low-Income Family Rental Units = 9 units

- .50 (very low income units) = units
- .50 (18) = 9 units

Minimum Total Family Units = 266 units

- .50 (RDP – rental bonuses) = units
- .50 (710-178) = .50(532) = 266 units

Additionally, with respect to rental bonuses, the housing plan abides by the following limitations from the Second Round rules:

- A rental unit available to the general public receives one rental bonus;
- An age-restricted rental unit receives a 0.33 rental bonus, but no more than 50% of the rental obligation may receive a bonus for age-restricted rental units.

Satisfaction of the Third Round RDP

The Township will fully address its 710-unit RDP with 10 surplus RCA credits from the Prior Round; 75 units of alternative housing with 69 bonuses; 144 constructed units and two bonuses as part of the inclusionary housing developments at Berk's Walk, Carriage Park, The Gatherings, Liberty Green, St. Mary's at Morris Hall, and Traditions at Federal Point; 93 units and 14 credits of senior rental housing at Brookshire; 112 units and 42 bonuses of proposed housing at Brandywine and the Quaker Bridge Mall; 69 units and 65 bonuses of proposed housing on the Lawrence Shopping Center site; and 105 extension of controls credits, for a total of 790 credits.

Table 32 provides a summary of the compliance mechanisms employed to address the entirety of the Township's Third Round RDP. The sites are shown on Map 2, Affordable Housing Sites, p. 35.

Table 32. Satisfaction of the Third Round RDP

Third Round RDP Obligation Original 696 + LSC 14 = 710	710	Bonuses	Rental	Senior
EXCESS RCA CREDITS	10	0	N/A	N/A
ALTERNATIVE LIVING ARRANGEMENTS				
CIFA III	4	4	4	
Eden Acres, Inc. (Lawrenceville-Pennington Rd.)	3	3	3	
Hillcrest Group Home, Inc.	5	5	5	
Homefront-TLC, Inc.	6	0	6	
Mercer Alliance	3	3	3	
Project Freedom	54	54	54	
Subtotal	75	69	75	0
100% AFFORDABLE HOUSING CONSTRUCTED				
Brookshire (93 of 117)	93	0	93	93
Subtotal	93	0	93	93
100% AFFORDABLE HOUSING PROPOSED				
Lawrence Shopping Center (RPM Development)	69	65; cap	69	
Subtotal	69	65	69	0
INCLUSIONARY HOUSING APPROVED OR CONSTRUCTED				
Berk's Walk (formerly Lawrenceville Gardens)	2	2	2	0
Carriage Park – For Sale	21	0	0	21
Carriage Park – Rental	16	0	16	16
The Gatherings (formerly Milestones)	22	0	0	22
Liberty Green	64	0	0	0
Morris Hall/St. Mary's	10	0	10	10
Traditions at Federal Point (13 of 28)	13	0	0	13
Subtotal	148	2	28	82
INCLUSIONARY HOUSING PROPOSED				
Brandywine	42	42	42	0
Quaker Bridge Mall	70	0	70	0

Third Round RDP Obligation Original 696 + LSC 14 = 710	710	Bonuses	Rental	Senior
Subtotal	112	42	112	0
EXTENSIONS OF EXPIRING CONTROLS				
Various (53 completed)	105	0	N/A	N/A
PROJECT TOTALS	612	178	377	175
Total Units and Credits	790			
Excess Credits To Go Toward Unmet Need	80			

Lawrence will have a surplus of 80 credits that will be used towards unmet need. Depending on the Fourth Round rules, these will likely be future credits against the municipal obligation.

Lawrence meets its required minimum rental unit obligation of 178 units with 377 rental units, of which 196 are already constructed. Additionally, 62 are constructed family rental units and in the future, the RPM Development, Brandywine and Quaker Bridge Mall units will bring that total to 243 to satisfy the 89-unit obligation. For total family units both rental and for-sale, the housing plan meets the 266-unit requirement with 412 units from the RPM Development, Berk's Walk, Liberty Green, Brandywine, Quaker Bridge Mall and the Extensions of Expiring Controls, which are all family units. The Township proposes no more than 175 senior units, the permissible limit, from Brookshire, Carriage Park, Morris Hall/St. Mary's and Federal Point.

Descriptions of the various projects to address the Third Round obligation are as follows:

Alternate Living Arrangements

CIFA III

This alternative living facility is located at 6 Wilk Court and contains four bedrooms for very low-income individuals. The site is located on Block 6201, Lot 29, and houses individuals that are mentally ill and/or developmentally disabled. The property is 0.50 acres in the R-2B district. The site received a certificate of occupancy on June 15, 1996 and has 40-year affordability controls in place from that date. The facility is administered by the provider. All four units/credits from this site plus four rental bonuses (a total of eight credits and bonuses) will be applied to the Third Round. This ALA project was previously included in the Township's certified Third Round housing plan.

Eden Acres (Lawrenceville-Pennington Road)

This alternative living facility is located on Block 5602, Lot 13, at 80 Lawrenceville-Pennington Road. The facility contains a total of five units, of which three are low-income affordable rental

units, and two (2) are market units. The site is 0.40 acres. The length of affordability controls for this facility is 99 years. This site was included in the Township's previously certified Second Round Housing Element and Fair Share Plan. This project will contribute one credit for each of the three low-income bedrooms as well as three rental bonuses for a total of six credits.

Hillcrest Group Home

This alternative living facility is operated by Mercer County ARC and contains five bedrooms for rent to low-income households. The facility is located on a 0.336-acre site known as Block 2320, Lot 1, at 99 Hillcrest Avenue. It received its final certificate of occupancy on May 25, 1996 and has 40-year affordability controls. This site was included in the Township's previously certified Second and Third Round Fair Share Plans. This project will contribute one credit for each of the five bedrooms as well as five rental bonuses for a total of 10 credits.

HomeFront-TLC, Inc.

HomeFront-TLC operates a six-unit transitional housing site at 1703 Lawrenceville Road on Block 2801, Lot 58, a half-acre lot. The site was funded with \$300,000 HOME grant received in March 2008, the agreement for which requires the site's six units to remain affordable to low- and moderate-income households from April 11, 2005 to April 11, 2030. The site is eligible for six units and six bonus credits.

Mercer Alliance for the Mentally Ill (Catholic Charities)

This alternative living facility has three low-income rental units located at 13 Titus Avenue on Block 5704, Lot 4, a 0.17 acre site. The facility was occupied on December 20, 1994 (date of final certificate of occupancy) and has a 40-year affordability control. This site was included in the Township's previously certified Second Round Housing Element and Fair Share Plan. This project will contribute one credit for each of the three low-income bedrooms as well as three rental bonuses for a total of six credits.

Project Freedom

Project Freedom is a 54-unit rental facility for people (and their families if applicable) with physical disabilities that was included in the Township's previously certified plans. The project received Low Income Housing Tax Credits, as well as other sources of funding. All units are built and are only occupied by low-income households, unlike most tax credit developments. Forty-four units are one-bedroom and 10 units are two-bedroom. The site is a 13.51-acre parcel located at Block 801, Lots 1, 22, 23, and 40. The last certificate of occupancy was issued on December 13, 2003 and the project is fully occupied. This project will contribute one credit and one rental bonus for each of the 54 bedrooms for a total of 108 credits and bonuses.

100% Age-Restricted Rental Housing

In this category is the remainder of the Brookshire complex. Twenty-four units were assigned to the Prior Round and the additional 93 units in this round. The development is age-

restricted. The 93 units generate an additional 20 rental bonus credits for a total of 113 units/credits. See the Prior Round descriptions for additional information.

100% Affordable Housing Proposed

The 2017 settlement agreement required the municipality to prepare and submit a report analyzing the redevelopment possibilities on the Lawrence Shopping Center property. The potential redevelopment is one of the unmet need possibilities in the settlement agreement. This report was produced in December 2018 as a condition of the Judgment of Repose. The study reported on the interest of the shopping center owner, Lawrence Shopping Center Associates, LLC, who have owned the property since December 2016. The Lawrence Shopping Center is an in-line shopping center that was the major shopping destination for the municipality until the Quaker Bridge Mall was opened in the 1970s. Located at 2495 Brunswick Pike (Block 2001; Lots 2-5, 60-66 and 68) the site has access from both the Brunswick and Princeton Pikes as well as Texas Avenue. Like many older shopping centers, the Lawrence Shopping Center has a number of vacant storefronts and a rent structure that appears to be inadequate to invest sufficiently in the center to increase its attractiveness and tenant mix. Since 2016, the owners have invested in façade improvements, demolished a vacant freestanding building, found a tenant to build a new fitness center in that location, and most recently have engaged with an affordable housing developer, the RPM Development Group (“RPM”), to look for a location for a 100% affordable housing development. Though the site is 47.4 acres, there is a significant floodplain associated with the Shabakunk Creek along its southern perimeter. However, even with these constraints, an area of 4.1 acres at the back of the shopping center along the frontage of Texas Avenue was found to be usable for the development of housing.

RPM proposes the development of 12 semi-detached single family houses fronting on Texas Avenue and an additional 58 units in a single three-story building in the interior of the site, of which 57 will be affordable units. The extra unit is for a superintendent’s apartment. The company is seeking family rental low income housing tax credits in 2020 for the site.

Typically, municipalities are required to adopt an ordinance to implement any necessary zoning changes to permit the development of the proposed inclusionary housing site on the shopping center property. Because of the tight timing of the application process between this revision to the housing plan and the Low Income Housing Tax Credit deadline in mid-September 2020, an application for development may be made to the Zoning Board of Adjustment for use variance and preliminary site plan approval. As a 100% affordable housing development, it is considered an inherently beneficial use which means it meets the most difficult prong of the use variance test. Should the timeline not be met, the Township will create a zoning district that allows the use by-right as a condition of any Judgment of Repose.

For this project, COAH’s Second Round rules at *N.J.A.C. 5:93-5.5*, “Municipally Sponsored Construction and Gut Rehabilitation,” are addressed as follows:

- Site Control – RPM has a purchase option agreement with Lawrence Shopping Center Associates to develop the 4.1 acre portion of the site with affordable housing.
- Site Suitability – The proposed development will be constructed across the street (north) from single family detached dwellings on 0.2-acre lots. To the east is the driveway entrance to the shopping center; because the land narrows in this area, no building can be placed there, but sufficient land area for buffering is available. To the south is the shopping center itself, separated from the proposed development by an asphalt paved area. This area will be screened with landscaping, as feasible. To the west is a small open space area owned by the Township and other wooded, vacant land that is wetlands and not developable. The site has a rivulet that runs through the property. The design engineer has created a concept layout that addresses this condition. Accordingly, the site meets COAH’s site suitability requirements at *N.J.A.C. 5:93-1* “Suitable Site.”
- Developable – The property is within the sanitary sewer service area and has access to potable public water from Texas Avenue. RPM has received “will serve” letters from Trenton Water Works and the Ewing-Lawrence Sewerage Authority. Texas Avenue provides access to the development and is a collector street that connects with Princeton Pike to the west of the property and Business Route 1 to the east.
- Approvable – While the property contains wetlands buffers and the rivulet, neither is so extensive as to preclude the level of development contemplated on the site in this document.
- Administrative Entity – RPM is an experienced affordable housing provider that has administered affordable housing units in accordance with both HUD regulations and those promulgated by COAH. RPM is committed to affirmatively marketing these units, income-qualifying applicants, and providing long-term administration of the units in accordance with UHAC per *N.J.A.C. 5:80-26.1*, the New Jersey Fair Housing Act and municipal ordinance.
- Low/Moderate Income – Any use of site will require the affordable units to meet the low- and moderate-income requirements, including very low-income households, in accordance with UHAC at *N.J.A.C. 5:80-26.1*, the FSHC settlement agreement and municipal ordinance.
- Affirmative Marketing – RPM will affirmatively market the units in accordance with COAH’s rules and the UHAC per *N.J.A.C. 5:80-26.1*.
- Controls on Affordability – The units will be restricted to low- and moderate-income households, including very low-income households, for a period of 30 years from occupancy. These are requirements of Lawrence’s affordable housing ordinance and other state regulations, and the FSHC settlement agreement.

- Bedroom Distribution – The bedroom distribution will meet the requirements of N.J.A.C. 5:80-26.1 and municipal ordinance.
- Funding – RPM will apply for low income housing tax credits from the New Jersey Housing and Mortgage Finance Agency. In addition, it will seek funding from typical revenue sources such as low-cost loans from the NY Federal Home Loan Bank and will receive a financial contribution and a PILOT from the Township, assuming a successful application.

The following schedule is proposed for the RPM project, some of which has been accomplished to date:

Tax Abatement Application Submitted	May 2020
Preliminary Site Plan Application	July 2020
Completion of Environmental Review Process	July 2020
Tax Abatement Approval	Summer 2020
Equity, Construction & Permanent Financing Commitment	July 2020
Low-Income Housing Tax Credit Application Filed	September 2020
Low-Income Housing Tax Credit Award	November 2020
Final Site Plan Application	December 2020
Completion of Construction Drawings	February 2021
Financing Closing	April 2021
Construction Commencement	May 2021
Marketing	May 2022
Commencement of Tenant Selection Process	April 2022
Project Placed into Operation	May 2022
Projected Full Occupancy	September 2022
Permanent Loan Closing	October 2022

A proforma for the project has been submitted by RPM to the Township. However, since it is proprietary information in a competitive application process, it has not been included here, but is available to the special court master, upon request.

Inclusionary Housing Approved or Constructed

Berk's Walk (formerly Lawrenceville Gardens)

The property, which is 12.32 acres, is located on Franklin Corner Road (Block 3901, Lot 10). The property already consists of 166 garden apartment market rental units constructed in the 1960s. On June 17, 2015, Berk-Cohen Associates, the owner, received zoning board approval for a development consisting of eight townhouse units with the provision that two affordable units in the existing complex would be deed-restricted. The property is located in the AT Apartment Townhouse district, which has been in place since at least 1979. The maximum density permitted is 10 units per acre. The existing density is 13.5 units per acre and with the addition of eight units, the density will be 14.1 units per acre. The zoning board granted a density variance for the development predicated in part on the development of the two

affordable units. These have been created from vacancies in the existing garden apartment portion of the complex. Both are two-bedroom units; one unit is low-income and the other moderate-income.

Carriage Park

Carriage Park was approved by the Planning Board on March 4, 2002 for 210 age-restricted units with a 20% (42-unit) set-aside of affordable age-restricted for-sale units. This site is located on a 14.4-acre site known as Block 3401, Lots 3 and 4, at the intersection of Allen Road and Business Route 1 (Brunswick Pike). The project was approved with two buildings having 21 for-sale units each, except that if the developer constructed rental units, the affordable unit requirement per building would be reduced to 16 affordable units (a 15% setaside). The previous developer, Kalian Companies, constructed the first building as a for-sale development including 21 affordable units. During the Great Recession, the original developer could not continue the project and a new developer, PK Developers, Inc., took over its completion. Responding to changed market conditions, the new developer repurposed the not-yet-started second building as a rental building. The second building is completed and occupancy began in October 2018. As a result of the change in tenure, Carriage Park is expected to yield a total of 37 affordable units rather than the 42 dwellings in the 2008 housing plan. This site has previously been approved by COAH for affordable housing credit.

The Gatherings (formerly Milestones at Lawrenceville)

The Gatherings was approved by the Planning Board on March 3, 2003 and has been constructed. This development consists of 108 age-restricted for-sale units, of which 22 (20%) are affordable. The affordable units are evenly split between low-income and moderate-income units. Of the low-income units, three are one-bedroom and eight are two-bedroom. All of the 11 moderate-income units have two bedrooms. The site is 53.18 acres originally located on Block 3901, Lot 13, in between Princess Road and Franklin Corner Road. This site was added to the Township's affordable housing program as part of the second amendment to the Second Round Housing Element and Fair Share Plan. This project will contribute 22 credits toward the Third Round obligation.

Liberty Green

Liberty Green, originally known as South Village, was approved for 320 units, of which 64 are affordable family for-sale units. The affordable units are located in Block 4201, along Fountayne Lane, which is a loop road connecting to Lawrence Station Road. The neighborhood is proximate to Avalon Run and Avalon Run East. The development contains 28 low-income units, of which one is one-bedroom, 12 are two-bedroom, and 15 are three-bedroom units. The remaining 36 units are moderate-income, consisting of four one-bedroom, 14 two-bedroom, and 18 three-bedroom units. Construction of this site, including the issuance of all of the certificates of occupancy for affordable dwellings, was completed in 2001. The project has 30-year affordability controls in place. This project will contribute 64 credits toward the Third Round obligation and will satisfy a portion of the family obligation.

Morris Hall (St. Mary's Assisted and Residential Living)

Morris Hall, a residential health care facility, contains a total of 70 assisted living units, of which 10 units are affordable age-restricted rental units. The facility is located at 1 Bishop Drive, on Block 4801, Lot 3, a 35.3-acre site that also contains a rehabilitation facility, skilled nursing and congregate living for retired Roman Catholic priests. The facility has been occupied since August 24, 1994 (date of final certificate of occupancy). This site was included in the Township's previously certified Second and Third Round Fair Share Plans. This project will contribute one credit for each bedroom for a total of 10 credits, but will not generate rental bonuses.

Traditions at Federal Point

Traditions at Federal Point was approved by the Planning Board on May 21, 2001 (Planning Board Resolution 23-01) for 140 age-restricted for-sale units, of which 28 (20%) are affordable. The first certificate of occupancy was issued on June 15, 2002 and the development was completed in 2004. The site is 36.84 acres located on Block 2701, Lot 83 just south of I-95 at its intersection with Federal City Road. The affordable units are evenly split between low-income and moderate-income units and each contains one bedroom. This site was added to the Township's affordable housing program during its second amendment to the Second Round and Third Round Housing Elements and Fair Share Plans. Due to the 25% cap on age-restricted units, only 13 of the 28 units at Federal Point will be applied toward the Third Round, and no units will be applied toward the Prior Round. Excess senior units may be put towards a future obligation or to satisfy part of the unmet need.

Any necessary documentation will be supplied on request of the Court.

Inclusionary Housing Proposed

Brandywine

Lawrence Township has entered into a developer's agreement with Brandywine to construct an inclusionary multi-family housing development of up to 300 units on an undeveloped 35.22-acre portion of the Princeton Pike Corporate Center (Block 5101, Lot 18) at the east end of Lenox Drive. With this amendment to the Housing Element and Fair Share Plan, the developer's agreement will be amended to reduce the total development to no more than 210 units. Of these units, the contract purchaser from Brandywine, JAS Homes, will construct up to 168 market-rate for-sale townhouses and 42 family affordable rental apartments. Regardless of the number of townhouses constructed, the developer will be required to build 42 units of family rental housing, even if the percentage of such units exceeds 20%.

The site is on an existing 51.75-acre lot of which approximately 16.5 acres is developed with an office building, stormwater management facility and associated parking. A subdivision plan submitted by JAS Homes proposes to subdivide Lot 18 to separate the residential development from the existing office building.

The revised agreement will require that at least 20% of the 210 units, or no fewer than 42 units, at the development be affordable family-rental units for very low-, low-, and moderate-income households, with at least 50% of the units reserved for very low- and low-income households. The site will adhere to the bedroom distribution requirements in the UHAC. That ordinance has been adopted and is found in Appendix H.

The site meets the suitability criteria found in *N.J.A.C. 5:93-5.3(b)*:

- Site Control – Brandywine Operating Partnership, LP, owns the site in question.
- Available – The property is not known to have any conflicts of ownership or other encumbrances that would prohibit the site from being developed with affordable housing. The site has a lower height limit imposed by the Delaware and Raritan Canal Commission than the Township’s zoning ordinance, which effectively restricts height to three stories, instead of the four-story apartment buildings initially contemplated in the agreement.
- Developable – The property is within the sanitary sewer service area and has access to potable public water from Lenox Drive. Lenox Drive provides access to the development and connects with Princeton Pike at two separate intersections to the west of the property.
- Suitable – The Princeton Corporate Center contains seven offices building with an approval for one more. A hotel was recently completed nearby. To the north is the historic Brearly House, owned by the Township, and undeveloped wooded areas that are part of the Delaware and Raritan Canal State Park immediately to the east. The site has access to major highways, including Princeton Pike, Route 1, and I-95/295 that have job opportunities, shopping for everyday and periodic purchases, recreational activities and cultural amenities.
- Approvability – While there are known sensitive environmental features on the property that are protected by State law, they are not so extensive as to preclude the level of development contemplated on the site in this document.
- Administrative Entity – The Township’s Administrative Agent will work with the eventual developer of the site in ensuring that the units are affirmatively marketed and meet other Uniform Housing Affordability Control regulations pertaining to the affordable units.

Quaker Bridge Mall

The Township allows inclusionary zoning as a conditional use to the Quaker Bridge Mall that will permit as many as 350 units with an affordable housing setaside of 20% (70 units) regardless of tenure. The site is 102.83 acres that include parking and circulation areas, drainage basins, the principal Quaker Bridge Mall building and a satellite building currently

occupied by a Firestone automobile services. Total retail square footage is 1,084,000 sf. The zoning amendment would not affect the land development regulations pertaining to the current shopping mall use and its accessory uses. Instead, it allows for the development of the housing as an added use on a parcel of 10 to 20 acres of the mall property. The zoning amendment is included as Appendix I and was adopted by the Township Council on December 19, 2017 as Ordinance 2284-17.

In the Township's 2006 Land Use Plan Element and Conservation Plan Element amendments, the Township discussed permitting a greater intensity of development on the Quaker Bridge Mall site on the condition that the principal owner (Simon Group) reserve a right-of-way for a bus rapid-transit route that had been the subject of a traffic mitigation study by NJ Transit and the New Jersey Department of Transportation. The study proposed to mitigate traffic congestion on Route 1 by creating a bus rapid-transit route that would run generally parallel to the highway and connect communities to shopping opportunities at Quaker Bridge Mall and to job and residential opportunities elsewhere along the route. If the bus rapid-transit plan were to be executed in conjunction with the development of inclusionary housing on the Quaker Bridge Mall property, the bus route would provide residents with an even greater access to a wide range of opportunities than is presently the case. The mall is presently served by public transit bus service.

The site meets the suitability criteria found in *N.J.A.C. 5:93-5.3(b)*:

- Site Control – Like many malls, the retail anchors own the real estate under their building as well as associated parking. The main mall owner and operator is Quaker Bridge Mall, LLC, which is a subsidiary of the Simon Property Group, a real estate investment trust and largest mall operator in the United States. The owner directly controls 42.93 acres of the 102.83 acres.
- Available – The property is not known to have any conflicts of ownership or other encumbrances that would prohibit the site from being developed with affordable housing.
- Developable – The property is within the sanitary sewer service area and has existing access to potable public water. Utilities are believed to be adequate to handle the additional development. The mall is located at the southeast intersection of Quakerbridge Road and Route 1. Interstate 95/295 is located a short distance to the south on Route 1 from the proposed housing development.
- Suitable – The anticipated location for such housing is in the southeast corner of the site adjacent to Grovers Mill Road. From this location Avalon Run also an inclusionary multi-family housing development completed in the mid-1990s is directly across the street. Development of housing on regional shopping centers is part of a country-wide trend to add housing to a retail environment in order to emulate downtown or village center development.

- Approvability – There are no known environmental constraints affecting the ability to develop the mall property with housing.
- Administrative Entity – The Township’s Administrative Agent will work with the eventual developer of the site in ensuring that the units are affirmatively marketed and meet other Uniform Housing Affordability Control regulations pertaining to the affordable units.

Extension of Expiring Controls

The Township is eligible to receive 105 credits for extending the affordability controls on low- and moderate-income units with controls scheduled to expire between 1999 and 2025. Forty-two of the credits reflect affordability controls that the Township has already extended beyond 2025. All of the units where affordability controls have been extended are family for-sale dwellings. The list of the extensions is included in Appendix J. The Township will execute an additional 63 extensions of controls during the remainder of the Third Round. Because of the large number of units with expiring controls in the two sections of Lawrence Square Village, the municipality expects the majority to come from this neighborhood. Under *N.J.A.C. 5:97-6.14*, the Township is entitled to one credit for each code-compliant unit on which the Uniform Housing Affordability Controls are imposed for an additional 30 years from the date when the expiration of the original controls will occur or has occurred, with a total time period of affordability controls ranging from 50 to 60 years depending on the time period of the original deed restriction.

In its Spending Plan, the Township has earmarked \$1,575,000 for this program in its affordable housing trust fund. This funding will be used to create an incentive for homeowners to apply an additional 30-year deed restriction to their property and, if needed, to bring, each property up to the current building code. The level of funding will allow the Township, on average, to pay for any necessary repairs. The amount earmarked is \$25,000 per unit. Credit for the extension of affordability controls was first introduced in the Third Round rules by COAH. Following are their criteria from *N.J.A.C. 5:97-6.14* in italics and how the Township’s proposal meets or requires a waiver from them in response.

1. *The unit meets the criteria for prior-cycle or post-1986 credits set forth in N.J.A.C. 5:97-4.2 or 4.3. The units had previously gained substantive certification from COAH as eligible for Prior Cycle or post-1986 credits. See Table 29 for Prior Round credits.*
2. *The affordability controls for the unit are scheduled to expire during the 1999 through 2025 period. As noted, all of the units’ deed restrictions have expired or will expire during the Third Round. See Appendix J.*
3. *The municipality shall obtain a continuing certificate of occupancy or a certified statement from the municipal building inspector stating that the restricted unit meets all code standards. Each change of ownership requires a dwelling inspection by the Construction Code Official’s office. This office issues a form of COO that is a called a Certificate of No*

Violation. If there is no repair required, a Certificate of No Violation is issued. If there is repair required, then a Certificate of Inspection is issued listing the required repairs. Once these are corrected, then the Certificate of No Violation is issued. All of the extended units have been issued the Certificate of No Violation.

4. *If a unit requires repair and/or rehabilitation work in order to receive a continuing certificate of occupancy or certified statement from the municipal building inspector, the municipality shall fund and complete the work. A municipality may utilize its affordable housing trust fund to purchase the unit and/or complete the necessary repair and/or rehabilitation work. As noted, up to an average of \$25,000 per unit is available for incentives and repair work. Since the units are generally no older than 20-25 years, the extent of repairs is expected to be less than will be necessary to fund the rehabilitation program that has been previously discussed in this document, which will allow for a greater incentive to be offered. The large majority of the existing extension-of-controls units required no repair.*
5. *Information regarding the development and specific units on forms provided by the Council. Should the Court desire to see additional detail in addition to the information in Appendix J, it will be supplied on request.*
6. *A written commitment from the owner to extend controls, or evidence that the controls have been extended in accordance with UHAC. All of the extensions to date conform to UHAC standards as will future extensions. In the future, the Uniform Housing Affordability Controls will be imposed for an additional 30 years from the date when the expiration of the original controls will occur or has occurred, with a total time period of affordability controls ranging from 50 to 60 years depending on the time period of the original deed restriction.*
7. *The proposed or filed deed restriction for the extended control period. Attached is a sample of an executed deed restriction applied to an affordable unit. See Appendix K.*
8. *A pro-forma for any proposed acquisition and/or rehabilitation costs. See response to criterion 4.*
9. *Documentation demonstrating the source(s) of funding. The Township intends to use affordable housing trust funds for the extension of the expiring controls. The funding has already been earmarked and is included in the Spending Plan.*
10. *A municipal resolution appropriating funds or a resolution of intent to bond in the event of a shortfall of funds. A resolution of intent to bond is attached as Appendix L.*
11. *A draft or adopted operating manual that includes a description of the program procedures and administration in accordance with UHAC. Since the program does not involve the displacement of tenants and the owners are otherwise qualified in accordance with UHAC standards, a specific operating manual for this program is unnecessary.*

12. *An affirmative marketing plan in accordance with UHAC.* Since the program does not involve the displacement of tenants and the owners are otherwise qualified in accordance with UHAC standards, a specific affirmative marketing plan for this program is unnecessary.
13. *Designation of an experienced administrative agent, including a statement of his or her qualifications, in accordance with N.J.A.C. 5:96-18.* The Township's Affordable Housing Administrator functions as both the municipal housing liaison and its administrative agent. This person has operated the extension of expiring controls program to date and is intended to continue to do so for the 63 future units in this Plan.

VERY LOW INCOME UNITS

Pursuant to the 2008 amendments to the FHA, P.L. 2008, c.46 (codified as N.J.S.A. 52:27D-329.1), municipalities must provide the opportunity for very low-income units equal to 13% of all affordable units approved and constructed after July 1, 2008. Additionally, pursuant to the settlement agreement, Lawrence will ensure that at least half of these very low-income units will be available to families. Lawrence's obligation is 13% of 181 unbuilt units, or 23.6 units, rounded up to 24 units. Twelve of those units must be family units.

The Township has revised Article X, Affordable Housing Ordinance, attached as Appendix M of the document, to ensure the minimum 13% very low-income unit count is met, including the 50% requirement for family units. In the Third Round, the CIFA III alternate living arrangement group home supplies services to dual-diagnosed persons with mental illness and developmental disabilities. The four individuals, which are selected from the New Jersey Division of Developmental Disabilities waiting list, are all very low-income. The Brandywine proposed development will generate a requirement for six very low income units, the proposed RPM development nine, and the Quaker Bridge Mall, an additional 10 such units. These will be family rental units. Thus, to satisfy the requirement for 24 very low-income units, the Township will have at least 29, of which 25 will be family rental units.

THIRD ROUND UNMET NEED MECHANISMS

As previously indicated, unmet need is the difference between the 710-unit RDP and the Township's 1,110-unit Third Round obligation, or 400 units. Lawrence provides the following compliance mechanisms to address unmet need.

Development Fee

Lawrence established a development fee ordinance for the collection of development impact fees, and these funds will be used as indicated in the DEVELOPMENT FEE ORDINANCE and SPENDING PLAN sections, below.

Mandatory Affordable Housing Set-Aside

Since 1998 the Township has required a mandatory setaside for all housing development that is not a project of single or two-family dwellings – this regulation is codified in §1001 of the Land Use Ordinance. This is part of the adopted Affordable Housing Ordinance, found in Appendix M.

Existing Zoned Site

Morris Hall

Morris Hall, which is owned by the Diocese of Trenton, is a complex of buildings on both sides of Route 206. The Diocese land on the east side of Route 206, directly north of its interchange with I-95, was partially constructed with a skilled nursing care center in 2016. The remainder of this property (Block 4901, pt. Lot 1) is about 10 acres and is zoned Senior Citizen Residential at 14 units per acre. All SCR zoned property requires an affordable housing setaside in §410.E of the Land Use Ordinance. This would generate a maximum of 28 affordable units towards unmet need.

Overlay Zoning Ordinance Sites

HUB City Distributing

This facility is a wholesale beer distributor located at 6 Princess Road on Block 3901, Lot 2.01, consisting of 10.52 acres (owned by Frank Banko III). The company was part of Banko Beverage, the largest beer wholesaler in the state, but was sold in spring 2017 to Kramer Beverage, a similar type of operation. Princess Road's zoning was recently changed from limited industrial to Mixed Use District 2 (MXD-2) to allow for a greater variety of uses. Industrial uses on Princess Road have been replaced with office and nonprofit organizations, such as the Special Olympics' state headquarters; only locations two remain, including the subject site. The site is proposed for an overlay district allowing 10 units per acre for a total of up to 105 units, of which up to 21 units would be affordable.

Capital Health

Immediately adjacent to the HUB City Distributing to the east on Princess Road is the site once contemplated for a hospital by the Capital Health System, which eventually built a hospital in Hopewell Township. The site is presently vacant. It is constrained by freshwater wetlands on its eastern side as well as a conservation easement in the extreme northeast corner of the site held by the State. The State of New Jersey also acquired the parcel to the southeast of the property, which is constrained by wetlands and floodplain. This parcel has been made part of the Delaware and Raritan Canal's holdings. Because of these constraints, the site is earmarked for development at only eight units per gross acre. Block 3901, Lot 4.01 is 30.27 acres and would allow up to 242 units, of which up to 49 units of affordable housing could be obtained.

Tricone Engineers

This site is immediately south of the Quaker Bridge mall consisting of 6.93 acres at the intersection of the mall access road and Grovers Mill Road (Block 4201.01, Lot 33.03). Approximately four acres are developable. Constraints include a drainage easement and wetlands. The site is presently vacant. This site is proposed for 15 units per acre which would allow up to 103 units, of which up to 21 would be affordable.

Fampec, LLC

This parcel is located immediately to the west of the Tricone Engineers lot on the other side of the mall access road. The property is known as 500 Renaissance Boulevard, Block 4201.01, Lot 32.01.2, consisting of 3.62 acres. It is presently vacant. The property is proposed for an overlay district of up to 15 dwelling units per acre, or potentially up to 54 units in total and 10 affordable units.

An affordable housing overlay district is attached as Appendix N that applies to the four sites identified as meeting unmet need and which do not yet have appropriate zoning.

Redevelopment Discussion with Owners

Lawrence Shopping Center

In this document, the unmet need Lawrence Shopping Center site is being converted to an RDP site as fully described in that section, above.

COST GENERATION

The Township's Land Use Ordinance has been reviewed to determine if there are unnecessary cost-generating standards, and there is nothing out of the ordinary about its submission requirements. Development applications containing affordable housing will be reviewed for consistency with the Land Use Ordinance, Residential Site Improvement Standards (*N.J.A.C. 5:21-1 et seq.*), the Municipal Land Use Law (*N.J.S.A. 40:55D-40.1 through -40.7*), and the mandate of the FHA regarding unnecessary cost-generating features. Lawrence will comply with *N.J.A.C. 5:93-10.1(a)*, procedures for development applications containing affordable housing, *N.J.A.C. 5:93-10.1(b)*, and requirements for special studies and escrow accounts where an application contains affordable housing (*N.J.A.C. 5:93-10.3*).

MONITORING/STATUS REPORT

In accordance with *N.J.A.C. 5:93-12.1* and the settlement agreement, the Township will complete annual monitoring reports (using forms previously developed for this purpose by COAH or any other forms endorsed by the Court and FSHC) of the Affordable Housing Trust Fund and affordable housing activity and programs. The Township will post the reporting on its municipal website and provide copies of such posting to FSHC. In addition, pursuant to the settlement agreement, the Township has provided a status report at the midpoint of the

Third Round (July 1, 2020). It must also provide a status report addressing the statutory requirements for very low income housing within 30 days of the third anniversary of the Agreement and after every three years.

AFFORDABLE HOUSING ORDINANCE AND AFFIRMATIVE MARKETING

The Township of Lawrence has in place ordinance requirements for Affordable Housing and Affirmative Marketing in accordance with *N.J.A.C. 5:80-26-1 et seq.* The Township's affordable housing regulations are found in Article X of the Land Use Ordinance. While it governs the creation, administration, and occupancy of affordable units, the required low- and moderate-income set-asides; development fees; the programs that might be implemented to provide an opportunity for affordable housing; and outlines eligibility requirements and occupancy standards; a significant amendment to the Article has been adopted to update its regulations to comport with present-day language and court decisions (see Appendix M).

Each developer/owner intending to sell or rent affordable dwellings must submit an Affordable Housing Plan to the Affordable Housing Board for approval. The Affordable Housing Plan must include regulations for income qualification, price and rent restrictions, bedroom distribution, affordability control periods, and unit marketing in accordance to *N.J.A.C. 5:80-26.1*. All newly created affordable units are required to comply with the minimum 30-year affordability controls required by UHAC, *N.J.A.C. 5:80-26.5* and *-26.11*. An approved plan will be used by all private, nonprofit or municipal developers of affordable housing units and must cover the period of deed restriction or affordability controls on each affordable unit.

Affirmative marketing of affordable units in the Township is conducted by individual Administrative Agents under contract to the developer/owner and overseen by the Township's Housing Administrator. Affirmative marketing is designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to the affordable units located in the Township. Additionally, the affirmative marketing plan is intended to target those potentially eligible persons who are least likely to apply for affordable units and who reside or work in Housing Region 4, consisting of Mercer, Monmouth and Ocean Counties.

The Township has updated its affirmative marketing plan to add housing advocacy groups including Fair Share Housing Center, the State and local chapters of the NAACP, the Latino Action Network, and the Supportive Housing Association.

The costs of implementing the Affordable Housing Plan (i.e., the costs of advertising the affordable units, etc.) are the responsibility of the developers/owners of the affordable units. This requirement is included in the Township's Article.

DEVELOPMENT FEE ORDINANCE

Lawrence established a development fee ordinance for the collection of development impact fees (adopted April 12, 1995, amended July 24, 2012, Ordinance 2012-27). The funds from the collection of fees will be utilized as provided for in the Spending Plan. The Township sought and received Court approval for both the Development Fee and for the Affordable Housing Ordinance, as well as the Spending Plan. The approved Development Fee Ordinance is found in Appendix N.

AFFORDABLE HOUSING TRUST FUND

As of March 31, 2020, the Township had approximately \$2,175,568 remaining in its affordable housing trust fund and since the fund's inception had collected \$7,429,803 in development fees, \$5,228,950 from payments in lieu of construction, \$984,100 in interest and \$2,008,211 from other miscellaneous income. The Spending Plan (see next section) is based on the reconciled account through March 31, 2020. The balance will be updated regularly to reflect deposits and will be reported to the appropriate state entity through the CTM system, posted on the Township's website and provided to FSHC, per the terms of the settlement agreement.

SPENDING PLAN

The Township's Spending Plan, which discusses anticipated revenues, collection of revenues, and the use of revenues, was prepared in accordance to *N.J.A.C. 5:93-5.1(c)*. The Township's 2020 draft Amended Spending Plan is included as Appendix F to this Plan. All collected revenues are placed in the Township's Affordable Housing Trust Fund and will be dispensed for the use of affordable housing activities as indicated in the Spending Plan. In general, the Township anticipates using the funds for the rehabilitation program, extension of expiring controls efforts, to facilitate the development of the proposed 100%-affordable RPM project on the Lawrence Shopping Center site, and to provide affordability assistance for the provision of very low-income units. Towards this end, the Township anticipates creating security deposit assistance in addition to its existing programs of homeownership assistance and foreclosure prevention. The Township may, in the future, seek to amend its Spending Plan and obtain the approval of a court of competent jurisdiction to use the affordable housing trust fund for the following additional permitted affordable housing activities, subject to applicable limitations and minimum expenditures:

- New construction;
- Purchase of land for low and moderate income housing;
- Improvement of land to be used for low- and moderate-income housing;
- Extensions and/or improvements of roads and infrastructure to low and moderate income housing sites;
- Assistance designed to render units to be more affordable; and
- Administration of the implementation of the Housing Element and Fair Share Plan.

At least 30% of development fees and interest collected must be used to provide affordability assistance to low- and moderate-income households in affordable units included in a municipal Fair Share Plan and for the creation of very low-income units. Additionally, no more than 20% of the revenues collected from development fees each year may be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to develop or implement a rehabilitation program, a new construction program, a Housing Element and Fair Share Plan, and/or an affirmative marketing program.

Pursuant to the Court-approved settlement agreement, the adoption of the Township's Spending Plan will constitute a "commitment" for expenditure per the FHA at N.J.S.A. 52:27D-329.2 and -329.3, with a four-year time period for expenditure that will start with the entry of the Superior Court's Judgment of Compliance and Repose.

SUMMARY

The Township of Lawrence has demonstrated a long history of compliance with the constitutional obligations of the Mount Laurel Doctrine and the Fair Housing Act. During the Third Round, the Township of Lawrence will address its 73-unit Rehabilitation Share by continuing its local rehabilitation program, participating in the Mercer County HOME Investment Partnership program, and with 19 rehabilitation credits for units that were rehabilitated in the Township between 2010 and 2017. The Township has addressed the entirety of its 891-unit Prior Round obligation.

The Township's Third Round obligation, established through the Court-approved settlement agreement, is 1,110 units, but as a result of limited vacant and developable land in the Township, the Court has approved an adjustment of this Third Round obligation. Pursuant to the vacant land analysis and with this amendment, the Township has a Third Round RDP of 710 units and a Third Round unmet need of 400 units. The Township will fully address its 710-unit RDP with 10 excess Regional Contribution Agreement credits, 75 units from alternative living arrangements, 93 units of senior rental housing, 148 units of inclusionary housing that is either constructed or approved, 112 units of proposed inclusionary housing, 105 units where affordability controls have been or will be extended, 69 units from a proposed 100% affordable development, and 178 rental bonus credits for a total of 790 credits. This results in a surplus of 80 credits to go toward the Township's unmet need. For unmet need, the Township has five different mechanisms, including overlay zoning for inclusionary development.

Appendix C
Order on Fairness and Preliminary Compliance Hearing
Judgment of Compliance and Repose



FILED

SEP 05 2011

SUPERIOR COURT OF NJ
MERCER VICINAGE
CIVIL DIVISION

PREPARED BY THE COURT

SUPERIOR COURT OF NEW JERSEY
LAW DIVISION: MERCER COUNTY
DOCKET NO. L-1538-15

IN THE MATTER OF THE
APPLICATION OF TOWNSHIP OF
LAWRENCE,

Civil Action
(Mt. Laurel)

Petitioner.

**ORDER ON FAIRNESS AND
PRELIMINARY COMPLIANCE HEARING**

Attorney for Plaintiff:

David M. Roskos, Esq.
Victoria D. Britton, Esq.
Eckert, Seamans, Cherin, & Mellott
Princeton Pike Corporate Center
2000 Lenox Drive, Suite 203
Lawrenceville, N.J. 08648

Interested /Party/ Intervenor:

Attorney for Fair Share Housing

Kevin D. Walsh, Esq.
Adam Gordon, Esq.
510 Park Blvd
Cherry Hill, NJ 08002

Intervenor:

**Attorney for Brandywine Operating
Partnership**

Parker McCay, PA
Ronald C. Morgan, Esq.
9000 Midlantic Dr. Ste. 300
P.O. Box 5054
Mt. Laurel, N.J. 08054-5054

Special Master:

Elizabeth C. McKenzie, PP, PA
9 Main Street
Flemington, NJ 08822

THIS MATTER having been opened to the Court by way of Eckert, Seamans, Cherin & Mellott, attorneys for the Township of Lawrence (hereinafter referred to as "Lawrence"), David M. Roskos, Esquire, appearing, in the presence of Kevin Walsh, Esquire, attorney for Interested Party and Intervenor, Fair Share Housing Center, Inc. (hereinafter referred to as "FSHC"), and Ronald Morgan, Esquire, attorney for Intervenor Brandywine Operating Partnership, for a Fairness and Preliminary Compliance Hearing held pursuant to and in accordance with East/West

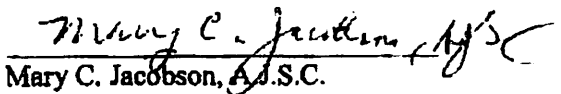
Venture v. Borough of Fort Lee, 286 N.J. Super. 311 (App. Div. 1996); and sufficient notice of this hearing having been given in accordance with In the Matter of the Adoption of N.J.A.C. 5:97 by the New Jersey Council on Affordable Housing, 221 N.J. 1 (2015) (“Mount Laurel IV”) and Morris County Fair Housing Council v. Boonton Twp., 197 N.J. Super. 359 (Law. Div. 1984); and the court having considered the testimony Lawrence’s qualified affordable housing expert, Philip B. Caton, P.P., and the Court-appointed Special Master, Elizabeth McKenzie, P.P.; and the court having considered the Settlement Agreement entered into between Lawrence and FSHC, and Lawrence’s draft summary Housing Element and Fair Share Plan referenced therein and other exhibits presented by Lawrence in support of its plan; and Special Master McKenzie having recommended that the court find that the proposed plan is fair to low and moderate income individuals in Mercer County; and neither FSHC nor Brandywine objecting to the proposed plan; and good cause having been shown, for the reasons set forth on the record:

IT IS this 5th day of July, 2017, **HEREBY ORDERED** that:

1. The Court finds that the Settlement Agreement between Lawrence and FSHC is fair and adequately protects the interests of low and moderate income persons within Lawrence’s housing region based upon the criteria set forth in East/West Venture Borough of Fort Lee, 286 N.J. Super. 311 (App. Div. 1996), for approving a settlement of Mount Laurel litigation; and
2. The Court preliminarily finds that Lawrence’s proposed draft summary Housing Element and Fair Share Plan is facially constitutional and provides a fair and reasonable opportunity for Lawrence to meet its obligation under Mount Laurel IV, subject to Lawrence’s satisfaction of any conditions set forth by the Court’s Special Master, and

subject to the Court's approval by way of a Final Compliance Hearing to be held as hereinafter set forth; and

3. By November 1, 2017, Lawrence shall have submitted to the Special Master for review and comment Lawrence's Housing Element and Fair Share Plan, and shall have provided for the Planning Board and/or Township Council to endorse the plan and to adopt all necessary effectuating Resolutions and Ordinances; and
4. The court shall conduct a case management conference by telephone on November 9, 2017 at 9:30 A.M. Counsel for Lawrence shall arrange for the call.
5. The temporary immunity previously granted to Lawrence herein is hereby extended until and through the day following the completion of the Final Compliance Hearing scheduled in this order and the entry of an Order granting a Final Judgment in this matter; and
6. A copy of this Order shall be served upon all parties on the service list in this matter within 7 days of Lawrence's receipt thereof.


Mary C. Jacobson, J.S.C.

FILED

SEP 25 2018

SUPERIOR COURT OF NJ
MERCER VICINAGE
CIVIL DIVISION

ECKERT SEAMANS CHERIN & MELLOTT, LLC

David M. Roskos, Esq. (026561982)

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Attorneys for Petitioner, Township of Lawrence

	:	SUPERIOR COURT OF NEW JERSEY
	:	LAW DIVISION: MERCER COUNTY
	:	
IN THE MATTER OF THE APPLICATION	:	Docket No.: MER-L-1538-15
OF THE TOWNSHIP OF LAWRENCE,	:	
COUNTY OF MERCER.	:	<u>Civil Action</u>
	:	
	:	JUDGMENT OF COMPLIANCE AND
	:	REPOSE FOR THE TOWNSHIP OF
	:	LAWRENCE
	:	

THIS MATTER having been opened to the court by Petitioner, Township of Lawrence, seeking the court’s approval of the Township’s adopted Third Round Housing Element and Fair Share Plan (“HEFSP”), and of the Township’s adopted ordinances and resolutions implementing the HEFSP, subject to the terms and conditions set forth herein, all pursuant to N.J.S.A. 52:27D-313 and In re N.J.A.C. 5:96 & 5:97, 221 N.J. 1 (2015)(“Mount Laurel IV”), and the entry of a Final Third Round Judgment of Compliance and Repose confirming the Township’s compliance with its fair share housing obligations under the Mount Laurel doctrine and the Fair Housing Act, N.J.S.A. 52:27D-301, et seq. (“FHA”), and the court having conducted a compliance hearing on September 5, 2018 upon adequate notice to the public and the protected class in accordance with R. 4:32-2, Morris County Fair Housing Council v. Boonton Twp., 197 N.J. Super. 359 (Law Div. 1984), aff’d o.b. 209 N.J. Super. 108 (App. Div. 1986), and East/West Venture v. Boro. of Fort Lee, 286 N.J. Super. 311 (App. Div. 1996); and

The court having considered (a) the February 11, 2018 and August 22, 2018 reports of Special Master Elizabeth C. McKenzie, PP, AICP, and her testimony at the hearing; and (b) the testimony of the Township's Planning Consultant, Brian M. Slauch, PP, AICP; and (c) the arguments of counsel; and

The court having found the following facts:

1. Pursuant to the Township's Settlement Agreement with Fair Share Housing Center, Inc. ("FSHC") dated April 28, 2017, the Township has a fair share obligation through July 1, 2025 of:
 - a. Rehabilitation Share: 73 units
 - b. Prior Round Obligation: 891 units
 - c. Third Round Obligation: 1,110 units.
2. The Lawrence Township Planning Board approved the Township's Third Round HEFSP dated June 15, 2018 at its meeting on August 6, 2018.
3. The Lawrence Township Council endorsed the Township's Third Round HEFSP dated June 15, 2018 and adopted implementing ordinances and resolutions at its meeting dated August 28, 2018.
4. The Township is entitled to a vacant land adjustment, and has a Third Round Realistic Development Potential of 696 units.
5. The court-appointed Special Master, Elizabeth C. McKenzie, PP, AICP, testified that she has reviewed the Township's Third Round HEFSP and accompanying implementing ordinances and resolutions, as set forth in her reports dated February 11, 2018 and August 22, 2018, and believes that the Third Round Plan will create sufficient realistic opportunities for the provision of low- and moderate-income, including very-low income,

housing to satisfy the Township's agreed-upon fair share obligation, provided that the Township satisfies Paragraph 6(b) of the Settlement Agreement to work with the owner of Lawrence Shopping Center to endeavor to complete a redevelopment study by December 31, 2018. In her report, the Special Master recommended that the court approve the Third Round Plan and grant the Township a Final Judgment of Compliance and Repose, subject to the satisfaction of the terms of Paragraph 6(b) of the Settlement Agreement.

6. At the September 5, 2018 Compliance Hearing, the Township's Planning Consultant, Brian M. Slaugh, PP, AICP, testified that the Third Round Plan and implementing ordinances have already been adopted and/or endorsed by the Township, and that the terms of Paragraph 6(b) of the Settlement Agreement concerning Lawrence Shopping Plaza should be met by December 31, 2018.
7. Based upon the August 22, 2018 report of the Special Master, which is incorporated herein by reference as the findings of the court, and based upon the testimony of Special Master McKenzie and Township Planning Consultant Slaugh, the court finds that the Township's Third Round Plan creates sufficient opportunities for the provision of low- and moderate-income housing through July 1, 2025 consistent with the FHA and the Mount Laurel doctrine, and that the Township is entitled to a Judgment of Compliance and Repose through July 1, 2025; and

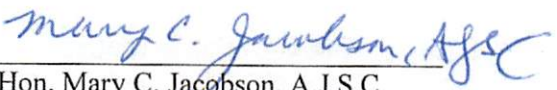
For the reasons set forth on the record and for good cause shown, the court has determined that a Judgment of Compliance and Repose as to the Township's cumulative Prior Round and Third Round fair share obligation through July 1, 2025 should be entered.

NOW, THEREFORE, it is on the 26th day of September, 2018, **ORDERED**
AND ADJUDGED as follows:

- A. The Township of Lawrence has a court-approved fair share obligation through July 1, 2025 consisting of (a) 73 units as its Rehabilitation Share, (b) 891 units as its Prior Round Obligation (1987-1999), and (c) 1,110 units as its Third Round Obligation (1999-2025).
- B. The Township is entitled to a vacant land adjustment, and has a Third Round Realistic Development Potential of 696 units.
- C. The Township's Third Round HEFSP adopted on August 6, 2018 and endorsed on August 28, 2018, and implementing ordinances and resolutions adopted on August 28, 2018, subject to the requirements of Paragraph 6(b) of the Settlement Agreement with FSHC dated April 28, 2017 regarding Lawrence Shopping Center, will create a sufficient realistic opportunity for the provisions of low- and moderate-income housing to satisfy the Township's court-approved fair share obligation through July 1, 2025 consistent with the FHA and the Mount Laurel doctrine.
- D. The Township shall satisfy Paragraph 6(b) of the Settlement Agreement with respect to Lawrence Shopping Plaza by December 31, 2018.
- E. The Township is entitled to immunity from builder's remedy litigation commencing as of the date of this Order through July 1, 2025.
- F. Upon an unappealable final judgment of the calculation of the Township's fair share obligation, the Township may apply to the court for a reduction of its fair share obligation pursuant to the terms of Paragraph 12 of the Settlement Agreement with FSHC.
- G. The appointment and services of Special Master McKenzie are hereby terminated. The court and the parties thank her for her efforts throughout this matter.

H. All parties shall bear their own costs.

I. A copy of this Order shall be served upon all counsel of record and the Township's e-Service List within seven (7) days of the posting of this Order on e-Courts, and shall be posted on the Township's website.


The Hon. Mary C. Jacobson, A.J.S.C.

Appendix F

Spending Plan



SPENDING PLAN OF THE HOUSING ELEMENT AND FAIR SHARE PLAN
LAWRENCE TOWNSHIP
July 16, 2020

INTRODUCTION

Lawrence Township has prepared a Housing Element and Fair Share Plan that addresses its regional fair share of the affordable housing need in accordance with the Municipal Land Use Law (*N.J.S.A. 40:55D-1 et seq.*), the Fair Housing Act (*N.J.S.A. 52:27D-3.01*) and the remaining valid regulations of the Council on Affordable Housing found at *N.J.A.C. 5:93-1*. A development fee ordinance was approved by COAH on May 6, 1992, which assisted in creating a dedicated revenue source for affordable housing. Once approved by COAH, the ordinance was officially adopted by the municipality on June 3, 1992. Among other attributes, the ordinance established Lawrence Township's affordable housing trust fund.¹ This Spending Plan directs how the trust fund monies will be dispersed.

In summary, the Township of Lawrence seeks to extend affordability controls on, including rehabilitating (as needed and requested), at least 47 units to meet its plan target of 105 total units. The Township also plans to rehabilitate major systems for up to 51 deficient housing units, including rental units that are occupied by income-eligible households (the rehabilitation of some owner-occupied units may be undertaken by Mercer County). Lawrence also seeks to subsidize the development of a 100% affordable family rental project; to provide affordability assistance to low- and moderate-income households through specific programs described in this Spending Plan; and to help defray the costs of administrative expenditures.

As of March 31, 2020, Lawrence Township had collected a total of \$7,429,802.92 in development fees, \$5,228,950 from payments in-lieu of construction, \$984,099.95 in interest and \$2,008,210.88 from other miscellaneous income. It had spent a total of \$11,148,123.22 toward affordable housing activity, \$352,749.74 on affordability assistance and \$1,974,622.33 on administrative costs, with a balance of \$2,175,568.46 in unspent funds. All development fees, other income, and interest generated by the fund are kept in an interest-bearing affordable housing trust fund account at PNC Bank for these purposes, with separate journal entries for the differing revenue and expenditure items. All affordable housing trust money is spent in accordance with *N.J.A.C. 5:93-8.16*, as described in the sections that follow.

¹ - The updated development fee ordinance may be found in Appendix N of the amended Housing Element and Fair Share Plan.



1. REVENUES FOR CERTIFICATION PERIOD

In calculating a projection of revenue anticipated during the remaining Third Round period, Lawrence Township considered the following:

A. Development Fees.

1. Residential and nonresidential projects that have had development fees imposed upon them at the time of preliminary or final development approvals.
2. All projects currently before the planning and zoning boards for development approvals that may apply for building permits and certificates of occupancy.
3. Future development that is likely to occur based on historical rates of development.

B. Payments in lieu of construction. The Township has not received any payments in lieu of construction since 2006 and does not expect future revenues from this source.

C. Other funding sources. Lawrence Township has collected \$2,008,210.88 from other sources as part of its revenue for affordable housing. These funds derive from the market sale of units with extinguished controls, repayment of housing program loans, fines and fees, and proceeds from the sale of income-restricted affordable units. The Township anticipates that it will receive up to \$420,000 from these sources during the Third Round.

D. Projected interest. Based on the current average interest rate, interest earned in recent years, and projected rates of development fee revenue, Lawrence Township anticipates collecting \$31,774 in interest through 2025.

Projected Revenues Housing Trust Fund – April 2020 through June 2025

Table SP-1.

Source of Funds	Year	April-December 2020	2021	2022	2023	2024	Mid- 2025	2020-2025 Total
Projected Residential Development Fees	\$2,175,568.46 STARTING BALANCE (As of 3/31/2020)	\$27,000	\$35,000	\$35,000	\$35,000	\$35,000	\$18,000	\$185,000
Projected Non-Residential Development Fees		\$110,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$785,000
Other		\$60,000	\$80,000	\$80,000	\$80,000	\$80,000	\$40,000	\$420,000
Interest		\$12,510.05	\$6,599.49	\$5,163.31	\$3,718.51	\$2,295.04	\$1,487.60	\$31,774
Total		\$209,510.05	\$271,599.49	\$270,163.31	\$268,718.51	\$267,295.04	\$134,487.60	\$1,421,774

Assumptions. Lawrence Township projects a total of \$1,421,774 in revenue to be collected between 2020 and 2025, from residential and non-residential development fees, other income, and accrued interest. Projected residential development fees are based on development fee receipts from the past five years and anticipated development.

2. ADMINISTRATIVE MECHANISMS TO COLLECT AND DISTRIBUTE FUNDS

The following steps for the collection and distribution of development fee revenues shall be followed by Lawrence Township.

- A. Collection of development fee revenues. All collection of development fee revenues will be consistent with Article IX of the Land Use Ordinance and the requirements of *N.J.S.A. 40:55D-8.1 through -8.7*.
- B. Distribution of development fee revenues. The Municipal Affordable Housing Administrator, in concert with the Township Manager and Chief Financial Officer will process the distribution of funds. The release of such funds requires the adoption of a resolution by the Township Council. Once a request is approved by resolution, the Chief Financial Officer releases the requested revenue from the trust fund for the specific use approved in the governing body's resolution.

3. DESCRIPTION OF ANTICIPATED USE OF AFFORDABLE HOUSING FUNDS

Lawrence Township proposes to use the funds in the trust fund for the below listed items, pursuant to *N.J.A.C. 5:93-8.16(a) and (c)*, during the Third Round:

- Rehabilitation program sufficient to rehabilitate 51 substandard housing units occupied by very low-, low-, and moderate-income households;
- Municipal contribution to the development of a 100%-affordable family rental project;
- Affordability assistance to very low-, low- and moderate-income buyers and renters of affordable housing units to lower the up-front costs of purchasing or renting a home through closing cost assistance and security deposit assistance; and
- Extensions of affordability controls scheduled to expire during the Third Round on existing affordable units, including inspections and necessary rehabilitation of such units to maintain code compliance.

At least 30% of collected development fees will be used to provide affordability assistance to low- and moderate-income households in affordable units included in the Fair Share Plan. Additionally, no more than 20% of the revenues collected from development fees and from payments in lieu of construction collected prior to the adoption of the Roberts Bill (P.L. 2008, c. 46), will be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to prepare or implement a rehabilitation program, a housing element and fair share plan, and/or an affirmative marketing program.

For any other uses of affordable housing trust funds, the Township will apply to a court of competent jurisdiction or other authority, as the case may be, for an amendment to the Spending Plan.

4. AFFORDABILITY ASSISTANCE (N.J.A.C. 5:93-8.16(c))

Lawrence Township is required to spend a minimum of 30% of development fee revenue and interest to render existing affordable units more affordable. At least one-third of that amount must be dedicated to very low-income households (i.e., households earning less than 30% of the regional median income) or to create very low-income units. Table SP-2 shows the calculations required to determine the minimum amount of affordability assistance.

Table SP-2. Projected Minimum Affordability Assistance Requirement.

Actual development fees to 3/31/2020		\$7,429,802.92
Actual interest earned to 3/31/2020	+	\$984,099.95
Development fees projected 2020-2025	+	\$970,000.00
Interest projected 2020-2025	+	\$31,774.00
Less housing activity prior to 6/2/2008	-	\$8,369,363.11
Total	=	\$1,046,313.76
30% requirement	x 0.30 =	\$313,894.13
Less affordability assistance expenditures to 3/31/2020	-	\$352,749.74
Projected Minimum Affordability Assistance Requirement	=	\$0

Based on fees and interest collected to date, and projected revenues, Lawrence Township was required to dedicate \$313,894.13 to provide affordability assistance to income-qualified households. The Township has already expended more than that in affordability assistance through March 31, 2020, thereby meeting its minimum obligation.

Between April 2020 and July 2025, the Township will utilize its affordable housing trust fund to provide additional affordability assistance in the following forms:

Homeownership Assistance

The Township has historically provided \$337,750 of affordability assistance in the form of closing cost assistance, and will continue to provide these services through 2025 up to a total of \$36,000.

Security Deposit Assistance

The Township will also operate a security-deposit assistance program, which is more likely to alleviate the costs of housing for very low-income households than are programs targeting homeowners.

The security-deposit assistance program will make \$104,000 of affordable housing trust funds available for any income-qualified household moving into deed-restricted rental units within the Township, as long as funding is available. Priority will be given to very low-income households. The program will not require the household to demonstrate a hardship or to maintain a budget to be eligible for this assistance. The trust funds will go directly to the landlord and be credited toward the household's rent or security deposit balance.

The assistance will be provided in the form of an interest-free loan paid from the Township directly to the landlord, which must be paid back in full to the Township's affordable housing trust fund when the tenant receiving the subsidy moves out of the unit. Any amount of the security deposit that is withheld by the landlord as a penalty due to damage to the unit or another violation of the lease will be the responsibility of the tenant to pay back to the Township.

Upon return of the security deposit subsidy to the Township's trust fund, the money will become available again for assistance to income qualified renter households.

Additional details about these programs may be found in the operation descriptions at the end of this document.

Foreclosure Intervention Program

The Township previously spent \$1,504,497 to purchase foreclosed affordable housing units at sheriffs' sales, bring units up to code, and pay utilities, HOA fees, and other monthly costs incurred prior to resale of the units. The Township will continue its policy of preventing affordable units from being lost to foreclosure. The Township will set aside \$475,000 in its affordable housing trust fund for this program through 2025. As required by *N.J.A.C. 5:97-6.14(a)*, all units purchased through this program receive Certificates of Continuing Occupancy (in the case of units that required rehabilitation) and Certificates of No Violation.

The operating manual in Appendix O of the Housing Element and Fair Share Plan contains the operating manual for the Foreclosure Intervention programs.

5. ADMINISTRATIVE EXPENSES (N.J.A.C. 5:93-8.16(e))

Lawrence Township may use affordable housing trust fund revenue for related administrative costs up to a 20% limitation pending funding availability after programmatic and affordability assistance expenditures. The Roberts Bill (P.L. 2008, c. 46), which was adopted on July 17, 2008, amended the Fair Housing Act to differentiate between payments in lieu of construction and development fees, among other things. Historically, municipalities counted payments in lieu received prior to July 17, 2008 as revenues that can be spent toward administration, while subtracting past spending on RCA programs from the gross revenue basis of the administrative expenses cap calculation.

Table SP-3. Projected Allowed Administrative Expense

Development fees/interest collected to 3/31/2020		\$8,413,903
Payment-in-lieu of construction through July 17, 2008	+	\$5,228,950
Development fees projected 2020-2025	+	\$970,000
Interest projected 2018-2025	+	\$31,774
Less RCA Expenditures to Date	-	\$3,510,000
Total	=	\$11,134,627
20% maximum permitted administrative expenses	x 0.20 =	\$2,226,925
Less administrative expenditures 3/31/2020	-	\$1,974,622
Projected allowed administrative expenditures, April 1, 2020 to July 1, 2025	=	\$252,303

Lawrence Township will not expend for administrative purposes in excess of the formula in Table SP-3. Permitted administrative expenditures within this framework are as follows:

- A. Township Attorney, Engineer, and Planner fees related to plan preparation;
- B. Municipal Housing Administrator program operational expenses;

- C. Costs associated with preparing new inclusionary zoning ordinances required by the Settlement Agreements with Fair Share Housing Center and Brandywine;

6. REHABILITATION PROGRAM (N.J.A.C. 5:93-5.2)

The Township has spent \$2,304,396.52 on rehabilitation activity to date. A portion of this funding rehabilitated 22 homeowner-occupied units, leaving the Township with a remaining rehabilitation obligation of 51 units (73-unit obligation – 22 units completed = 51 units remaining). The average hard cost for the creditable units is approximately \$18,750. The program has been open to both owners and landlords, but to date only owners have applied for the funding. The Township will dedicate \$1,275,000 of its municipal trust funds for the rehabilitation of the remaining 51 units at an average direct cost of \$20,000 per unit, plus \$5,000 per unit in administrative costs. The program will continue to be operated for the rehabilitation of owner-occupied and rental units.

Historically, the Township has also used Small Cities grant funds in its municipal rehabilitation program but no such funds are currently available. The Township will also participate in the Mercer County Department of Housing and Community Development's HOME-funded housing rehabilitation program, which is available to low- and moderate-income homeowners in Lawrence Township. Households qualified to participate in the County's program will be directed to apply directly to the County before seeking funding from Lawrence Township. To the degree that the County rehabilitates units, the Township will reduce the number of units it is required to rehabilitate through its trust fund.

7. EXTENSIONS OF CONTROLS (N.J.A.C. 5:97-6.14)

The Township proposes to extend affordability controls on an additional 47 affordable units for which existing controls are scheduled to expire during the Third Round. At the time the 2018 Plan was adopted, the Township had extended controls on 53 units either by renewing affordability controls on units for an additional 30 years (starting from the original expiration date) at the time of resale, or through its foreclosure intervention program, through which the Township purchases affordable units in foreclosure and resells them with renewed 30-year affordability controls.

Since its certified 2009 Third Round Housing Element and Fair Share Plan, the Township has proposed to extend controls on 105 units. In order to extend controls on the remaining 47 units needed to meet this goal as required by the Settlement Agreement with Fair Share Housing Center, the Township will initiate an incentive program and dedicate to it as much as \$705,000, or \$15,000 per unit.

The funding for the program is expected to be sufficient to provide a financial incentive to the current owners of each unit targeted by this campaign, as well as to address the

rehabilitation or other costs associated with bringing units up to code. In accordance with *N.J.A.C. 5:97-6.14*, the Township will fund any repairs to the units necessary to bring them into compliance with all applicable building codes. Rehabilitation and repair of affordable units as part of the extension of controls program will not count toward the satisfaction of the Township's rehabilitation obligation, as the owners of these units may no longer be income-qualified at the time that controls are extended.

A manual for the Extensions of Controls program can be found in Appendix O of the Housing Element and Fair Share Plan.

8. LAWRENCE SHOPPING CENTER/RPM

The Settlement Agreement with FSHC required the Township to take several steps to create a realistic opportunity for the development of affordable housing in order to meet its "unmet need" – the portion of its obligation left over after its Realistic Development Potential for affordable housing had been satisfied. One of those steps was to perform a redevelopment study on the Lawrence Shopping Center site, to determine whether it was suitable for, and the owner was amenable to, a declaration as an area in need of redevelopment. The study was completed in December 2018, and identified a three-acre parcel along the Texas Road side of the shopping center site that could support the development of affordable housing.

RPM Development, an experienced developer of affordable housing, has expressed interest in developing the portion of the site identified in the redevelopment study. RPM will apply for tax credits to finance a 100% affordable housing development that will produce 69 affordable units. To make RPM's application more competitive and increase the chances of a tax credit award, the Township has agreed to provide a municipal contribution out of trust funds of \$750,000.

9. EXPENDITURE SCHEDULE

Lawrence Township intends to spend affordable housing trust funds to rehabilitate as many as 51 structurally deficient housing units occupied by low- and moderate-income households, and to extend controls on at least 47 affordable housing units for which controls expire during the Third Round. The remainder of the Township's current and projected trust funds will be spent toward affordability assistance and to cover some of the costs of administering the Township's affordable housing programs. Where applicable, the funding schedule below will parallel the implementation schedule to be set forth in the Housing Element and Fair Share Plan.

Table SP-4 - Projected Expenditure Schedule 2020 through 2025

Program	Units	2020-2021	2022-2023	2024-2025	Total
Rehabilitation	51	\$400k	\$500k	\$375k	\$1.275m
Housing Activity					
<i>Extensions of Controls</i>	47	\$200k	\$270k	\$235k	\$705k
<i>Foreclosure Intervention</i>		\$155k	\$190k	\$130k	\$475k
RPM Development/Lawrence Shopping Center	69	\$750k			\$750k
Affordability Assistance					
<i>Closing Cost Assistance</i>		\$11k	\$14k	\$11k	\$36k
<i>Security Deposit Assistance</i>		\$28k	\$48k	\$28k	\$104k
Administration		\$84.1k	\$96.1k	\$72.1k	\$252.3k
TOTAL		\$1.628m	\$1.118m	\$851k	\$3.597m

10. EXCESS OR SHORTFALL OF FUNDS

If funding should fall short of the amount necessary, Lawrence Township will seek grants or low-cost loans, or use general revenues and its bonding capacity to meet such shortfall. In the event of excess funds, any remaining funds above the amount necessary to satisfy the municipal affordable housing obligation will be used to produce additional affordable housing through these programs or pursuant to a Court-approved amendment to this Spending Plan.

11. SUMMARY

The Township of Lawrence intends to spend affordable housing trust fund revenues pursuant to the regulations governing such funds and consistent with the amended Third Round Housing Element and Fair Share Plan. Lawrence had a balance of \$2,175,568.46 as of March 31, 2020, and anticipates an additional \$1,390,000.00 in revenues before the expiration of a Third Round Judgment of Repose for a total of \$3,565,631.46. Of that amount, \$1,275,000 will be set aside to rehabilitate as many as 51 units through the Township-operated rehabilitation program; \$140,000 will be reserved for affordability assistance measures; \$1,930,000 will be reserved to create new affordable units, including \$750,000 toward the proposed RPM development on the Lawrence Shopping Center site; and up to an estimated \$252,303 may be spent from the trust fund through 2025 toward the cost of administering the Township's affordable housing programs.

Table SP-5. Spending Plan Summary

Revenues	
Balance as of March 31, 2020	\$2,175,568
Projected Revenue from 2020 through 2025	
1. Development fees	+ \$970,000
2. Payments in lieu of construction	+ \$0
3. Other funds	+ \$420,000
Interest	+ \$31,774
Total Projected Funds	= \$3,597,342
Expenditures	
Rehabilitation	\$1,275,000
Affordability Assistance	+ \$140,000
Housing Activity	+ \$1,930,000
Administration	+ \$252,303
Total Projected Expenditures	= \$3,597,303

Exhibit A

OPERATIONAL DESCRIPTIONS OF AFFORDABILITY ASSISTANCE PROGRAMS

A. Security Deposit Assistance Program

1. Purpose. To offset the financial hardship likely to occur when an income qualified household signs a lease and is required to pay both the first month's rent and a security deposit (generally the equivalent of one month's rent). Payment of the security deposit out of the affordable housing trust fund alleviates the hardship to the household. However, as with any lease agreement, the tenant will be liable for damage to the unit or any other violation of the lease agreement.
2. Target Population. Very low-, low-, and moderate-income households moving into affordable housing units in Lawrence. Priority will be given to very low-income households.
3. Basis for Funding. The assistance will be provided in the form of an interest-free loan paid from the Township directly to the landlord, which must be paid back in full to the Township's affordable housing trust fund when the tenant receiving the subsidy moves out of the unit. Any amount of the security deposit that is withheld by the landlord as a penalty due to damage to the unit or another violation of the lease will be the responsibility of the tenant to pay back to the Township.
4. Administrative Entity/Procedure. The municipal administrative agent will determine availability of funds and qualification of the unit and prospective tenant household for the subsidy and request authorization to disburse funds from the municipality's Chief Financial Officer (CFO). The CFO will release the funds to the administrative agent, who will pay the funds to the landlord at the time the lease is executed by the landlord and qualifying tenant household. Upon return of the security deposit subsidy to the Township's trust fund, the money will become available again for assistance to income qualified renter households.
5. Advertising of Program. Assistance through this program will be provided automatically, as funds are available, upon execution of the lease for an affordable rental unit in the Township. As such, advertising is not necessary.

B. Closing Cost Assistance

1. Purpose. To offset the financial hardship to low- and moderate-income households when they are required to pay closing costs to purchase a for-sale affordable unit.
2. Target Population. Low- and moderate-income households purchasing affordable for-sale housing units in Lawrence.
3. Basis for Funding. The Township provides a \$1,000.00 closing cost reimbursement to all purchasers of affordable for-sale units in the Township upon receiving closing documents.
4. Administrative Entity/Procedure. The municipal administrative agent will determine availability of funds and qualification of the unit and prospective tenant household for the reimbursement. The municipal administrative agent then requests authorization to disburse funds from the CFO, who issues a check for \$1,000 to the homeowner. No more than one such reimbursement will be offered per household.
5. Advertising of Program. Assistance through this program will be provided automatically, as funds are available, upon the transfer of ownership of an affordable unit in the Township to a qualified household. Advertising of the program to the general public will not be necessary; however, the program information will be placed on the municipal website.

Appendix H
Apartment and Townhouse Zoning District

State of New Jersey
Township of Lawrence

CERTIFIED TO BE A TRUE COPY OF
Ordinance No. 2283-17

Adopted on December 19, 2017


Kathleen S. Morcia, Municipal Clerk

Date January 9, 2018

Ordinance No. 2283-17

**ORDINANCE AMENDING THE
LAND USE ORDINANCE
OF THE TOWNSHIP OF LAWRENCE
TO REVISE SECTION 409, THE APARTMENT AND
TOWNHOUSE DISTRICT**

WHEREAS, the Township Council of the Township of Lawrence ("Township Council"), a municipal corporation in the County of Mercer, State of New Jersey, finds that the public health, safety, morals, and general welfare of the community shall be promoted by the revision and amendment of the Land Use Ordinance of the Township to implement the Housing Element and Fair Share Plan of the municipality; and

WHEREAS, these amendments to the Land Use Ordinance are necessitated by the entry of an Order on Fairness and Preliminary Compliance Hearing dated July 5, 2017 by the Hon. Mary Jacobson, A.S.J.C. finding that the Township's summary outline to meet its affordable housing obligation was fair to the citizens of Lawrence Township, the housing region and the State of New Jersey as a whole and approving settlement agreements with an interested party and an intervenor; and

WHEREAS, the Planning Board of the Township of Lawrence has adopted a Master Plan that comprehensively provides a foundation for the appropriate use, regulation and development of lands for affordable housing in the Township in a manner which will promote the public health, safety, morals, and general welfare; and

WHEREAS, the Municipal Land Use Law at *N.J.S.A. 40:55D-62a* requires substantial consistency of the provisions regulating zoning and land use with the adopted Master Plan; and

WHEREAS, the Planning Board has determined that the revisions and amendments to the Land Use Ordinance set forth herein are consistent with the goals and objectives of the Master Plan and more specifically the Housing Element to complete the necessary steps to obtain a Judgment of Repose from the Court and therefore favorably recommends to the Township Council that Section 409 of the LUO be so amended.

NOW, THEREFORE, BE IT ORDAINED, by the Township Council of the Township of Lawrence that the Land Use Ordinance be hereby amended as follows:

Section 1. §409, Apartment and Townhouse (AT) District, shall be amended in its entirety as follows:

§ 409 Apartment and Townhouse (AT) Residential District.

- A. **Purpose.** The Apartment and Townhouse (AT) residential zone is intended to provide for dwellings in a garden apartment, multi-story or townhouse configuration at moderate multi-family densities. The AT district may be designated either as a base zoning district or as an overlay district in selected areas on the Zoning Map. When used as an overlay district, it is intended that the development adhere to the specific density and other regulations for each type of overlay district as identified on the Zoning Map.
- B. **Permitted Uses.** In the Apartment and Townhouse zone, no lot shall be used and no structure shall be erected, altered or occupied for any purpose except the following:
 - 1. Apartments.
 - 2. Townhouses.
 - 3. Common open space.
 - 4. Age-restricted development pursuant to the SCR district regulations.
 - 5. Conservation.
 - 6. Municipal use.
- C. **Accessory Uses Permitted.** Any of the following uses may be permitted when used in conjunction with a principal use and conforming to the applicable subsection in §428:
 - 1. Home occupation.
 - 2. Community center for the common use of residents.
 - 3. Community swimming pool for the common use of residents.
 - 4. Private residential tool shed on fee simple lots, only, not exceeding 108 square feet.
 - 5. Outdoor recreational facilities, including tennis or other court sports.
 - 6. Off-street parking and private garages.
 - 7. Decks and above ground private swimming pools for fee simple townhouses.
 - 8. Fences, walls, gazebos, mail kiosks and other street furniture.
 - 9. Signs.
 - 10. Satellite dish and television antennae.
 - 11. Maintenance building.
 - 12. Accessory uses customarily incidental to a principal use.
- D. **Conditional Use Permitted.** The following use may be permitted when located on Lawrenceville-Pennington Road and authorized as a conditional use by the Planning Board in accordance with §429 and §705:
 - 1. Uses permitted in the NC-1 district and the following conditions:

a. Minimum lot size:	30,000 sf.
b. Minimum lot frontage:	150 feet
c. Minimum front yard:	50 feet
d. Minimum side yard:	25 feet
e. Minimum rear yard:	50 feet

- f. **Maximum floor area ratio:**
 - (1) **Non-residential use:** .10
 - (2) **Residential use:** .20
 - (3) **Mixed use:** .20 provided no more than
.10 is a non-residential use

- g. **Maximum impervious surface ratio:**
 - (1) **Non-residential use:** .65
 - (2) **Residential use:** .35
 - (3) **Mixed use:** .75

E. **Required Use.** A minimum of 20% of all units in an Apartment and Townhouse development, excepting conditional uses, shall be affordable to households of low and moderate income pursuant to Article X of this Ordinance.

F. **General District Regulations.** In the Apartment and Townhouse district, the following general regulations shall apply:

- 1. **Minimum gross acreage of tract:** 10 acres
- 2. **Minimum buildable land area of tract:** 7 acres
- 3. **Maximum gross density:**
 - a. **Not in an overlay district:** 10 units per acre
 - b. **In an AT-1 Overlay district:** 8 units per acre
 - c. **In an AT-2 Overlay district:** 10 units per acre
 - d. **In an AT-3 Overlay district:** 15 units per acre
- 4. **Minimum open space:** 30% of total tract area
- 5. **Minimum tract frontage on a public or private right-of-way:** 300 feet
- 6. **Building setback from tract perimeter:** 50 feet from any tract boundary
- 7. **Parking area or internal driveway or street setback (excluding entrances and exits) from tract perimeter:** 25 feet
- 8. **Maximum number of dwelling units in one building:**
 - a. **Building with all townhouses:** 8 units
 - b. **Building with all apartments:** 24 units
 - (1) **On tracts of at least 35 acres:** 80 units
 - (2) **On tracts with a density greater than 12 units per acre:** 48 units
 - c. **Building with both dwelling types:** 16 units
- 9. **Minimum distance between buildings:**
 - a. **From the front or back of any building to any other building:** 50 feet
 - b. **From the side of any building to any other building:** 30 feet
 - c. **From any common parking area to a building:** 15 feet

d. The Planning or Zoning Board, after due consideration of plans, testimony, or other evidence, may waive strict compliance with this subsection to further the architectural relationship of building groups.

10. **Maximum building height:** **38 feet or 3 stories, whichever is less, except that on tracts more than 35 acres in area or more than 12 units per acre, the height may be increased to 55 feet or 4 stories, whichever is less**
11. **Maximum building length through the long axis:** **240 feet**
12. **Any development incorporating both apartments and townhouses shall be limited to a total of 80% of either type of unit.**
13. **Each townhouse or ground floor apartment unit shall have a private rear yard of 200 square feet minimum for the occupants' exclusive use or an active and/or passive recreation area equal to 200 square feet per unit available to all tenants or owners.**
14. **Public water and sewer. All such development shall be served by public water and public sanitary sewer.**

G. **Area, Yard, Height and Building Coverage. Except as otherwise modified, the following bulk standards shall apply to all buildings:**

1. **Townhouses with fee simple lots:**
 - a. **Minimum lot area:** **1,200 sf.**
 - b. **Minimum lot frontage:** **20 feet (per unit)**
 - c. **Minimum lot width:** **20 feet (per unit)**
 - d. **Minimum front yard:**
 - (1) **30 feet for units with garages or driveways;**
 - (2) **15 feet for units without garages or driveways**
 - e. **Minimum side yard:** **0 feet if adjoining another unit, 15 feet if an outside wall**
 - f. **Minimum rear yard:**
 - (1) **20 feet**
 - (2) **5 feet for a rear entry garage from an alley.**
2. **Additional townhouse requirements:**
 - a. **Minimum unit width:** **20 feet**
 - b. **A minimum of 300 square feet of storage shall be provided for each unit in the basement, attic or other area attached to unit for storage of garbage, recyclables in the front of the unit, bicycles, garden equipment, or other common household items.**
3. **Apartments.**
 - a. **The minimum size for each apartment shall be 550 square feet.**
 - b. **Each unit above the ground floor shall have a balcony or terrace of at least 50 square feet in area unless common open space for all units is provided as indicated in -F.13, hereinabove.**

- c. A minimum of 100 square feet of storage shall be provided for each unit, including interior and/or exterior storage for garbage and recyclables in the front of the unit, and bicycles, garden equipment, and other common household items in an appropriate location. This minimum floor area for storage may be reduced to no more than 75 square feet in the event that each building has an internal garbage and recyclable collection area or readily accessible exterior garbage and trash collection point.
4. **Accessory Structures.**
- a. Accessory structures for individual units shall not be permitted in any front yard area. Such structures shall not be located closer than 5 feet to a property line.
 - b. Community centers and recreational buildings shall conform to the general district requirements in this section.
 - c. Common garages or carports providing shelter for the motor vehicles of residents shall conform to the setback requirements for parking areas in this section, except that no such accessory building or structure is located in a front yard.

Section 2. §301, Zoning Map, shall be modified by replacing the Research and Development District with the Apartment and Townhouse District for a 35± acre portion of easterly side of Block 5101, Lot 18, an existing lot of 51.75 acres located at the end of Lenox Drive as more particularly shown in Exhibit A, attached hereto; by adding the designation of AT-1 Overlay to Block 3901, Lot 4.01; by adding the designation AT-2 Overlay to Block 3901, Lot 2.01; and by adding the designation AT-3 Overlay to Block 4201.01, Lots 32.01.2 and 33.03.

Section 3. Continuation. In all other respects, the Land Use Ordinance of the Township of Lawrence shall remain unchanged.

Section 4. Severability. If any portion of this Ordinance is for any reason held to be unconstitutional or invalid by a court of competent jurisdiction, such decision shall not affect the validity of the Land Use Ordinance as a whole, or any other part thereof.

Section 5. Repealer. All ordinances or parts of ordinances which are inconsistent with the provisions of this Ordinance are hereby repealed to the extent of such inconsistency only.

Section 6. Enactment. This Ordinance shall take effect upon the filing thereof with the Mercer County Planning Board after final passage, adoption, and publication by the Township Clerk of the Township of Lawrence in the manner prescribed by law.

Adopted: December 19, 2017

RECORD OF VOTE

COUNCIL	AYE	NAY	PRESENT	ABSENT	ABSTAIN	MOVE	SECOND
Mr. Bobbitt	x						
Mr. Kownacki	x						
Ms. Lewis	x						x
Mr. Powers	x					x	
Mayor Maffei	x						

Appendix I

Regional Commercial Zoning District



State of New Jersey
Township of Lawrence

CERTIFIED TO BE A TRUE COPY OF
Ordinance No. 2284-17

Adopted on December 19, 2017

Kathleen S. Norcia
Kathleen S. Norcia, Municipal Clerk

Date January 9, 2018

Ordinance No. 2284-17
ORDINANCE AMENDING THE
LAND USE ORDINANCE
OF THE TOWNSHIP OF LAWRENCE
TO REVISE SECTION 421

WHEREAS, the Township Council of the Township of Lawrence, a municipal corporation in the County of Mercer, State of New Jersey, finds that the public health, safety, morals, and general welfare of the community shall be promoted by the revision and amendment of the Land Use Ordinance of the Township pertaining to Section 421 entitled Regional Commercial District; and

WHEREAS, the Planning Board of the Township of Lawrence has adopted a Housing Element and Fair Share Plan that comprehensively provides for the appropriate use, regulation and development of affordable housing in the Township in a manner which will promote the public health, safety, morals, and general welfare; and

WHEREAS, the Housing Element specifically identifies the Quaker Bridge Mall as an area suitable for the development of multi-family housing, including affordable multi-family housing, as the commercial center evolves to become a mixed-use development; and

WHEREAS, the Planning Board has determined that the revisions and amendments to the Land Use Ordinance are consistent with the Housing Element in the Master Plan of Lawrence Township, represent sound land use regulation and therefore favorably recommends to the Township Council that the regulations pertaining to Section 421 be so amended; and

WHEREAS, this Ordinance also implements an Order on Fairness and Preliminary Compliance issued by the Hon. Mary C. Jacobson, A.J.S.C., dated July 5, 2017.

NOW, THEREFORE, BE IT ORDAINED, by the Township Council of the Township of Lawrence that the Land Use Ordinance be hereby amended as follows:

Section 1. §421, Regional Commercial (RC) District, shall be revised to amend Subsections D, E and F, to read as follows [underlined text, aside from headers, is added]:

D. Conditional Uses Permitted. The following use may be permitted when authorized as a conditional use by the Planning Board in accordance with §705 [Ord. 1941-07, 9/4/07]:

1. **Hotels conforming to the following conditions:**
 - a. **Each unit of accommodation shall contain a minimum floor area of 250 square feet. Ceilings shall be a minimum of 8 feet in height.**
 - b. **There shall be a residency limitation on all guests of 30 days' maximum. The residency limitation shall not apply to an employee living on the premises.**
 - c. **Restaurants and nightclubs shall be permitted as an accessory use within the hotel.**
 - d. **Barber shops and hair salons, gift shops, newspaper stands, smoking shops, spa, health club and similar uses shall be permitted as accessory uses.**
2. **Extended Stay Lodging Facilities conforming to the following conditions:**
 - a. **Accessory uses shall be permitted as follows:**
 - (1) **Exercise facilities, spa, and health club.**
 - (2) **Business services, such as access to fax, copier, personalized voice mail, meeting rooms and computers and Internet access, etc.**
 - (3) **Limited recreation facilities, such as a swimming pool, jogging trails and child play areas.**
 - b. **Each unit of accommodation shall contain a minimum floor area of 325 square feet. Ceilings shall be a minimum of 8 feet in height.**
 - c. **All access to individual units shall be from interior hallways.**
 - d. **Off street parking shall be provided based on a minimum of one parking space for each guest unit, inclusive of units occupied by resident employees.**
3. **Apartment dwellings conforming to the following conditions:**
 - a. **Affordable housing conforming to Article X shall be required.**
 - b. **The use shall be located on one or more of the parcels that comprise the Quaker Bridge Mall.**
 - c. **The use shall be on a lot of at least 10 acres but no more than 20 acres of land.**
 - d. **The total number of dwelling units shall not exceed 350 units.**

E. General District Regulations. The following general district requirements shall apply:

1. **Minimum tract requirements: 40 acres**
2. **Minimum tract frontage: 600 feet on U.S. Route 1**
3. **Minimum tract width: 1,000 feet**
4. **Minimum tract depth: 1,000 feet**
5. **Minimum building setback from tract perimeter: 75 feet for regional shopping mall structure, including any multi-level parking structure; 25 feet for single story, free-standing buildings; 50 feet for any predominantly residential building.**

- 6. Maximum floor area ratio: .50
- 7. Maximum impervious surface ratio: .85

F. Area, Yard, and Height. Except as otherwise modified, the following bulk standards shall apply to all lots:

1. Principal building.

- a. Minimum lot area: 10 acres
- b. Minimum lot width: 400 feet
- c. Minimum lot depth: 400 feet
- d. Maximum building height, non-residential building: 60 feet and 4 stories, whichever is less
- e. Maximum building height, predominantly residential building:
 - (1) With residential floors over non-residential use: 80 feet and 4 residential stories, whichever is less
 - (2) With residential floors over parking: 75 feet and 4 residential stories, whichever is less

2. Accessory building.

- a. Minimum distance to other building: 25 feet except for structured parking facilities where no setback is required.
- b. Maximum height: 30 feet, except for structured parking facilities where no setback is required.
- c. Minimum setback from a streetline: 50 feet from a public street; 15 feet from a private street

3. Surface parking area setback.

- a. From a street line: 50 feet from a public street (also subject to-G7 below); 10 feet from a private street where no sidewalk is specified; 15 feet from a private street where a sidewalk is specified
- b. From a building: 25 feet from a regional shopping mall; 15 feet from a free-standing building

Section 2. Continuation. In all other respects, the Land Use Ordinance of the Township of Lawrence shall remain unchanged.

Section 3. Severability. If any portion of this Ordinance is for any reason *held to be unconstitutional or invalid by a court of competent jurisdiction, such decision* shall not affect the validity of the Land Use Ordinance as a whole, or any other part thereof.

Section 4. Repealer. All ordinances or parts of ordinances which are inconsistent with the provisions of this Ordinance are hereby repealed to the extent of such inconsistency only.

Section 5. Enactment. This Ordinance shall take effect upon the filing thereof with the Mercer County Planning Board after final passage, adoption, and publication by the Township Clerk of the Township of Lawrence in the manner prescribed by law.

Adopted: December 19, 2017

RECORD OF VOTE

COUNCIL	AYE	NAY	PRESENT	ABSENT	ABSTAIN	MOVE	SECOND
Mr. Bobbitt	x						x
Mr. Kownacki	x						
Ms. Lewis	x						
Mr. Powers	x					x	
Mayor Maffei	x						

Appendix L
Resolution of Intent To Bond

**Township of Lawrence
County of Mercer**

Resolution No. 272-18

WHEREAS, Lawrence Township, Mercer County, has received a Judgement of Compliance and Repose of its Housing Element and Fair Share Plan; and

WHEREAS, Lawrence Township may be required to allocate funds for the rehabilitation, extension of expiring controls and municipally sponsored construction projects; and

WHEREAS, Lawrence Township anticipates that funding will come from the following sources to satisfy said obligation: sources including, but not limited to, the Township's affordable housing trust fund - development fees and in-lieu payments; and governmental sources such as the Federal Low Income Housing Tax Credits, New Jersey Balanced Housing funding, Federal Home Loan Bank Board financing, HMFA bond financing, Small Cities funds and other governmental transfers; and

WHEREAS, in the event that the above funding sources prove inadequate to meet Lawrence Township's funding obligation, Lawrence Township shall provide sufficient funding to address any shortfalls;

NOW, THEREFORE, BE IT RESOLVED by the Council of the Township of Lawrence, County of Mercer, State of New Jersey, does hereby agree to fund any shortfalls in its affordable housing program that may arise whether due to inadequate funding from other sources or for any other reason; and

BE IT FURTHER RESOLVED that said shortfall shall be funded by bonding if there are no other resources available.

Adopted: August 28, 2018

RECORD OF VOTE

COUNCIL	AYE	NAY	PRESENT	ABSENT	ABSTAIN	MOVE	SECOND
Mr. Kownacki	✓					✓	
Ms. Lewis	✓					✓	
Dr. Maffei				✓			
Mr. Powers	✓						✓
Mayor Bobbitt	✓						

Appendix M

Affordable Housing Ordinance



APPENDIX M

CERTIFIED TO BE A TRUE COPY OF
Ordinance No. 2285-17

State of New Jersey
Township of Lawrence

Adopted on December 19, 2017
Kathleen S. Novak
Kathleen S. Novak, Municipal Clerk

Ordinance No. 2285-17

Date January 9, 2018

**ORDINANCE AMENDING THE LAND USE ORDINANCE
OF THE TOWNSHIP OF LAWRENCE
TO REVISE ARTICLE X, AFFORDABLE HOUSING
PROCEDURAL AND ELIGIBILITY REQUIREMENTS, TO
IMPLEMENT THE THIRD ROUND OF AFFORDABLE HOUSING
IN ACCORDANCE WITH THE FAIR HOUSING ACT OF 1985**

WHEREAS, the New Jersey Supreme Court and New Jersey Legislature have recognized and mandated in So. Burl. Co. NAACP v. Mount Laurel, 92 N.J. 158 (1983) ("Mount Laurel II") and the Fair Housing Act, N.J.S.A. 52:27D-301, et seq. ("FHA") that every municipality in New Jersey has an affirmative obligation to facilitate the provision of low and moderate income housing; and

WHEREAS, the Mayor and Township Council of the Township of Lawrence are desirous of ensuring the proper implementation of the Fair Housing Act and associated rules through the adoption of a Housing Element of the Master Plan by the Planning Board and Fair Share Plan and land use regulations by the governing body; and

WHEREAS, the Township of Lawrence desires to implement policies established by the New Jersey Supreme Court in In re N.J.A.C. 5:96 and 5:97, 221 N.J. 1, 30 (2015) (Mount Laurel IV) to foster affordable housing opportunities for the production of dwellings and their occupancy by low and moderate income households.

WHEREAS, the Mayor and Township Council of the Township of Lawrence recognize the need to amend Article X, Affordable Housing Procedural and Eligibility Requirements, of the Land Use Ordinance of the Township of Lawrence to implement the Housing Element and Fair Share Plan; and

WHEREAS, the Planning Board of the Township of Lawrence has adopted the Housing Element and Fair Share Plan, and reviewed and recommended the adoption of this and other implementing ordinances.

NOW THEREFORE, BE IT ORDAINED by the Township Council of the Township of Lawrence, Mercer County, New Jersey, as follows:

Section 1. Article X of the Land Use Ordinance of the Township of Lawrence, entitled, Affordable Housing Procedural and Eligibility Requirements, shall be amended in its entirety as follows:

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ARTICLE X AFFORDABLE HOUSING PROCEDURAL AND ELIGIBILITY REQUIREMENTS

§ 1000 Purpose and General Provisions.

- A. The purpose of this Article is to implement the Uniform Housing Affordability Controls (*N.J.A.C. 5:80-26.1 et seq.*, as they may be amended or superseded), the New Jersey Fair Housing Act (*N.J.S.A.52:27D-301, et seq.*) and the Housing Element and Fair Share Plan of Lawrence Township. This Article is designed to ensure that affordable housing created under the Fair Housing Act is occupied by low- and moderate-income households for the appropriate period of time. The words, phrases, and terms herein shall be interpreted to have the same meanings and usages as in the Fair Housing Act and related regulations. It is the further purpose of this Article to regulate the development and management of low- and moderate-income housing units constructed in compliance with these regulations.
- B. Projects utilizing Federal Low-Income Housing Tax Credit under Section 42 of the Internal Revenue Code, units that receive Balanced Housing funds under the NJ Housing and Mortgage Finance Agency's Home Express program or similar programs, or to units receiving assistance under the Federal HOME program, 24 §92.252(e), §92.254(a)(4); HUD 202 program, 24 C.F.R. Part 891; HUD 811 program, 24 C.F.R. Part 890; HUD HOPE VI program; or Federal Home Loan Bank, Affordable Housing Program, 12 C.F.R. Part 60 shall adhere to the regulations of their respective programs.
- C. The Affordable Housing Board created pursuant to §607 of this Ordinance shall administer the provisions of this Article in conjunction with the staff of the Lawrence Township Department of Planning and Redevelopment.
- D. Definitions pertaining to affordable housing are incorporated into Article II.

§ 1001 Affordable Housing Required.

- A. Any residential development approved after January 28, 1998, including those developments consisting in whole or in part of beds counted as a residential dwelling, shall set aside dwelling units for persons of low and moderate income as defined in this Article. Unless otherwise stated or as may be required within specific zoning districts, the minimum set aside shall be 15% for those units that are leased and 20% of the total number of units for sale in the development. In assisted living residence developments, the set aside shall be a minimum of 5% of the total number of units or beds. At least half shall be affordable to persons of low income. Except on sites zoned to permit a residential density of 6 units per acre or greater, developments consisting solely of single family detached and/or duplex or two-family dwellings shall be exempt from these inclusionary requirements but shall pay an affordable housing fee pursuant to Article IX.

APPENDIX M

- B. All developers with sites identified for affordable housing pursuant to the most recent Housing Element and Fair Share Plan adopted by the Planning Board and Township Council of Lawrence, according to their respective duties, shall provide affordable housing units in accordance with the plan. All development that falls within the time period of the present round of affordable housing obligation shall construct units, pay a development fee, or pay a fee in lieu of construction in accordance with this Article and Article IX.

§ 1002 Affordable Housing Administrator and Administrative Agent

- A. The Township Council shall yearly appoint an Affordable Housing Administrator (the Administrator) to monitor sales and resales of affordable housing units. The Administrator shall be the Municipal Housing Liaison and may, but is not required to be, the Administrative Agent of the municipality pursuant to N.J.A.C. 5:80-26.14.
- B. The Administrator shall monitor the designated Administrative Agent of the developer in the initial sales and rental transactions for low- and moderate-income dwellings in accordance with N.J.A.C. 5:80-26.14, as it may be amended or superseded. The developer's administrative agent shall have all of responsibilities as put forth in this rule. After the initial sales and rental transactions, the Administrator shall monitor, if such person is not the municipality's Administrative Agent, the activities of the Administrative Agent for any re-sales or re-rentals. If the Administrator is the Administrative Agent for the municipality, then he or she shall assume all of the duties and responsibilities set forth in N.J.A.C. 5:80-26.14 following the initial renting, sales and occupancy of low- and moderate-income dwellings. The affordability controls set forth in this chapter shall be administered and enforced by the Administrative Agent regardless of association. The primary responsibility of the Administrative Agent shall be to ensure that the restricted units are sold or rented, as applicable, only to low- and moderate-income households in accordance with the Fair Housing Act.
- C. The Township Council may establish a reasonable fee to program participants for the administration of the affordability controls program.
- D. The Administrative Agent, whether the Administrator, developer's agent, or a delegated agent, shall have the responsibility to income qualify low and moderate-income households, to place income eligible households in low- and moderate-income units upon initial occupancy, to provide for the initial occupancy of low- and moderate-income units with income qualified households, to continue to qualify households for re-occupancy of units as they become vacant during the period of affordability controls, to assist with advertising and outreach to low- and moderate-income households, and to enforce the terms of the deed restriction and mortgage loan. The Administrative Agent shall provide counseling services to low- and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements and landlord/tenant law.
- E. The Administrator shall coordinate his or her activities with any outside Administrative Agent to ensure the accurate tracking of the progress of affordable housing in the municipality, answer inquiries regarding affordable housing from the public or direct same to the appropriate official or agency, and comply with the affordable housing monitoring and reporting requirements of the state.

APPENDIX M

- F. In order to ensure an orderly transfer of control responsibility from a municipality to an administrative agent, from one administrative agent to another administrative agent, or other transfer, the requirements as set forth in N.J.A.C. 5:80-26.17 shall apply as are necessary before or during the transition. The Administrative Agent's enforcement responsibility for implementing such practices and procedures shall not be delegated or otherwise transferred to any other party, except to a successor administrative agent.
- G. By accepting state funds for affordable housing purposes, or by submitting to the jurisdiction of the NJ Department of Community Affairs or its successor agency, the Township of Lawrence shall be deemed to have delegated to the Administrative Agent the day-to-day responsibility for implementing practices and procedures designated to ensure effective compliance with the controls set forth in this Article. The governing body of the municipality, however, shall retain the ultimate responsibility for ensuring effective compliance with the requirements as set forth in the Uniform Housing Affordability Controls (N.J.A.C. 5:80-26.1, et seq.).
- H. The Administrator shall complete and return to COAH, its successor or court of competent jurisdiction all forms necessary for monitoring requirements related to dwelling units in affordable housing projects and the collection of development fees from residential and non-residential developers, payments in lieu of constructing affordable units on site, funds from the sale of units with extinguished controls, barrier free escrow funds, rental income, repayments from affordable housing program loans, and any other funds collected in connection with the Township of Lawrence's approved housing program, as well as to the expenditure of revenues and implementation of the approved plan.
- I. The Administrator shall keep records of the affirmative marketing activities undertaken in accordance with the affirmative marketing plan established by any developer's administrative agent. The records shall include, but not be limited to, the following:
1. **Electronic reporting of affordable housing activity; any required paper forms;**
 2. **Copies of any press releases, brochures, flyers, print advertisements and application forms used in the affirmative marketing program.**
 3. **The income and demographic characteristics of each household applying for and occupying income-restricted housing.**
 4. **An evaluation of any necessary adjustments required to the affirmative marketing program as communicated by the Administrative Agent.**

§ 1003 Submission of Affordable Housing Plan.

- A. The developer of low and moderate income housing units shall submit to the Affordable Housing Board a description of the means to be used to insure that the required low and moderate income units are sold or rented only to low and moderate income households for a period of not less than 30 years, that such units meet bedroom distribution and phasing requirements, and comports with the requirements of this Chapter pertaining to the provisions, leasing, selling and transferring units among eligible low and moderate income households. The Affordable Housing Board may delegate such plan review to the Administrator.

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- B. The Affordable Housing Plan shall indicate how the developer will comply with the procedures of this Article for selecting occupants of low and moderate income housing and the required affirmative marketing requirements. The requirements for affirmative marketing are found in §1015. Whenever a developer proposes a third party operator or manager of affordable housing units, the Affordable Housing Board shall specifically approve such operator and manager.**
- C. The following information shall promptly be provided to the Administrator and/or Administrative Agent by the developer or sponsor of any project containing any affordable units subject to the requirements of this Article, upon the later of either final municipal land use approval or issuance of a grant contract by a governmental authority:**
- 1. The total number of units in the project, and number of restricted units, broken down by bedroom size, identifying which are low and which are moderate income dwellings, and including street addresses of restricted dwellings;**
 - 2. Floor plans of all affordable dwellings, including complete and accurate identification of uses and dimensions of all rooms;**
 - 3. A project map identifying the locations of low and moderate income and market dwellings;**
 - 4. A list of project principals or partners, together with a list of all other affordable projects in which they have been involved over the previous five years;**
 - 5. Projected construction schedule;**
 - 6. Proposed pricing for all units, including any purchaser options and add-on items;**
 - 7. A list of all public funding sources and copies of grant or loan agreements for those sources;**
 - 8. Condominium fees or homeowner association and any other maintenance or other fees;**
 - 9. Estimated real property taxes for sale units;**
 - 10. Sewer, trash disposal and any other utility assessments;**
 - 11. Flood insurance requirement, if applicable;**
 - 12. A description of all HVAC systems;**
 - 13. Location of any common areas and elevators;**
 - 14. Proposed form of lease for any rental units;**
 - 15. The name of the person who will be responsible for official contact with the Township Administrator for the duration of the project;**
 - 16. The name and qualifications of the developer's administrative agent, if applicable; and**
 - 17. The State-approved Planned Real Estate Development public offering statement and/or master deed where available or applicable.**

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- D. The developer shall submit the marketing plan to the Affordable Housing Board at least 45 days prior to the advertising of the availability of the units. The Affordable Housing Board will approve or modify the plan within 30 working days of receipt of the plan or within such time as additionally granted by the developer.

§ 1004 Household Income Limitations.

The incomes of low and moderate-income households occupying affordable housing shall not exceed the income limits as of January 1 of the current year.

- A. **Median Income Determination.** Median income by household size shall be established by a regional weighted average of the uncapped Section 8 income limits published annually by the U.S. Department of Housing and Urban Development.
- B. **Affordable Housing Purchase or Rent.** Very low income housing units shall be reserved for households with a gross household income less than or equal to 30% of the median regional income. Very low income households shall be considered a subset of low income units. Of the number of very low income households, at least 50% shall be for family households. Low income housing units shall be reserved for households with a gross household income less than or equal to 50% of the median regional income. Moderate income units shall be reserved for households with a gross household income more than 50% but equal to or less than 80% of the median income.
- C. **Assisted Living Facilities.** Income determination and eligibility for assisted living facilities shall also comply with the New Jersey Housing and Mortgage Finance Agency's Assisted Living Underwriting Guidelines and Financing Policy, dated May 28, 1996, as it may be amended or superseded. The monthly fee for rent, meals, and basic services for the affordable units in the assisted living facility shall not exceed 80% of household income. For the purposes of this section, 62.5% of the fee shall be assumed to be for meals and basic services and 37.5% of the fee for rent.

§ 1005 Household Income Verification.

- A. The Administrative Agent shall secure all information from applicant households necessary and appropriate to determine that restricted dwellings are occupied by properly sized households with appropriate very low, low or moderate income levels. No household may be referred to a restricted dwelling, or may receive a commitment with respect to a restricted dwelling, unless that household has received a signed and dated certification, as set forth in this section, and has executed the certificate in the form provided.
- B. The Administrative Agent shall use a random selection process to select occupants of very low, low and moderate-income housing.
- C. The Administrative Agent shall prepare a standard form of certification and shall sign and date one for each household when certified. This certification shall be known as a Certificate of Eligibility and shall be a prerequisite for the purchase or rental of an income-restricted dwelling. An initial certification shall be valid for no more than 180 days unless a valid contract for sale or lease has been executed within that time period. In this event, certifications shall be valid until such time as the contract for sale or lease is ruled invalid and no occupancy has

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occurred. Certifications may be renewed in writing at the request of a certified household for an additional period of 180 days at the discretion of the Administrator or Administrative Agent.

- D.** When reviewing an applicant household's income to determine eligibility, the Administrator or Administrative Agent shall compare the applicant household's total gross annual income to the regional very low, low and moderate income limits then in effect, as approved by the court of competent jurisdiction. For the purposes of this subchapter, income includes, but is not limited to, wages, salaries, tips, commissions, alimony, regularly scheduled overtime, pensions, social security, unemployment compensation, Temporary Assistance for Needy Families (TANF), verified regular child support, disability, net income from business or real estate, and income from assets such as savings, certificates of deposit, money market accounts, mutual funds, stocks, bonds and imputed income from non-income producing assets, such as equity in real estate.
- E.** Except as otherwise specifically stated in this subchapter, the sources of income considered by the Administrator or Administrative Agent shall be the types of regular income reported to the Internal Revenue Service and which is eligible to be used for mortgage loan approval. Household annual gross income shall be calculated by projecting current gross income over a 12-month period.
- F.** Assets not earning a verifiable income shall have an annual imputed interest income using a current average annual savings interest rate. Assets not earning income include, but are not limited to, present real estate equity. Applicants owning real estate shall produce documentation of a market value appraisal and outstanding mortgage debt. The difference shall be treated as the monetary value of the asset and the imputed interest added to income. If the applicant household owns a primary residence with no mortgage on the property valued at or above the regional asset limit, a Certificate of Eligibility shall be denied by the Administrator or Administrative Agent, unless the applicant's existing monthly housing costs (including principal, interest, taxes, homeowner and private mortgage insurance, and condominium and homeowner association fees as applicable) exceed 38 percent of the household's eligible monthly income.
- G.** Rent from real estate shall be considered income, after deduction of any mortgage payments, real estate taxes, property owner's insurance and reasonable property management expenses as reported to the Internal Revenue Service. Other expenses are not deductible. If actual rent is less than fair market rent, the Administrator or Administrative Agent shall impute a fair market rent.
- H.** Income does not include benefits, payments, rebates or credits received under any of the following:
- 1.** Federal or State low income energy assistance programs;
 - 2.** Food stamps, payments received for foster care, relocation assistance benefits;
 - 3.** Income of live-in attendants, scholarships, student loans, and personal property, including but not limited to, automobiles; and
 - 4.** Lump-sum additions to assets such as inheritances, lottery winnings, gifts, insurance settlements, and part-time income of persons enrolled as full-time students.
 - 5.** Income, however, does include interest and other earnings from the investment of any of the foregoing benefits, payments, rebates, or credits.

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- I. **The Administrative Agent shall require each member of an applicant household who is 18 years of age or older to provide documentation to verify the member's income, including income received by adults on behalf of minor children for their benefit. Household members 18 years of age or older who do not receive income must produce documentation of current status. Income verification documentation may include, but is not limited to, the following for each and every member of a household who is 18 years of age or older:**
1. **Four consecutive pay stubs, not more than 120 days old, including bonuses, overtime or tips, or a letter from the employer stating the present annual income figure;**
 2. **Copies of Federal and State income tax returns for each of the preceding three tax years;**
 3. **A letter or appropriate reporting form verifying monthly benefits such as Social Security, unemployment, TANF, disability or pension income (monthly or annually);**
 4. **A letter or appropriate reporting form verifying any other sources of income claimed by the applicant, such as alimony or child support;**
 5. **Income reports from banks or other financial institutions holding or managing trust funds, money market accounts, certificates of deposit, stocks or bonds; and**
 6. **Evidence or reports of income from directly held assets such as real estate or businesses.**
 7. **Court ordered payments for alimony or child support to another household, whether or not it is being paid regularly, shall be excluded from income for purposes of determining income eligibility.**
- J. **At the discretion of the Administrator or Administrative Agent, households may also be required to produce documentation of household composition for determining the correct dwelling size and applicable median income guide.**

§ 1006 Certificate of Eligibility, Waiting List and Selection

- A. **If the household is found to be eligible for low and moderate income housing, they shall be issued a Certificate of Eligibility and placed on the affordable housing waiting list, except in the event that such a certificate is withheld or removed in accordance with this section. Eligible persons that live or work within the East Central Housing Region (Region 4) shall have preference over those that live or work in another housing region.**
- B. **Applicants shall be selected in the order in which their applications are certified and in accordance with the provisions of this section.**
- C. **Households remaining on a waiting list shall update its application no later than April 30 each year, including the most recent federal income tax return of each member of the proposed household and such other updated income and other information requested on the application.**
- D. **Households on the waiting list who have not submitted the required information by May 15 each year shall be notified by certified mail, mailed to the address on file that they have until June 30 of that year to provide the information or they shall be removed from the waiting list.**

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- E. Any household whose income or priority category has changed such that the household has become eligible for a different category of housing or priority list shall be placed on the appropriate list without penalty or favor as of the date of the original application.**
- F. Any household whose income has increased to the degree that it is no longer eligible for low or moderate income housing shall be removed from the waiting list.**
- G. If the Administrator or Administrative Agent has reason to believe that the information on file is erroneous or incomplete, he or she shall have the right to conduct an investigation and request any additional information deemed necessary to obtain accurate household information. If an applicant does not cooperate in such investigation or refuses to reply with the requested additional information within 30 days of said request, the applicant shall be removed from the list.**
- H. All applications shall be notarized and certified complete and accurate. Anyone knowingly submitting incomplete, inaccurate, incorrect or false information may be removed from eligibility for very low, low and moderate income dwellings. All information submitted to the Administrator or Administrative Agent for the purposes of determining applicant eligibility shall be strictly confidential and not considered a public record.**
- I. Prior to the time of availability of a very low, low and moderate income dwelling, the Administrator or Administrative Agent shall notify by certified mail the top three households on the waiting list for the type of dwelling available, its location and the estimated date it will be available. If a purchaser or tenant cannot be found from the top three households on the waiting list, notice shall be sent to the fourth, fifth, etc., household until a purchaser or tenant is found. The household shall, within 14 days of mailing, notify the Administrator or Administrative Agent, in writing, of its intent to occupy the dwelling and, if selected, its intent to comply with the requirements of paragraph -I, below, within 15 days. Any household which fails to respond to the notice or chooses to reject a specific dwelling by informing the Administrative Agent in writing, shall retain its priority and shall be notified of available dwellings in the future, except that if a household chooses to reject a dwelling or fails to respond three times, it shall be removed from the list and must reapply and re-qualify if it wishes to be placed on the list at a new qualified priority.**
- J. At the time of notice to a household of the availability of an appropriate type of dwelling and if the household notifies the Administrative Agent of its intent to occupy the dwelling and that household is selected for occupancy, each household member shall update the records on file and recertify the accuracy of the information as required herein. Information shall be reviewed and the eligibility status reconfirmed. The household selected shall only at that point proceed to make the legal and financial arrangements to acquire or lease the dwelling.**
- K. If a household selected for occupancy is unable to obtain financing, it shall lose its eligibility for that dwelling, after notice, but shall retain its priority status for a similar appropriate dwelling as other dwellings become available and as long as the household remains eligible. When notified of the availability of another dwelling, updating and recertifying data as outlined in Subsection -50.H above is required.**
- L. A certificate of eligibility may be withheld by the Administrator or Administrative Agent as a result of an applicant's inability to demonstrate sufficient present assets for down payment or security deposit purposes.**

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- M. A certificate of eligibility may be withheld by the Administrator or Administrative Agent as a result of an applicant's inability to verify funds claimed as assets, household composition or other facts represented.**
- N. A certificate of eligibility shall be denied by the Administrator or Administrative Agent as a result of any willful and material misstatement of fact made by the applicant in seeking eligibility.**

§ 1007 Unit Standards and Requirements.

- A. In each affordable development, at least 50 percent of the restricted units within each bedroom distribution shall be low-income units and the remainder may be moderate income units.**
- B. Affordable developments that are not age-restricted shall be structured in conjunction with realistic market demands such that:**
 - 1. The combined number of efficiency and one-bedroom units is no greater than 20 percent of the total low- and moderate-income units;**
 - 2. At least 30 percent of all low- and moderate-income units are two bedroom units;**
 - 3. At least 20 percent of all low- and moderate-income units are three bedroom units; and**
 - 4. The remainder, if any, may be allocated at the discretion of the developer.**
- C. Age-restricted low- and moderate-income units may utilize a modified bedroom distribution. At a minimum, the number of bedrooms shall equal the number of age-restricted low- and moderate-income units within the affordable development. The standard may be met by creating all one-bedroom units or by creating a two-bedroom unit for each efficiency unit.**
- D. In determining the initial rents and initial sales prices for compliance with the affordable average requirements for restricted units other than assisted living facilities, the following standards shall be used:**
 - 1. An efficiency shall be affordable to a one-person household;**
 - 2. A one-bedroom dwelling shall be affordable to a one and one-half person household;**
 - 3. A two-bedroom dwelling shall be affordable to a three-person household;**
 - 4. A three-bedroom dwelling shall be affordable to a four and one-half person household;**
 - 5. A four-bedroom dwelling shall be affordable to a six-person household.**
 - 6. In referring certified households to specific income-restricted units, to the extent feasible and without causing an undue delay in occupying the dwelling, the Administrator shall strive to:**
 - a. Provide an occupant for each unit's bedroom;**
 - b. Provide children of different sex with separate bedrooms; and**
 - c. Prevent more than two persons from occupying a single bedroom.**

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E. Size of Units. The minimum size of affordable housing units, which is necessary to ensure the public health safety and welfare of its occupants, shall be as indicated in Table 10.1.

Table 10.1 Minimum Size of Affordable Housing Units.

Type of Unit	Minimum Size (gross square feet)
Efficiency	500
One-bedroom	600
Two-bedroom	750
Three-bedroom	900

F. Certificates of Occupancy. The following additional requirements for the issuance of certificates of occupancy shall apply to inclusionary developments:

1. **The initial issuance of certificates of occupancy for market units shall be linked to the issuance of certificates of occupancy for affordable units. Prior to the issuance of the certificates of occupancy for market units, certificates of occupancy for affordable units shall be required in the following minimum ratios:**

Table 10.2 Required Percentage of Affordable to Market Units.

Percentage of Affordable Housing Units Completed	Percentage of Market Housing Units Completed
0%	25%
10%	25% + 1
50%	50%
75%	75%
100%	90%

2. **Each unit of affordable housing shall require a certificate of occupancy, which shall become void upon a change of owner or tenant.**
3. **No certificate of occupancy shall be issued for a low and moderate income unit unless the provisions of N.J.A.C. 5:93-9.3, or superseding administrative code, are met.**

G. Unit Type and Household Size. The following housing type shall be used in determining affordability as it relates to household size:

Table 10.3 Unit Type and Household Size.

Unit Size	Household Size (persons)
Efficiency	1
One-bedroom	1.5
Two-bedroom	3
Three-bedroom	4.5
Four-bedroom	6

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- H. **Distribution of Low and Moderate Income Units.** At least 50% of all units within each inclusionary development shall be affordable to low income households. At least 50% of all rental units shall be affordable to low income households. Of the total number of affordable housing units, 13% of the total shall be earmarked as very low income units and shall be counted towards the minimum low income requirement.
- I. **Utilities and Heating Source.** Tenant-paid utilities that are included in the utility allowance shall be so stated in the lease and shall be consistent with the utility allowance approved by the NJ Department of Community Affairs for its Section 8 program. Affordable units shall utilize the same type of heating source as market units within the affordable development.
- J. **Appearance.** The facade of an affordable housing dwelling shall be indistinguishable from those of market units in terms of the use of exterior materials, windows, doors, reveal, roof pitch, color, or other material. Affordable housing units shall be fully integrated with market rate housing to the greatest extent feasible.
- K. **Tenure.** For inclusionary developments with a single housing type, the affordable housing units shall have the same tenure as the market housing units.

§ 1008 Initial Selling and Renting Determinations.

- A. In establishing rents and sales prices of affordable housing units, the administrative agent shall follow the procedures as set forth in the Uniform Housing Affordability Controls.
- B. **Required pricing stratification.**
 - 1. The maximum rent for affordable units within each affordable development shall be affordable to households earning no more than 60% of median income and the average rent for low and moderate income units shall be affordable to households earning no more than 52% of median income. The developers and/or municipal sponsors of restricted rental units shall establish at least one rent for each bedroom type for both low income and moderate income units, provided that at least 13% of all low and moderate income units shall be affordable to households earning no more than 30% of median income.
 - 2. The maximum sales price of restricted ownership units within each affordable development shall be affordable to households earning no more than 70% of median income. Each affordable development shall achieve an affordability average of 55% for restricted ownership units. In achieving this affordability average, moderate income ownership units shall be available for at least three different prices for each bedroom type, and low income ownership units shall be available for at least two different prices for each bedroom type.
- C. **Initial Pricing and Annual Increases of Affordable Dwellings.**
 - 1. **Owner-occupied dwellings initial pricing.** The initial purchase price for all restricted ownership units shall be calculated so that the monthly carrying cost of the dwelling, including principal and interest (based on a mortgage loan equal to 95% of the purchase price and the Federal Reserve H.15 rate of interest), taxes, homeowner and private mortgage insurance and condominium or homeowner association fees do not exceed 28% of the eligible monthly income of the appropriate size household as

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determined under N.J.A.C. 5:80-26.4; provided, however, that the price shall be subject to the affordability average requirement as noted above.

2. **Rental dwellings initial pricing.** The initial rent for a restricted rental dwelling shall be calculated so as not to exceed 30% of the eligible monthly income of the appropriate household size as determined under N.J.A.C. 5:80-26.4, as may be amended and supplemented; provided, however, that the rent shall be subject to the affordability average requirement.
3. **Owner-occupied dwellings annual increase.** The price of owner-occupied low and moderate income units may increase annually based on the percentage increase in the regional median income limit for each housing region. In no event shall the maximum resale price established by the administrative agent be lower than the last recorded purchase price.
4. **Rental dwellings annual increase.** The rent of low and moderate income units may be increased annually based on the percentage increase in the Housing Consumer Price Index for the United States. This increase shall not exceed 9% in any one year. Rents for units constructed pursuant to low income housing tax credit regulations shall be indexed pursuant to the regulations governing low income housing tax credits.
5. **Utilities.** Tenant-paid utilities that are included in the utility allowance shall be so stated in the lease and shall be consistent with the utility allowance approved by the NJ Department of Community Affairs for its Section 8 program.

D. Price Restrictions for Restricted Ownership Units, Homeowner Association Fees and Resale Prices.

1. **The initial purchase price for a restricted ownership dwelling shall be approved by the Administrator.**
 2. **The Administrator shall approve all resale prices, in writing and in advance of the resale, to assure compliance with the foregoing standards.**
 3. **The method used to determine the condominium association fee amounts and special assessments shall be indistinguishable between the low and moderate income homeowners and the market homeowners.**
- E. **The owners of restricted ownership units may apply to the Administrator to increase the maximum sales price for the dwelling on the basis of eligible capital improvements. Eligible capital improvements shall be those that render the dwelling suitable for a larger household or the addition of a bathroom.**

§ 1009 Affordability Controls for Ownership Units.

- A. **The affordability control period for a restricted ownership dwelling shall commence on the date the initial certified household takes title to the dwelling.**

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- B.** Each restricted ownership dwelling shall remain subject to the requirements of the Uniform Housing Affordability Controls (N.J.A.C. 5:80-26.1, et seq.) until the Township of Lawrence elects to release the dwelling from such requirements pursuant to action taken in compliance with N.J.A.C. 5:80-26.5(g). Prior to such municipal election, a restricted ownership dwelling shall remain subject to the requirements of N.J.A.C. 5:80-26.5, for a period of at least thirty (30) years, and for a period of at least 10 years or the sale and repayment of any loan proceeds for owner-occupied units that were rehabilitated.
- C.** The affordability control period for a restricted ownership dwelling shall commence on the date the initial certified household takes title to the dwelling.
- D.** Each restricted ownership dwelling shall remain in compliance with and subject to the requirements of the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.5 for control periods, N.J.A.C. 5:80-26.6 for price restrictions, N.J.A.C. 5:80-26.7 for buyer income eligibility, N.J.A.C. 5:80-26.8 for limitations on indebtedness and subordination, N.J.A.C. 5:80-26.9 for capital improvements, and N.J.A.C. 5:80-26.10 for maintenance.
- E.** Limitations on Indebtedness Secured by Ownership Dwelling; Subordination.
- 1.** Prior to incurring any indebtedness to be secured by a restricted ownership dwelling, the Administrator shall determine in writing that the proposed indebtedness complies with the provisions of this section.
 - 2.** With the exception of original purchase money mortgages, during a control period neither an owner nor a lender shall at any time cause or permit the total indebtedness secured by a restricted ownership dwelling to exceed 95% of the maximum allowable resale price of that dwelling, as such price is determined by the Administrator in accordance with N.J.A.C. 5:80-26.6(b).
- F.** Capital Improvements to Ownership Units.
- 1.** The owners of restricted ownership units may apply to the Administrator to increase the maximum sales price for the dwelling on the basis of capital improvements made since the purchase of the dwelling. Eligible capital improvements shall be those that render the dwelling suitable for a larger household or that adds an additional bathroom. In no event shall the maximum sales price of an improved housing dwelling exceed the limits of affordability for the larger household.
 - 2.** Upon the resale of a restricted ownership dwelling, all items of property that are permanently affixed to the dwelling or were included when the dwelling was initially restricted (for example, refrigerator, range, washer, dryer, dishwasher, wall-to-wall carpeting) shall be included in the maximum allowable resale price. Other items may be sold to the purchaser at a reasonable price that has been approved by the Administrator at the time of the signing of the agreement to purchase. The purchase of central air conditioning installed subsequent to the initial sale of the dwelling and not included in the base price may be made a condition of the dwelling resale provided the price, which shall be subject to 10-year, straight-line depreciation, has been approved by the Administrator. Unless otherwise approved by the Administrator, the purchase of any property other than central air conditioning shall not be made a condition of the dwelling resale. The owner and the purchaser must personally certify at the time of closing that no unapproved transfer of funds for the purpose of selling and receiving property has taken place at the time of or as a condition of resale.

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G. Notice of Resale, Recapture Covenant and 95/5 Purchase Options.

- 1. The owner of the property is required to notify the Administrator by certified mail of any intent to sell the property 90 days prior to entering into an agreement for the first non-exempt sale of the Property after the conclusion of the period of affordability controls on restricted units in effect at the time the Property was first restricted as part of the Affordable Housing Program.**
- 2. The municipal housing Inspector shall inspect the available affordable resale unit for construction and property maintenance code violation(s). The housing Inspector shall submit in writing to the owner and the Administrator a listing of the violation(s). The estimated cost of the repairs not completed by the owner prior to resale shall be deducted from the resale price. The cost of repairs not undertaken by the owner will be determined by estimator(s) and/or contractor(s) supplied by the Administrator and charged back to the seller.**
- 3. Upon the first such non-exempt sale of the Property, 95% of the difference between, (I), the actual sale price; and (II), the regulated maximum sales price that would be applicable were the period of affordability controls on restricted units still in effect, shall be paid at closing to the Township of Lawrence; or, to the NJ Department of Community Affairs or NJ Housing and Mortgage Finance Agency, when acting as receiving agent for the municipality. Exempt sales shall be as listed in §1012.**
- 4. Such non-exempt sale is subject to the options provided for in N.J.A.C. 5:80-26.20 (Option to buy 95/5 units), N.J.A.C. 5:80-26.21 (Municipal Option on 95/5 units), N.J.A.C. 5:80-26.22 (State Option on 95/5 Units), N.J.A.C. 5:80-26.23 (Non-Profit Option on 95/5 Units), N.J.A.C. 5:80-26.24 (Seller Option on 95/5 Units), N.J.A.C. 5:80-26.25 (Municipal Rejection of Repayment Option on 95/5 Units) and N.J.A.C. 5:80-26.26 (Continued Application of Options to Create, Rehabilitate or Maintain 95/5 Units) of UHAC.**

§ 1010 Affordability Controls on Rental Dwellings.

- A. Each restricted rental dwelling shall remain subject to the requirements of the Uniform Housing Affordability Controls until the Township of Lawrence elects to release the dwelling from such requirement pursuant to action taken in compliance with N.J.A.C. 5:80-26.11(e). Prior to such a municipal election, a restricted rental dwelling shall remain subject to the requirements of N.J.A.C. 5:80-26.11, for a minimum of 30 years, and for a period of at least 10 years or the sale and repayment of any loan proceeds for renter-occupied units that were rehabilitated.**
- B. Each restricted rental dwelling shall remain in compliance with and subject to the requirements of the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.11 for control periods, N.J.A.C. 5:80-26.12 for restrictions on rents, and N.J.A.C. 5:80-26.13 for tenant income eligibility.**
- C. Deeds of all real property that include restricted rental units shall contain deed restriction language. The deed restriction shall have priority over all mortgages on the property, and the deed restriction shall be filed by the developer or seller with the records office of the County of Mercer. A copy of the filed document shall be provided to the Administrator within 30 days of the receipt of a Certificate of Occupancy.**

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- D. A restricted rental dwelling shall remain subject to the affordability controls of this Article, despite the occurrence of any of the following events:**
- 1. Sublease or assignment of the lease of the dwelling;**
 - 2. Sale or other voluntary transfer of the ownership of the dwelling; or**
 - 3. The entry and enforcement of any judgment of foreclosure.**
- E. Rent Restrictions for Rental Units; Leases.**
- 1. A written lease shall be required for all restricted rental units, and tenants shall be responsible for security deposits and the full amount of the rent as stated on the lease. A copy of the current lease for each restricted rental dwelling shall be provided to the Administrator.**
 - 2. No additional fees or charges shall be added to the approved rent without the express written approval of the Administrator.**
 - 3. Application fees (including the charge for any credit check) shall not exceed 5% of the monthly rent of the applicable restricted dwelling and shall be payable to the Administrator to be applied to the costs of administering the controls applicable to the dwelling as set forth in this Article.**

§ 1011 Accessibility Requirements.

The following barrier free accessibility and adaptability requirements shall apply to all new construction:

- A. The first floor of all restricted townhouse dwelling units and all restricted units in all other multistory buildings shall be subject to the technical design standards of the Barrier Free Sub-code, N.J.A.C. 5:23-7.**
- B. All restricted townhouse dwellings and all restricted units in other multistory buildings in which a restricted dwelling is attached to at least one other dwelling shall have the following features:**
- 1. An adaptable toilet and bathing facility on the first floor;**
 - 2. An adaptable kitchen on the first floor;**
 - 3. An interior accessible route of travel on the first floor;**
 - 4. An interior accessible route of travel shall not be required between stories within an individual dwelling;**
 - 5. An adaptable room that can be used as a bedroom, with a door or the casing for the installation of a door, on the first floor; and**
 - 6. An accessible entranceway in accordance with N.J.S.A. 52:27D-311a, et seq. and the Barrier Free Sub-code, N.J.A.C. 5:23-7, or evidence that the municipality has collected funds from the developer sufficient to make 10% of the adaptable entrances in the development accessible:**

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- a. **Where a dwelling has been constructed with an adaptable entrance, upon the request of a disabled person who is purchasing or will reside in the dwelling, an accessible entrance shall be installed.**
 - b. **To this end, the developer of restricted units shall deposit funds within the affordable housing trust fund of the Township of Lawrence sufficient to install accessible entrances in 10% of the affordable units that have been constructed with adaptable entrances.**
 - c. **The funds deposited under sub-paragraph -(b) above shall be used by the Township for the sole purpose of making the adaptable entrance of any affordable dwelling accessible when requested to do so by a person with a disability who occupies or intends to occupy the dwelling and requires an accessible entrance.**
7. **The developer of the restricted units shall submit a design plan and cost estimate for the conversion from an adaptable to an accessible entrance to the Construction Code Official.**
 8. **Once the Construction Code Official has determined that the design plan to convert the unit entrances from adaptable to accessible meet the requirements of the Barrier Free Subcode, N.J.A.C. 5:23-7, and that the cost estimate of such conversion is reasonable, payment shall be made into the municipality's affordable housing trust fund by the Chief Financial Officer who shall ensure that the funds are deposited into the affordable housing trust fund and appropriately earmarked.**
 9. **Full compliance with the foregoing provisions shall not be required where an entity can demonstrate that physical or environmental conditions of the site render it impracticable to meet the requirements. Determinations of site impracticability shall be in compliance with the Barrier Free Subcode, N.J.A.C. 5:23-7.**

§ 1012 Exempt Transactions.

- A. **The following transactions shall be deemed "non-sales" for purposes of these regulations and the owner receiving title by virtue of any of the following transactions shall be entitled to a statement of exemption to the owner receiving title by virtue of any of the following transactions:**
 1. **Transfer of ownership of an affordable sales unit between husband and wife;**
 2. **Transfer of ownership of an affordable sales unit between former spouses ordered as a result of a judicial decree of divorce (and not including sales to third parties);**
 3. **Transfer of ownership of an affordable unit between family members as a result of inheritance;**
 4. **Transfer of ownership of an affordable unit through an executor's deed to a Class A beneficiary;**
 5. **Transfer of ownership of an affordable unit through an order of the Superior Court or other court, in a foreclosure proceeding or transfer in lieu of foreclosure after a foreclosure proceeding has commenced.**

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- B. Except for the income level of the family acquiring title by an exempt transaction, the exempt transfer will not eliminate any restrictions set forth herein including, but not limited to, the unit remaining the prime resident and the requirement for resale to low and moderate income families as applicable and all such restrictions shall remain in effect following the exempt transfer except as stated in subsection -A.5.**
- C. Should a mortgagee acquire title pursuant to subsection -A.5 it may re-sell the unit to any family, regardless of income, with the municipality having the right of first refusal. The sales price to the municipality is the amount necessary to cure the foreclosure. This includes all principal and interest due to the mortgagee and other lien holders, repayment of equity to the owner prior to foreclosure and the costs of foreclosure. If the municipality does not purchase the unit, the mortgagee may sell the unit without any of the restrictions set forth in this section. The amount of the sale above that which is necessary to cure the foreclosure will be turned over to the municipality to be used for low and moderate income housing.**

§ 1013 Leasing Restriction.

Initial and subsequent owners of affordable housing units shall occupy the dwelling as their principal residence. RENTAL OR SUBLEASING OF THE AFFORDABLE HOUSING UNIT IS EXPRESSLY FORBIDDEN.

§ 1014 Effect on Landlord and Tenant Relationship.

- A. Nothing in these rules should be construed to limit the rights and duties of the owner and tenant to maintain the dwelling in accordance with all appropriate New Jersey State or municipal construction and property maintenance codes.**
- B. Notwithstanding anything to the contrary in this Article, any member of a household occupying a dwelling under this Article and subject to the regulations of the Township of Lawrence is subject to eviction for any reasons allowed under applicable New Jersey law. The provisions of this Article are not intended to confer any additional rights or obligations on property owners or tenants other than those mandated by statute or required by the courts of the State of New Jersey or the duly adopted regulations of any of its agencies.**

§ 1015 Affirmative Marketing for Affordable Housing

- A. Purpose. The purpose of this Section is to establish administrative procedures to ensure a wide dissemination of knowledge of affordable housing units as they become available to the low and moderate income population, and that the selection of tenants or homeowners, as the case may be, meets the requirements of the Uniform Housing Affordability Controls.**
- B. An Affirmative Marketing Plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital, or familial status, gender, affectional or sexual orientation, disability, age or number of children to housing units which are being marketed by a developer or sponsor of affordable housing. An Affirmative Marketing Plan is also intended to target those potentially eligible persons who are least likely to apply for affordable units in that region.**

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- C. **Affirmative Marketing Requirements.** Within the overall framework of the municipality's affirmative marketing program, all affordable housing units in Lawrence Township shall be marketed in accordance with the provisions in this Section unless otherwise provided for in **N.J.A.C. 5:80-26-1.** An Affirmative Marketing Plan shall be created for each development that contains or will contain low and moderate income units, including those that are part of the Township's prior round Housing Element and its current Housing Element and those that may be constructed in future developments not yet anticipated. This Affirmative Marketing Plan shall also apply to any rehabilitated units that are vacated and re-rented during the applicable period of controls for rehabilitated rental units when Lawrence is allocated a rehabilitation component.
- D. **Plan Preparation.** The Administrator or Administrative Agent shall prepare an Affirmative Marketing Plan for each affordable housing program, as applicable, comporting with **N.J.A.C. 5:80-26.15,** for review and approval by the Affordable Housing Board. The Administrator of the Township shall oversee the work of a developer's Administrative Agent provided that the person has been approved by the Affordable Housing Board. Regardless of the drafting agent, the Affirmative Marketing Plan is intended to be used by developers of affordable housing restricted to low and moderate income households located within the municipality. The Administrative Agent responsible for specific affordable housing programs or developments shall ensure that the affirmative marketing of all affordable units is consistent with these provisions.
- E. **Affirmative Marketing Implementation.** The Affirmative Marketing Plan includes regulations for qualification of income eligibility, price and rent restrictions, bedroom distribution, affordability control periods, and unit marketing in accordance to **N.J.A.C. 5:80-26.** All newly created affordable units will comply with the thirty-year affordability control required by UHAC, **N.J.A.C. 5:80-26-5 and 5:80-26-11.** This plan will be adhered to by all private, non-profit or municipal developers of affordable housing units and will cover the period of deed restriction or affordability controls on each affordable unit. The Affirmative Marketing Plan for each affordable housing development shall meet the following minimum requirements:
1. The Affirmative Marketing Plan shall provide a regional preference for all households that live and/or work in Housing Region 4, comprised of Mercer, Monmouth and Ocean Counties.
 2. Although the Township has the ultimate responsibility for implementing all aspects of Lawrence's affordable housing program, the Administrative Agent designated by the Affordable Housing Board shall assure that the affirmative marketing of all affordable units is consistent with the Affirmative Marketing Plan for the municipality.
 3. The Administrative Agent shall provide a list of counseling services to low and moderate income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements, and landlord/tenant law.
 4. The affirmative marketing process for available affordable units shall begin at least four months prior to the expected date of occupancy. Advertising and outreach shall take place during the first week of the marketing program and each month thereafter until all of the affordable units have been leased or sold.

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5. **The costs of advertising and affirmative marketing of the affordable units shall be the responsibility of the developer, sponsor or owner, unless otherwise determined or agreed to by the Township of Lawrence.**
6. **The Affirmative Marketing Plan for each affordable housing development shall describe the media to be used in advertising and publicizing the availability of housing. In implementing the Affirmative Marketing Plan, the Administrative Agent shall consider the use of language translations where appropriate.**
7. **Applications for affordable housing shall be available in several locations, including, at a minimum, the County Administration Building and/or the County Library for each county within the housing region; the municipal administration building and the municipal library in Lawrence; and the developer's rental office. Applications shall be mailed to prospective applicants upon request.**
8. **The Administrator shall develop, maintain and update a list of community contact person(s) and/or organizations(s) in the Region 4 Housing Area for the use of the Township and other Administrative Agents. This list shall be updated periodically. The list shall contain organizations that will aid in the affirmative marketing program with particular emphasis on contacts with outreach to groups and individuals that are least likely to apply for affordable housing within the region. A representative sample of the organizations on the list shall be contacted as part of the affirmative marketing effort as approved by the Administrator.**
9. **The Affirmative Marketing Plan shall be approved by the Affordable Housing Board pursuant to §1003 prior to implementation.**

§ 1016 Violations of Article X Regulations.

- A. **Upon the occurrence of a breach of any of the regulations governing the affordable dwelling by an owner, developer or tenant the municipality shall have all remedies provided at law or equity, including but not limited to foreclosure, tenant eviction, municipal fines, a requirement for household recertification, acceleration of all sums due under a mortgage, recoupment of any funds from a sale in the violation of the regulations, injunctive relief to prevent further violation of the regulations, entry on the premises, and specific performance.**
- B. **After providing written notice of a violation to an owner, developer or tenant of a low or moderate income dwelling and advising the owner, developer or tenant of the penalties for such violations, the municipality may take the following action against the owner, developer or tenant for any violation that remains uncured for a period of 60 days after service of the written notice:**
 1. **The municipality may file a court action pursuant to N.J.S.A. 2A:58-11 alleging a violation, or violations, of the regulations governing the affordable housing unit. If the owner, developer or tenant is found by the court to have violated any provision of the regulations governing affordable housing units the owner, developer or tenant shall be subject to one or more of the following penalties, at the discretion of the court:**

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- a. **A fine of not more than \$1,000.00 or imprisonment for a period not to exceed 90 days, or both. Each and every day that the violation continues or exists shall be considered a separate and specific violation of these provisions and not as a continuing offense;**
 - b. **In the case of an owner who has rented his or her low or moderate income dwelling in violation of the regulations governing affordable housing units, payment into the Township of Lawrence's Affordable Housing Trust Fund of the gross amount of rent illegally collected;**
 - c. **In the case of an owner who has rented his or her low or moderate income unit in violation of the regulations governing affordable housing units, payment of an innocent tenant's reasonable relocation costs, as determined by the court.**
2. **The municipality may file a court action in the Superior Court seeking a judgment, which would result in the termination of the Owner's equity or other interest in the dwelling, in the nature of a mortgage foreclosure. Any judgment shall be enforceable as if the same were a judgment of default of the first purchase money mortgage and shall constitute a lien against the low and moderate income unit.**
 3. **Such judgment shall be enforceable, at the option of the municipality, by means of an execution sale by the County Sheriff, at which time the low and moderate income unit of the violating owner shall be sold at a sale price which is not less than the amount necessary to fully satisfy and pay off any first purchase money mortgage and prior liens and the costs of the enforcement proceedings incurred by the municipality, including attorney's fees. The violating owner shall have the right to possession terminated as well as the title conveyed pursuant to the Sheriff's sale.**
- C. The proceeds of the Sheriff's sale shall first be applied to satisfy the first purchase money mortgage lien upon the dwelling and any prior liens on the dwelling. The excess, if any, shall be applied to reimburse the Township for any and all costs and expenses incurred in connection with either the court action resulting in the judgment of violation or the sheriff's sale. In the event that the proceeds from the Sheriff's sale are insufficient to reimburse the Township in full as aforesaid, the violating owner shall be personally responsible for the deficiency, in addition to any and all costs incurred by the Township in connection with collecting said deficiency. The remainder, if any, up to a maximum of the amount the owner would be entitled to if he or she were to sell the dwelling as permitted by N.J.S.A. 5:80-26.1 et seq., shall be placed in escrow by the Township for the owner and shall be held in such escrow for a period of two years or until such time as the owner shall make a claim with the Township for the same. Failure of the owner to claim said sum within the two-year period shall automatically result in a forfeiture of said remainder to the municipality and paid into the Affordable Housing Trust Fund. Any interest accrued or earned on the remainder while being held in escrow shall belong to and shall be paid to the Lawrence Township Affordable Housing Fund whether the remainder is paid to the owner or forfeited to the Township. Any excess funds derived over and above the sum due the owner shall be paid over to the Township's Affordable Housing Trust Fund.**

APPENDIX M

- D. Foreclosure by the municipality due to violation of the regulations governing affordable housing units shall not extinguish the restrictions of the regulations governing affordable housing units as the same apply to the low and moderate income unit. Title shall be conveyed to the purchaser at the Sheriff's sale, subject to the restrictions and provisions of the regulations governing the affordable housing dwelling. The owner determined to be in violation of the provisions of this plan and from whom title and possession were taken by means of the Sheriff's sale shall not be entitled to any right of redemption.**
- E. If there are no bidders at the Sheriff's sale, or if insufficient amounts are bid to satisfy the first purchase money mortgage and any prior liens, the municipality may acquire title to the low and moderate income unit by satisfying the first purchase money mortgage and any prior liens and crediting the violating owner with an amount equal to the difference between the first purchase money mortgage and any prior liens and costs of the enforcement proceedings, including legal fees and the maximum resale price for which the low and moderate income unit could have been sold under the terms of the regulations governing affordable housing units. This excess shall be treated in the same manner as the excess which would have been realized from an actual sale as previously described.**
- F. Failure of the low and moderate income unit to be either sold at the Sheriff's sale or acquired by the municipality shall obligate the owner to accept an offer to purchase from any qualified purchaser which may be referred to the owner by the municipality, with such offer to purchase being equal to the maximum resale price of the low and moderate income unit as permitted by the regulations governing affordable housing units.**
- G. The owner shall remain fully obligated, responsible and liable for complying with the terms and restrictions of governing affordable housing units until such time as title is conveyed from the owner.**
- H. Right to Cure. The Township may, at its option, advance and pay all sums necessary to protect, preserve and retain the dwelling as an affordable dwelling, subject to the terms of this Article. All sums so advanced and paid by the Township shall become a lien against said dwelling and shall have a higher priority than any lien except the first purchase money mortgage lien and liens by duly authorized government agencies. Such sums may include but are not limited to insurance premiums, taxes, assessments (public or private) and costs of repair necessary to bring the dwelling up to any and all applicable local, state or federal codes and liens which may be or become prior and senior to any first purchase money mortgage as a lien on the dwelling or any part thereof. If, in the event of a default or nonpayment by the owner of an affordable dwelling, any first mortgagee or other creditor of an owner of an affordable dwelling exercises its contractual or legal remedies available, the owner shall notify the Administrative Agent and the Township Solicitor of the Township, in writing, within 10 days of notification by the first mortgagee or creditor and no later than 10 days after service of any summons and complaint, and the Township shall have the option to purchase, redeem or cure any default upon such terms and conditions as may be agreeable to all parties in interest and/or to acquire the first purchase money mortgage to the dwelling, thereby replacing the first mortgagee as the first mortgagee of the dwelling. The Township shall have the same priority of lien as was held by the first mortgagee at the time the Township acquires such first purchase money mortgage and shall have the right of subrogation with respect to any other claim or lien it satisfies or acquires.**

APPENDIX M

I. Provisions for First Purchase Money Mortgagees.

1. **The terms and restrictions of this section shall be subordinate only to a first purchase money mortgage lien on any affordable dwelling and in no way shall impair the first mortgagee's ability to exercise the contract remedies available to it in the event of default as set forth in the first purchase money mortgage. The first mortgagee and/or mortgage servicer shall serve written notice upon the Township within 10 days after the first purchase money mortgage is two months in arrears and again within 10 calendar days of the filing of a complaint seeking foreclosure of the first purchase money mortgage held on an affordable dwelling. However, a judgment of foreclosure upon the property shall in no instance terminate the conditions and requirements of this Article maintaining the dwelling as an affordable, income-restricted residence.**
2. **The obligation of the first mortgagee and servicer to notify the Township shall cease automatically and immediately upon the sale of the first purchase money mortgage to the Federal National Mortgage Association or in the secondary mortgage market, unless the rules and regulations or guidelines of the Federal National Mortgage Association are amended so as to not prohibit or exclude placing such obligation upon the holder of the mortgage or its service representative, in which case, an instrument duly evidencing the same shall be recorded with the Register of Deeds, Mercer County, New Jersey, before any such obligation shall exist. Provided that the first mortgagee is obligated to give the Township the above-mentioned notices, the first mortgagee shall also serve written notice of any proposed foreclosure sale upon the Township at least 30 days prior to the first scheduled date of such sale. The first mortgagee shall serve notice upon the Township within 30 days of the sale of the first purchase money mortgage to the Federal National Mortgage Association or in the secondary mortgage market.**
3. **The Township of Lawrence or any instrumentality designated by the Township shall have the right to purchase any mortgage which is in default at any time prior to the entry of a foreclosure judgment or within the redemption period thereafter. Notification of a default and of the institution of a foreclosure action and of a sheriff's sale shall be served, in writing, upon the Township Clerk and Municipal Attorney. The Township of Lawrence shall at all times be considered a party in interest and shall have the right to be joined as a party defendant and/or shall have the right to intervene in any foreclosure action seeking foreclosure of a first mortgage and/or shall have the right to redeem and acquire the owner's equity of redemption or to acquire the dwelling from the owner upon such terms and conditions as may be determined by the Township.**
4. **Surplus funds. In the event of a foreclosure sale by the holder of the first purchase money mortgage, the owner shall be personally obligated to pay to the Township any excess funds, but only to the extent that such excess funds exceed the difference between what the owner could have resold his dwelling for under this Article at the time of the foreclosure sale and the amount necessary to redeem and satisfy the first purchase money mortgage debt, including costs of foreclosure and costs of repairs necessary to bring the dwelling up to any and all applicable local, state or federal codes. For the purposes of this subsection, excess funds shall be the total paid to the sheriff in excess of the amount required to pay and satisfy the first purchase money**

APPENDIX M

mortgage, including the costs of foreclosure, even if junior creditors actually receive payment from said surplus funds to the exclusion of the owner. The Township is hereby given a first priority lien, second only to the first mortgagee for any taxes or public assessments by a duly authorized governmental body up to the full amount of excess funds. This obligation of the owner to pay this full amount to the Township shall be deemed to be a personal obligation of the owner of record at the time of the foreclosure sale, and the Township is hereby empowered to enforce this obligation in any appropriate court of law or equity as though the same were a personal contractual obligation of the owner. Neither the first mortgagee nor the purchaser at the foreclosure sale shall be responsible or liable to the Township for any portion of this excess. The Township shall deposit any funds received in the Affordable Housing Trust Fund and use it for the purposes as set forth in the Housing Element and Fair Share Plan.

Section 2. Continuation. In all other respects, the Land Use Ordinance of the Township of Lawrence shall remain unchanged.

Section 3. Severability. If any portion of this Ordinance is for any reason held to be unconstitutional or invalid by a court of competent jurisdiction, such decision shall not affect the validity of the Land Use Ordinance as a whole, or any other part thereof.

Section 4. Repealer. All ordinances or parts of ordinances which are inconsistent with the provisions of this Ordinance are hereby repealed to the extent of such inconsistency only.

Section 5. Enactment. This Ordinance shall take effect upon the filing thereof with the Mercer County Planning Board after final passage, adoption, and publication by the Township Clerk of the Township of Lawrence in the manner prescribed by law.

Adopted: December 19, 2017

RECORD OF VOTE

COUNCIL	AYE	NAY	PRESENT	ABSENT	ABSTAIN	MOVE	SECOND
Mr. Bobbitt	x						x
Mr. Kownackl	x						
Ms. Lewis	x						
Mr. Powers	x					x	
Mayor Maffel	x						

Appendix N

Development Fee Ordinance



Ordinance No. 2302-18

ORDINANCE OF THE TOWNSHIP OF LAWRENCE, MERCER COUNTY TO REPEAL AND REPLACE SECTION 901, ENTITLED "AFFORDABLE HOUSING CONTRIBUTION", OF THE TOWNSHIP LAND USE ORDINANCE IN ACCORDANCE WITH THE CONDITIONS AND REQUIREMENTS OF THE SUPERIOR COURT OF NEW JERSEY

NOW THEREFORE, BE IT ORDAINED by the Township Council of the Township of Lawrence, Mercer County, New Jersey, as follows:

Section 1.

§901 AFFORDABLE HOUSING CONTRIBUTION

A. Purpose

1. **In Holmdel Builder's Association V. Holmdel Township, 121 N.J. 550 (1990), the New Jersey Supreme Court determined that mandatory development fees are authorized by the Fair Housing Act of 1985 ("the Act"), N.J.S.A. 52:27d-301, et seq., and the State Constitution, subject to the Council on Affordable Housing's ("COAH") adoption of rules for the establishment, implementation, review, monitoring and enforcement of municipal affordable housing trust funds and spending plans.**
2. **According to P.L. 2008, c. 46 section 8 (N.J.S.A. 52:27D-329.2), and the Statewide Non-Residential Development Fee Act (N.J.S.A. 40:55D-8.1 through 8.7), municipalities under the jurisdiction of COAH or a court of competent jurisdiction that had an approved spending plan were permitted to retain fees collected from non-residential development.**
3. **In In Re Adoption of N.J.A.C. 5:96 and 5:97 by the New Jersey Council on Affordable Housing, 221 N.J. 1 (2015), also known as the Mount Laurel IV decision, the Supreme Court remanded COAH's duties to the Superior Court. As a result, affordable housing development fee collections and expenditures from the municipal affordable housing trust funds to implement municipal Third Round Fair Share Plans through July 1, 2025 are under the Court's jurisdiction and are subject to approval by the Court.**
4. **This Section establishes standards for the collection, maintenance, and expenditure of development fees consistent with COAH's regulations and in accordance with P.L. 2008, c. 46, Sections 8 and 32-38. Fees collected pursuant to this Ordinance shall be used for the sole purpose of providing low- and moderate- income housing. This Ordinance shall be interpreted within the framework of applicable COAH rules on development fees.**

B. Basic requirements

1. **This Ordinance shall not become effective until the Court approves the Township's amended development fee ordinance and shall remain effective pursuant to the Superior Court's jurisdiction through July 1, 2025.**
2. **COAH approved the Township's Initial Spending Plan on or about October 19, 1987, and subsequently approved a Third Round Spending Plan on or about April 2, 2009. Upon the Court's approval of Lawrence Township's 2018 Spending Plan, Lawrence Township may continue to spend development fees consistent with the approved Spending Plan.**

C. Definitions

The following terms, as used in this ordinance, shall have the following meanings:

1. **"Affordable housing development" means a development included in the Housing Element and Fair Share Plan, and includes, but is not limited to, an inclusionary development, a municipal construction project or a 100 percent affordable development.**
2. **"COAH" or the "Council" means the New Jersey Council on Affordable Housing established under the Act.**
3. **"Developer" means the legal or beneficial owner or owners of a lot or of any land proposed to be included in a proposed development, including the holder of an option or contract to purchase, or other person having an enforceable proprietary interest in such land.**
4. **"Development fee" means money paid by a developer for the improvement of property as permitted in N.J.A.C. 5:93-8.**
5. **"Equalized assessed value" means the assessed value of a property divided by the current average ratio of assessed to true value for the municipality in which the property is situated, as determined in accordance with sections 1, 5, and 6 of P.L. 1973, c. 123 (N.J.S.A. 54:1-35a through 54:1-35c).**
6. **"Green building strategies" means those strategies that minimize the impact of development on the environment, and enhance the health, safety and well-being of residents by producing durable, low-maintenance, resource-efficient housing while making optimum use of existing infrastructure and community services.**

D. Residential Development fees

1. **Imposed fees**
 - a) **Within the all district(s), residential developers, except for developers of the types of development specifically exempted below, shall pay a fee of one and a half**

percent (1.5%) of the equalized assessed value for residential development, provided no increased density is permitted.

- b) When an increase in residential density pursuant to N.J.S.A. 40:55D-70d(5) (known as a "d" variance) has been permitted, developers may be required to pay a development fee of six percent (6%) of the equalized assessed value for each additional unit that may be realized. However, if the zoning on a site has changed during the two-year period preceding the filing of such a variance application, the base density for the purposes of calculating the bonus development fee shall be the highest density permitted by right during the two- year period preceding the filing of the variance application.

2. Eligible exactions, ineligible exactions and exemptions for residential development

- a) Affordable housing developments, developments where the developer is providing for the construction of affordable units elsewhere in the Township, and developments where the developer has made a payment in lieu of on-site construction of affordable units shall be exempt from development fees.
- b) Developments that have received preliminary or final site plan approval prior to the adoption of a municipal development fee ordinance shall be exempt from development fees, unless the developer seeks a substantial change in the approval. Where a site plan approval does not apply, a zoning and/or building permit shall be synonymous with preliminary or final site plan approval for this purpose. The fee percentage shall be vested on the date that the building permit is issued.
- c) Development fees shall be imposed and collected when an existing structure undergoes a change to a more intense use, is demolished and replaced, or is expanded, if the expansion is not otherwise exempt from the development fee requirement. The development fee shall be calculated on the increase in the equalized assessed value of the improved structure.
- d) Developers of one or two-owner occupied dwelling units, residential structures demolished and replaced as a result of a natural disaster, green buildings, etc., shall be exempt from paying a development fee.

E. Non-residential Development fees

1. Imposed fees

- a) Within all zoning districts, non-residential developers, except for developers of the types of development specifically exempted, shall pay a fee equal to two and one-half percent (2.5%) of the equalized assessed value of the land and improvements, for all new non-residential construction on an unimproved lot or lots.
- b) Non-residential developers, except for developers of the types of development specifically exempted, shall also pay a fee equal to two and one-half percent

(2.5%) of the increase in equalized assessed value resulting from any additions to existing structures to be used for non-residential purposes.

- c) Development fees shall be imposed and collected when an existing structure is demolished and replaced. The development fee of two and a half percent (2.5%) shall be calculated on the difference between the equalized assessed value of the pre-existing land and improvement and the equalized assessed value of the newly improved structure, *i.e.*, land and improvements, at the time final certificate of occupancy is issued. If the calculation required under this section results in a negative number, the non-residential development fee shall be zero.**

2. Eligible exactions, ineligible exactions and exemptions for non-residential development.

- a) The non-residential portion of a mixed-use inclusionary or market rate development shall be subject to the two and a half percent (2.5%) development fee, unless otherwise exempted below.**
- b) The two and a half percent (2.5%) fee shall not apply to an increase in equalized assessed value resulting from alterations, change in use within existing footprint, reconstruction, renovations and repairs.**
- c) Non-residential developments shall be exempt from the payment of non-residential development fees in accordance with the exemptions required pursuant to P.L. 2008, c. 46, as specified in the Form N-RDF "State of New Jersey Non-Residential Development Certification/Exemption" Form. Any exemption claimed by a developer shall be substantiated by that developer.**
- d) A developer of a non-residential development exempted from the non-residential development fee pursuant to P.L. 2008, c. 46 shall be subject to it at such time the basis for the exemption no longer applies, and shall make the payment of the non-residential development fee, in that event, within three years after that event or after the issuance of the final certificate of occupancy of the non-residential development, whichever is later.**
- e) If a property which was exempted from the collection of a non-residential development fee thereafter ceases to be exempt from property taxation, the owner of the property shall remit the fees required pursuant to this section within forty-five (45) days of the termination of the property tax exemption. Unpaid non-residential development fees under these circumstances may be enforceable by the Township as a lien against the real property of the owner.**

F. Collection procedures

- 1. Upon the granting of a preliminary, final or other applicable approval, for a development, the applicable approving authority shall direct its staff to notify the construction official responsible for the issuance of a building permit.**

2. **For non-residential developments only, the developer shall also be provided with a copy of Form N-RDF "State of New Jersey Non-Residential Development Certification/Exemption" to be completed as per the instructions provided. The Developer of a non-residential development shall complete Form N-RDF as per the instructions provided. The construction official shall verify the information submitted by the non-residential developer as per the instructions provided in the Form N-RDF. The Tax assessor shall verify exemptions and prepare estimated and final assessments as per the instructions provided in Form N-RDF.**
3. **The construction official responsible for the issuance of a building permit shall notify the local tax assessor of the issuance of the first building permit for a development which is subject to a development fee.**
4. **Within ninety (90) days of receipt of that notice, the municipal tax assessor, based on the plans filed, shall provide an estimate of the equalized assessed value of the development.**
5. **The construction official responsible for the issuance of a final certificate of occupancy notifies the local assessor of any and all requests for the scheduling of a final inspection on property which is subject to a development fee.**
6. **Within ten (10) business days of a request for the scheduling of a final inspection, the municipal assessor shall confirm or modify the previously estimated equalized assessed value of the improvements of the development; calculate the development fee; and thereafter notify the developer of the amount of the fee.**
7. **Should Lawrence Township fail to determine or notify the developer of the amount of the development fee within ten (10) business days of the request for final inspection, the developer may estimate the amount due and pay that estimated amount consistent with the dispute process set forth in subsection b. of section 37 of P.L. 2008, c. 46 (N.J.S.A. 40:55D-8.6).**
8. **Fifty percent (50%) of the development fee shall be collected at the time of issuance of the building permit. The remaining portion shall be collected at the issuance of the certificate of occupancy. The developer shall be responsible for paying the difference between the fee calculated at building permit and that determined at issuance of certificate of occupancy.**
9. **Appeal of development fees**
 - a) **A developer may challenge residential development fees imposed by filing a challenge with the County Board of Taxation. Pending a review and determination by the Board, collected fees shall be placed in an interest bearing escrow account by the Township. Appeals from a determination of the Board may be made to the tax court in accordance with the provisions of the State Tax Uniform Procedure Law, N.J.S.A. 54:48-1, et seq., within ninety (90) days after the date of such determination. Interest earned on amounts escrowed shall be**

credited to the prevailing party.

- b) A developer may challenge non-residential development fees imposed by filing a challenge with the Director of the Division of Taxation. Pending a review and determination by the Director, which shall be made within forty-five (45) days of receipt of the challenge, collected fees shall be placed in an interest bearing escrow account by the Township. Appeals from a determination of the Director may be made to the tax court in accordance with the provisions of the State Tax Uniform Procedure Law, N.J.S.A. 54:48-1, et seq., within ninety (90) days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.

G. Affordable Housing trust fund

- 1. The Township has created a separate, interest-bearing affordable housing trust fund to be maintained by the chief financial officer for the purpose of depositing development fees collected from residential and non-residential developers and proceeds from the sale of units with extinguished controls.
- 2. The following additional funds shall be deposited in the Affordable Housing Trust Fund and shall at all times be identifiable by source and amount:
 - a) Payments in lieu of on-site construction of affordable units;
 - b) Developer contributed funds to make ten percent (10%) of the adaptable entrances in a townhouse or other multistory attached development accessible;
 - c) Rental income from municipally operated units;
 - d) Repayments from affordable housing program loans;
 - e) Recapture funds;
 - f) Proceeds from the sale of affordable units; and
 - g) Any other funds collected in connection with the Township's affordable housing program.
- 3. The Township had previously provided COAH with written authorization, in the form of a three-party escrow agreement between the municipality, the bank and COAH to permit COAH to direct the disbursement of the funds as provided for in N.J.A.C. 5:93-8. The Superior Court shall now have the jurisdiction to direct the disbursement of the Township's trust funds as originally provided to COAH.
- 4. All interest accrued in the housing trust fund shall only be used on eligible affordable housing activities approved by the Court.

H. Use of funds

- 1. The expenditure of all funds shall conform to a spending plan approved by the Superior Court. Funds deposited in the housing trust fund may be used for any activity approved by the Superior Court to address the Township's fair share obligation and may be set up as a grant or revolving loan program. Such activities include, but are not limited to: preservation or purchase of housing for the purpose of maintaining or implementing affordability controls, rehabilitation, new construction of affordable housing units and related costs, accessory apartment, market to affordable, or regional housing partnership programs, conversion of existing non-residential buildings to create new affordable units, green building strategies designed to be cost saving and in accordance with accepted national or state standards, purchase of land for affordable housing, improvement of land to be used for affordable housing, extensions or improvements of roads and infrastructure to affordable housing sites, financial assistance designed to increase affordability, administration necessary for implementation of the Housing Element and Fair Share Plan, or any other activity as permitted pursuant to N.J.A.C. 5:93-8.16 and specified in the approved spending plan.**
- 2. Funds shall not be expended to reimburse the Township for past housing activities.**
- 3. At least thirty percent (30%) of all development fees collected and interest earned shall be used to provide affordability assistance to low- and moderate-income households in affordable units included in the municipal Fair Share Plan. One-third (1/3) of the affordability assistance portion of development fees collected shall be used to provide affordability assistance to those households earning thirty percent (30%) or less of median income by region.**

 - a) Affordability assistance programs may include down payment assistance, security deposit assistance, low interest loans, rental assistance, assistance with homeowners association or condominium fees and special assessments, and assistance with emergency repairs.**
 - b) Affordability assistance to households earning thirty percent (30%) or less of median income may include buying down the cost or subsidizing the construction of low or moderate income units in the municipal Fair Share Plan to make them affordable to households earning 30 percent or less of median income.**
 - c) Payments in lieu of constructing affordable units on site and funds from the sale of units with extinguished controls shall be exempt from the affordability assistance requirement.**
- 4. The Township may contract with a private or public entity to administer any part of its Housing Element and Fair Share Plan, including the requirement for affordability assistance.**
- 5. No more than twenty percent (20%) of all revenues collected from development fees may be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to develop or implement a new**

construction program, a Housing Element and Fair Share Plan, and/or an affirmative marketing program. In the case of a rehabilitation program, no more than twenty percent (20%) of the revenues collected from development fees shall be expended for such administrative expenses. Administrative funds may be used for income qualification of households, monitoring the turnover of sale and rental units, and compliance with the monitoring requirements set forth in the Court-approved April 28, 2017 executed Settlement Agreement with Fair Share Housing Center. Legal or other fees related to litigation opposing affordable housing sites or objecting to the Court's rulings are not eligible uses of the affordable housing trust fund.

I. Monitoring

1. On or about June 30 of each year through 2025, the Township shall provide annual reporting of trust fund activity to the New Jersey Department of Community Affairs ("DCA"), COAH, or Local Government Services ("LGS"), or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center and intervenors and posted on the municipal website, using forms developed for this purpose by DCA, COAH, or LGS. This reporting shall include an accounting of all housing trust fund activity, including the collection of development fees from residential and non-residential developers, payments in lieu of constructing affordable units on site, funds from the sale of units with extinguished controls, barrier free escrow funds, rental income, repayments from affordable housing program loans, and any other funds collected in connection with the Township's housing program, as well as to the expenditure of revenues and implementation of the plan approved by the Superior Court.

J. Ongoing collection of fees

1. The ability for the Township to impose, collect and expend development fees shall expire with its Court-issued Judgment of Compliance and Repose unless the Township of Lawrence has first filed an adopted Housing Element and Fair Share Plan with the Superior Court or other appropriate jurisdiction, has filed a petition for certification or a Declaratory Judgment Action, and has received approval of its development fee ordinance from the appropriate jurisdiction.
2. If the Township fails to renew its ability to impose and collect development fees prior to the expiration of its Judgment of Compliance and Repose, it may be subject to forfeiture of any or all funds remaining within its municipal trust fund. Any funds so forfeited shall be deposited into the "New Jersey Affordable Housing Trust Fund" established pursuant to section 20 of P.L. 1985, c.222 (N.J.S.A. 52:27D-320).
3. The Township shall not impose a residential development fee on a development that receives preliminary or final site plan approval after the expiration of its Judgment of Compliance and Repose, nor shall the Township retroactively impose a development fee on such a development. The Township shall not expend development fees after the expiration of its Judgment of Compliance and Repose unless the Township has first sought and obtained approval to do so from the entity that will be reviewing and approving its 2025 Housing Element and Fair Share Plan.

Section 2. Continuation. In all other respects, the Land Use Ordinance of the Township of Lawrence shall remain unchanged.

Section 3. Severability. If any portion of this Ordinance is for any reason held to be unconstitutional or invalid by a court of competent jurisdiction, such decision shall not affect the validity of the Land Use Ordinance as a whole, or any other part thereof.

Section 4. Repealer. All ordinances or parts of ordinances which are inconsistent with the provisions of this Ordinance are hereby repealed to the extent of such inconsistency only.

Section 5. Enactment. This Ordinance shall take effect upon the filing thereof with the Mercer County Planning Board after final passage, adoption, and publication by the Township Clerk of the Township of Lawrence in the manner prescribed by law.

Adopted: August 28, 2018

RECORD OF VOTE

COUNCIL	AYE	NAY	PRESENT	ABSENT	ABSTAIN	MOVE	SECOND
Mr. Kownackl	X						
Ms. Lewis	X					X	
Dr. Maffel				X			
Mr. Powers	X						X
Mayor Bobbitt	X						

Appendix P

Affirmative Marketing Resolution



Resolution 273-18

WHEREAS, the Township of Lawrence ("Township") filed a lawsuit entitled In the Matter of the Application of the Township of Lawrence, County of Mercer in the Superior Court of New Jersey, Law Division, Mercer County, under Docket No. MER-L-1538-15, on July 7, 2015, seeking immunity, along with all of its applicable Boards and subsidiary entities, from the filing and service of any third party or builder's remedy lawsuits with respect to the Township's satisfaction of its Mount Laurel obligations and a declaration of its compliance with the Mount Laurel doctrine and Fair Housing Act of 1985 ("FHA"), N.J.S.A. 53:27D-301 et seq.; and

WHEREAS, over the course of the litigation, Fair Share Housing Center ("FSHC"), an interested party, and Brandywine Operating Partnership, LP ("Brandywine"), an objector, and the Township met directly and also appeared before the Hon. Mary C. Jacobson, A.J.S.C., in a series of Case Management Conferences, resulting in the entry of various Case Management Orders and the appointment of a Special Master, Elizabeth C. McKenzie, PP; and

WHEREAS, through that process, the Township, FSHC and Brandywine, with the consent and approval of the Special Master, negotiated a settlement of the litigation and presented that settlement to the trial court with jurisdiction over this matter for review on July 5, 2017 in a Fairness Hearing which settlement was approved by Court Order entered on July 5, 2017; and

WHEREAS, a Housing Element and Fair Share Plan has been prepared and presented to the Planning Board of the Township of Lawrence ("Planning Board") on November 30, 2017 pursuant to the terms of the settlement; and

WHEREAS, the Planning Board properly noticed, and held, a public hearing and adopted the Housing Element and Fair Share Plan on December 18, 2017; and

WHEREAS, the Township Council of Lawrence Township endorsed the adopted Housing Element and Fair Share Plan on January 16, 2018; and

WHEREAS, Lawrence Township has received a Conditional Judgment of Compliance and Repose of its Housing Element and Fair Share Plan; and

WHEREAS, Pursuant to the Settlement Agreement between the Township and Fair Share Housing Center ("FSHC"), and in accordance with the New Jersey Uniform Housing Affordability Controls pursuant to N.J.A.C. 5:80-26-1, et seq., the Township is required to prepare an Affirmative Marketing Plan that lists Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, NAACP branches of Trenton, Greater Red Bank, Asbury Park/Neptune, Bayshore, Greater Freehold, and Greater Long Branch, Shiloh Baptist Church, and the Supportive Housing Association among community and regional organizations that shall be directly contacted to distribute notice of available affordable housing units in the Township; and

WHEREAS, the Administrative Agents of affordable developments in the Township's Housing Element and Fair Share Plan are appointed by the developers and prepare their own marketing plans; and

**Township of Lawrence
County of Mercer**

WHEREAS, the Township established an Affordable Housing Board through §607 and §608 of its Land Use Ordinance, which responsibilities include reviewing and approving affirmative marketing plans prepared by and for Administrative Agents of affordable housing units in the Township; and

WHEREAS, §1015, "Affirmative Marketing for Affordable Housing", of the Township's Affordable Housing Ordinance, requires any affirmative marketing plan prepared by an Administrative Agent of an affordable housing program to be reviewed and approved by the Affordable Housing Board; and

WHEREAS, §1015 also states that the Township's Administrator shall oversee the work of any developer's Administrative Agent, which Agent's affirmative marketing plan has been approved by the Affordable Housing Board, including to ensure that affirmative marketing of all affordable units is consistent with the Township's Affirmative Marketing Plan.

NOW THEREFORE, BE IT RESOLVED the Township Council of the Township of Lawrence, Mercer County, State of New Jersey, hereby adopts the Township-wide Affirmative Marketing Plan as written in this resolution; and

BE IT FURTHER RESOLVED, that the Township Council instructs the Township's Affordable Housing Board, in accordance with its responsibilities as set forth in §607, §608, and §1015, to request that the Administrative Agent(s) for all affordable housing units in the Township submit to the Affordable Housing Board updated affirmative marketing plans consistent with this resolution and the attached affirmative marketing form; and

BE IT FURTHER RESOLVED, that the Township's Affordable Housing Board shall review the affirmative marketing plans for consistency with this resolution and the attached affirmative marketing form; and

BE IT FURTHER RESOLVED, that the Township's Affirmative Marketing Plan shall read as follows:

Affirmative Marketing Plan

A. All affordable housing units in the Township of Lawrence shall be marketed in accordance with the provisions herein.

B. The Township of Lawrence has a Prior Round obligation that it has fulfilled and a Third Round obligation covering the years from 1999-2025. This Affirmative Marketing Plan shall apply to all developments that contain or will contain low and moderate income units, including those that are part of the Township's Prior Round Fair Share Plan and its current Fair Share Plan and those that may be constructed in future developments not yet anticipated by the Fair Share Plan.

C. The Affirmative Marketing Plan shall be implemented by one or more Administrative Agent(s) designated by and/or under contract to the Township of Lawrence or the developers/sellers/owners of affordable unit(s). All of the costs of advertising and affirmatively marketing affordable housing units shall be borne by the developers/sellers/owners of affordable unit(s), and all such advertising and affirmative marketing shall be subject to approval and oversight by the designated Administrative Agent(s).

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D. In implementing the Affirmative Marketing Plan, the Administrative Agent(s), acting on behalf of the Township of Lawrence or the developers/sellers/owners of affordable unit(s), shall undertake, at the minimum, all of the following strategies:

- 1. Publication of an advertisement in one or more newspapers of general circulation within the housing region.**
- 2. Broadcasting of an advertisement by a radio or television station broadcasting throughout the housing region.**
- 3. At least one additional regional marketing strategy permitted by N.J.A.C. 5:80-26.1 et seq.**

E. The Affirmative Marketing Plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to housing units which are being marketed by a developer or sponsor of affordable housing. The Affirmative Marketing Plan is also intended to target those potentially eligible persons who are least likely to apply for affordable units in that region. It is a continuing program that directs all marketing activities toward the COAH Housing Region in which the municipality is located and covers the entire period of the deed restriction for each restricted housing unit. The Township of Lawrence is located in COAH Housing Region 4, consisting of Mercer, Monmouth, and Ocean Counties.

F. The Affirmative Marketing Plan is a continuing program intended to be followed throughout the entire period of restrictions and shall meet the following requirements:

- 1. All newspaper articles, announcements and requests for applications for very low, low and moderate income units shall appear in one or more publications listed in the attached affirmative marketing form.**
- 2. The primary marketing shall take the form of at least one press release and a paid display advertisement in the selected newspaper(s) once a week for four consecutive weeks. Additional advertising and publicity shall be on an "as needed" basis. The developer/owner shall disseminate all public service announcements and pay for display advertisements. The developer/owner shall provide proof of all publications to the Administrative Agent(s). All press releases and advertisements shall be approved in advance by the Administrative Agent(s).**
- 3. The advertisement shall include a description of the:**
 - a. Location of the units;**
 - b. Directions to the units;**
 - c. Range of prices for the units;**
 - d. Size, as measured in bedrooms, of units;**
 - e. Maximum income permitted to qualify for the units;**

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- f. Location of applications;**
 - g. Business hours when interested households may obtain an application;
and**
 - h. Application fees.**
- 4. Newspaper articles, announcements and information on where to request applications for very low, low and moderate income housing shall appear at least once a week for four consecutive weeks in at least three locally oriented newspapers listed in the attached affirmative marketing form that serve the housing region.**
 - 5. The Administrative Agent(s) shall use one or more regional cable television stations or regional radio stations listed in the attached affirmative marketing form during the first month of advertising. The developer must provide satisfactory proof of public dissemination.**

G. Applications, brochure(s), sign(s) and/or poster(s) used as part of the affirmative marketing program shall be available/posted in the following locations:

- 1. Lawrence Township Municipal Building and Website**
- 2. Lawrence Township Library Branch**
- 3. Developer's Sales/Rental Offices**
- 4. Mercer County Administration Building**
- 5. Mercer County Library**
- 6. Monmouth County Administration Building**
- 7. Monmouth County Library**
- 8. Ocean County Administration Building**
- 9. Ocean County Library**

Applications shall be mailed by the Administrative Agent(s) and Municipal Housing Liaison to prospective applicants upon request. Also, applications shall be available at the developer's sales/rental office and multiple copies of application forms shall be mailed to Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, NAACP branches of Trenton, Greater Red Bank, Asbury Park/Neptune, Bayshore, Greater Freehold, and Greater Long Branch, Shiloh Baptist Church, and the Supportive Housing Association for dissemination to their respective constituents.

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H. The Administrative Agent(s) shall develop, maintain and update a list of community contact person(s) and/or organizations(s) in Mercer, Monmouth, and Ocean Counties that will aid in the affirmative marketing program with particular emphasis on contacts that will reach out to groups that are least likely to apply for housing within the region, including major regional employers identified in the attached affirmative marketing form as well as the following entities: Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, NAACP branches of Trenton, Greater Red Bank, Asbury Park/Neptune, Bayshore, Greater Freehold, and Greater Long Branch, Shiloh Baptist Church, and the Supportive Housing Association.

1. Quarterly informational flyers and applications shall be sent to each of the following agencies for publication in their journals and for circulation among their members:

Mercer County Board of Realtors

Monmouth County Board of Realtors

Ocean County Board of Realtors

2. Quarterly informational circulars and applications shall be sent to the administrators of each of the following agencies within the counties of Mercer, Monmouth, and Ocean Counties:

Welfare or Social Service Board (via the Director)

Rental Assistance Office (local office of DCA)

Office on Aging

Housing Authority (municipal or county)

Community Action Agencies

Community Development Departments

3. Quarterly informational circulars and applications shall be sent to the chief personnel administrators of all of the major employers within the region, as listed on in the attached affirmative marketing form.

4. In addition, specific notification of the availability of affordable housing units in Lawrence (along with copies of the application form) shall be provided to the following entities: Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, NAACP branches of Trenton, Greater Red Bank, Asbury Park/Neptune, Bayshore, Greater Freehold, and Greater Long Branch, Shiloh Baptist Church, and the Supportive Housing Association.

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I. A random selection method to select occupants of very low, low and moderate income housing will be used by the Administrative Agent(s), in conformance with N.J.A.C. 5:80-26.16 (I). The Affirmative Marketing Plan shall provide a regional preference for very low, low and moderate income households that live and/or work in COAH Housing Region 4, comprised of Mercer, Monmouth, and Ocean Counties. Pursuant to the New Jersey Fair Housing Act (C.52:27D-311), a preference for very low, low and moderate income veterans duly qualified under N.J.A.C. 54:4-8.10 may also be exercised, provided an agreement to this effect has been executed between the developer or landlord and the Township prior to the affirmative marketing of the units.

J. The Administrative Agent(s) shall administer the Affirmative Marketing Plan. The Administrative Agent(s) has the responsibility to income qualify very low, low and moderate income households; to place income eligible households in very low, low and moderate income units upon initial occupancy; to provide for the initial occupancy of very low, low and moderate income units with income qualified households; to continue to qualify households for re-occupancy of units as they become vacant during the period of affordability controls; to assist with outreach to very low, low and moderate income households; and to enforce the terms of the deed restriction and mortgage loan as per N.J.A.C 5:80-26-1, et seq.

K. The Administrative Agent(s) shall provide or direct qualified very low, low and moderate income applicants to counseling services on subjects such as budgeting, credit issues, mortgage qualifications, rental lease requirements and landlord/tenant law and shall develop, maintain and update a list of entities and lenders willing and able to perform such services.

L. All developers/owners of very low, low and moderate income housing units shall be required to undertake and pay the costs of the marketing of the affordable units in their respective developments, subject to the direction and supervision of the Administrative Agent(s).

M. The implementation of the Affirmative Marketing Plan for a development that includes affordable housing shall commence at least 120 days before the issuance of either a temporary or permanent certificate of occupancy. The implementation of the Affirmative Marketing Plan shall continue until all very low, low and moderate income housing units are initially occupied and for as long as the affordable units remain deed restricted such that qualifying new tenants and/or purchasers continues to be necessary.

N. The Administrative Agent(s) shall provide the Affordable Housing Liaison with the information required to comply with monitoring and reporting requirements pursuant to N.J.A.C. 5:80-26-1, et seq.

Adopted: August 28, 2018

RECORD OF VOTE

COUNCIL	AYE	NAY	PRESENT	ABSENT	ABSTAIN	MOVE	SECOND
Mr. Kownacki	✓						
Ms. Lewis	✓					✓	
Dr. Maffei				✓			
Mr. Powers	✓						✓
Mayor Bobbitt	✓						
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