

**MASTER PLAN
HOUSING ELEMENT AND FAIR SHARE PLAN
NEW MILFORD, NEW JERSEY**

**DECEMBER 19, 2005
REVISED AUGUST 25, 2006**

**PREPARED FOR:
BOROUGH OF NEW MILFORD**

PREPARED BY:



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This copy conforms to the original copy of this report which is stamped and signed by Michael F. Kauker, Professional Planner's License Number 993, in accordance with N.J.S.A. 45:14A regulating the practice of Professional Planning in the State of New Jersey.

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INTRODUCTION

The Housing Element presented in this report fulfills the requirements of the *Municipal Land Use Law* (N.J.S.A. 40:55D-1 et seq.) and of Section 10 of the *Fair Housing Act* (N.J.S.A. 52-27D-301 et seq.). The *Fair Housing Act* provides a framework for New Jersey's municipalities to address their constitutional obligation to provide a reasonable opportunity for the construction of affordable housing meeting the needs of citizens in the region of which the community is located. The Council on Affordable Housing (COAH) is the State agency responsible for the administration of the *Fair Housing Act*.

There has been a substantial departure from the Round 1 and Round 2 COAH methodology as it relates to determining a municipality's fair share of affordable housing. The new Round 3 rules apply a growth share component which will be utilized in addition to two other components; the rehabilitation and remaining obligation from the prior rounds, in order to determine a municipality's fair share number.

This report includes the information contained in COAH's *Substantive Rules* effective January 1, 2004. The particular requirements of these rules, as outlined in N.J.A.C. 5:94-2.2, "Preparing a Housing Element," are listed below:

The Housing Element submitted to the Council shall include the minimum requirements prescribed by N.J.S.A 52:27D-310.

1. An inventory of the Borough's housing stock by age, condition, purchase or rental value, occupancy characteristics and type, including the number of units affordable to low- and moderate-income households and substandard housing capable of being rehabilitated.
2. A projection of the Borough's housing stock, including the probable future construction of low- and moderate-income housing, for the six years subsequent to the adoption of the housing element, taking into account, but not limited to, construction permits issued, approvals of applications for development and probable residential development of lands.
3. An analysis of the Borough's demographic characteristics including, but not limited to, household size, income level and age.
4. An analysis of the existing and probable future employment characteristics of the Borough.
5. A determination of the Borough's present and prospective fair share for low- and moderate-income housing and its capacity to accommodate its present and prospective housing needs, including its fair share for low- and moderate-income housing.
6. A consideration of the lands that are most appropriate for construction of low- and moderate-income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low- and moderate-income housing, including a consideration of lands of developers who have expressed a commitment to provide low- and moderate-income housing.

Supporting information to be submitted with the Housing Element shall include:

1. A projection of the municipality's probable future construction of housing for ten years covering the period January 1, 2004 through January 1, 2014 based upon the following minimum information for residential development:
 - i. Certificates of occupancy issued since January 1, 2004;
 - ii. Construction and demolition permits issued and projected;
 - iii. Approvals of applications for development; and
 - iv. Historic trends, of, at least, the past ten years, which shall include demolitions and certificates of occupancy issued;

2. An analysis of the existing jobs and employment characteristics of the municipality, and a projection of the probable future jobs and employment characteristics of the municipality for ten years covering the period January 1, 2004 through January 1, 2014 based upon the following minimum information for non-residential development:
 - i. Certificates of occupancy issued since January 1, 2004;
 - ii. Construction and demolition permits issued and projected;
 - iii. Approvals of applications for development including a breakdown of non-residential projections by use group as outlined in Appendix E, incorporated herein by reference; and
 - iv. Historic trends, of, at least, the past ten years, which shall include demolitions, certificates of occupancy issued and absorption rates;

3. An analysis of how existing zoning or planned changes in zoning provide adequate capacity to accommodate residential and non-residential growth projections consistent with the municipal growth projections calculated pursuant to (b)1 and 2 above. This analysis should include the availability of existing and planned necessary infrastructure, the anticipated demand for the types of uses permitted by zoning based on present and anticipated future demographic characteristics of the municipality, anticipated land use patterns, municipal economic development policies and constraints on development including state and federal regulations, land ownership patterns, presence of incompatible land uses or sites needing remediation and existing or planned measures to address these constraints;

4. Plan Projections for 2015 or growth projections for 2015 in an endorsed plan approved by the State Planning Commission, whichever is later, after December 20, 2004. If Plan Projections for 2015 are not available when a municipality petitions for substantive certification, a municipality may substitute the most recent municipal population, household, and employment growth projections published by the municipality's metropolitan planning organization as a minimum replacement for the State Planning Commission Plan Projections. Where no metropolitan planning organization household growth projections are available, population projections shall be converted to households using the most recently published municipal household size data available from the Bureau of the Census.

5. If the municipal population, household and employment growth projections used to determine the municipal growth share obligations pursuant to N.J.A.C. 5:94-2.4 are not consistent with the municipal Plan Projections for 2015 required pursuant to (b)4 above, the municipality shall provide the following:
 - i. A demonstration that the capacity of existing or planned zoning to accommodate the Plan Projections pursuant to (b)4 above renders those Plan Projections inaccurate;
 - ii. An analysis of the reasons for the differences between the municipal growth projections calculated pursuant to (b)1 and 2 above and the Plan Projections calculated pursuant to (b)4 above; and
 - iii. A detailed justification as to why the Council should accept the alternate projections.
6. A copy of the most recently adopted municipal master plan and, when less than three years old, the immediately preceding, adopted master plan;
7. A copy of the most recently adopted municipal zoning ordinance;
8. A general description of any specific sites slated for affordable housing, including but not limited to the following: acreage, owner, block and lot, current zoning, surrounding land uses, and street access;
9. A copy of the most up-to date tax maps of the municipality, electronic if available, with legible dimensions; and
10. Any other documentation pertaining to the review of the municipal Housing Element as may be required by the Council.

Each of these requirements is addressed in the remainder of this report.

HOUSING ELEMENT COMPONENTS

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

The Borough of New Milford covers 2.31 square miles or 1,478.4 acres. The Borough is located in lower central Bergen County. The Hackensack River forms a natural border to the immediate west. Bergen County is part of the housing region established by COAH consisting of Bergen, Hudson, Bergen and Sussex counties.

A review of existing land use characteristics shows that the Borough remains a predominantly single-family residential community. A summary of existing acreage, which was zoned for a particular land use, is included as **Table 1. Table 1** summarizes the acreage zoned for each use as compared to actual existing uses.

Table 1
Summary of Zoning by Land Use
Borough of New Milford, 2004

<u>Use</u>	<u>Zoned (Acres)</u>	<u>Percent</u>
Residential	1,324.5	96.1%
<i>Residential A</i>	1,225.8	
<i>Residential B</i>	1.4	
<i>Residential C</i>	89.9	
<i>Residential D</i>	7.4	
Commercial	30.8	2.2%
Industrial	0.9	0.1%
Light Industrial Park	21.9	1.6%
<i>Totals</i>	1,378.0	100.0%

The median value of owner-occupied housing units according to the 2000 Census was \$223,400 with most of the residences valued between \$200,000 and \$299,999. **Table 2** illustrates the breakdown of housing values for 2000.

TABLE 2
OWNER-OCCUPIED HOUSING UNITS BY VALUE

<u>Value</u>	<u># of Housing Units</u>	<u>Percent</u>
Less than \$ 50,000	15	0.4%
\$ 50,000 - \$ 99,999	0	0.0%
\$100,000 - \$149,999	118	3.1%
\$150,000 - \$199,999	1136	30.1%
\$200,000 - \$299,999	2,109	55.9%
\$300,000 - \$499,999	352	9.3%
\$500,000 - \$999,999	43	1.1%
\$1,000,000 or more	0	0.0%
Total:	3,773	100.0%

Source: US Census Bureau, 2000.

Nearly 76% or 4,809 housing units were built prior to 1960. The next period of significant housing development occurred between 1960 and 1969 at 12.6% or 799 housing units. A summary of the age of structure indicated by year built is presented in **Table 3**.

TABLE 3
AGE OF HOUSING UNIT BY YEAR BUILT

<u>Year Structure Built</u>	<u>Number</u>	<u>Percent</u>
<i>Built 1990 to March 2000</i>	190	3.0%
<i>Built 1980 to 1989</i>	178	2.8%
<i>Built 1970 to 1979</i>	370	5.8%
<i>Built 1960 to 1969</i>	799	12.6%
<i>Built 1950 to 1959</i>	2,402	37.9%
<i>Built 1940 to 1949</i>	1365	21.5%
<i>Built 1939 or earlier</i>	1042	16.4%
Totals	6,346	100.0%

Source: US Census, 2000

TABLE 4
OCCUPANCY STATUS

H3. OCCUPANCY STATUS [3] - Universe: Housing units					
Data Set: Census 2000 Summary File 1 (SF 1) 100-Percent Data					
NOTE:					
	New Milford borough, New Jersey				
Total:	6,437				
Occupied	6,346				
Vacant	91				
U.S. Census Bureau Census 2000					

Of the 6,437 occupied housing units in the Borough of New Milford 98.5% of these units are occupied, displaying a common trend of conscientious home ownership with a desire to remain within the Borough.

TABLE 5
TENURE OF OCCUPIED HOUSING UNITS

H4. TENURE [3] - Universe: Occupied housing units					
Data Set: Census 2000 Summary File 1 (SF 1) 100-Percent Data					
NOTE: For					
	New Milford borough, New Jersey				
Total:	6,346				
Owner occupied	4,010				
Renter occupied	2,336				
U.S. Census Bureau Census 2000					

The analysis of this Census information portrays a more significant percentage of home ownership within the Borough the difference is not dramatic. According to the 2000 Census Information, 63% of the occupied housing units within the Borough are owner occupied and 37% are renter occupied. A possible reason for the larger percentage of renter occupied units as comparison to other municipalities is the Borough's close proximity to New York City and New Jersey major arterial routes.

TABLE 6
AVERAGE HOUSEHOLD SIZE OF OCCUPIED HOUSING UNITS

H12 AVG. HH SIZE			
Data Set: Census 2000 Summary File 1 (SF 1) 100-Percent Data			
NOTE: For			
	New Milford borough, New Jersey		
Average household s			
Total	2.54		
Owner occupied	2.93		
Renter occupied	1.87		
U.S. Census Bureau Census 2000			

The Census data for the average household size for occupied housing units is similar to other trends within other municipalities. That trend is that owner occupied units tend to have a larger household size as these consist of more families as in comparison to renter occupied units which mainly consist of single individuals.

According to the 2000 Census, the median monthly owner costs were \$1,848 with a mortgage and \$700 not mortgaged. The median gross rent was \$763 per month. Gross rents per unit in the Borough of New Milford are illustrated in **Table 7**.

TABLE 7
GROSS RENT PER UNIT

Gross Rent	# of Units	Percent
Less than \$ 299	41	1.8%
\$300 - \$399	9	0.4%
\$400 - \$499	111	4.8%
\$500 - \$599	153	6.6%
\$600 - \$699	323	13.9%
\$700 - \$799	781	33.7%
\$800 - \$899	421	18.2%
\$900 - \$999	284	12.3%
\$1000 - \$1499	105	4.5%
\$1500 - \$1999	28	1.2%
\$2000 or more	53	2.3%
No cash rent	8	0.3%
Total:	2,317	100.0%
Median	763	

Source: US Census Bureau, 2000.

TABLE 8
NUMBER OF UNITS THAT QUALIFY FOR REHABILITATION

According to Round Three Regulations units that qualify for rehabilitation are those that:

- Units with 1.01 or more persons and that were built pre 1939

- Units that are lacking complete plumbing facilities
- Units that are lacking complete kitchen facilities

# of Units Lacking Complete Plumbing Facilities	# of Units w/ 1.01 ppp and built before 1939	# of Units Lacking complete Kitchen Facilities
32	0	52

* H 47 SF 3 2000 Census Data

** H 49 SF 3 2000 Census Data

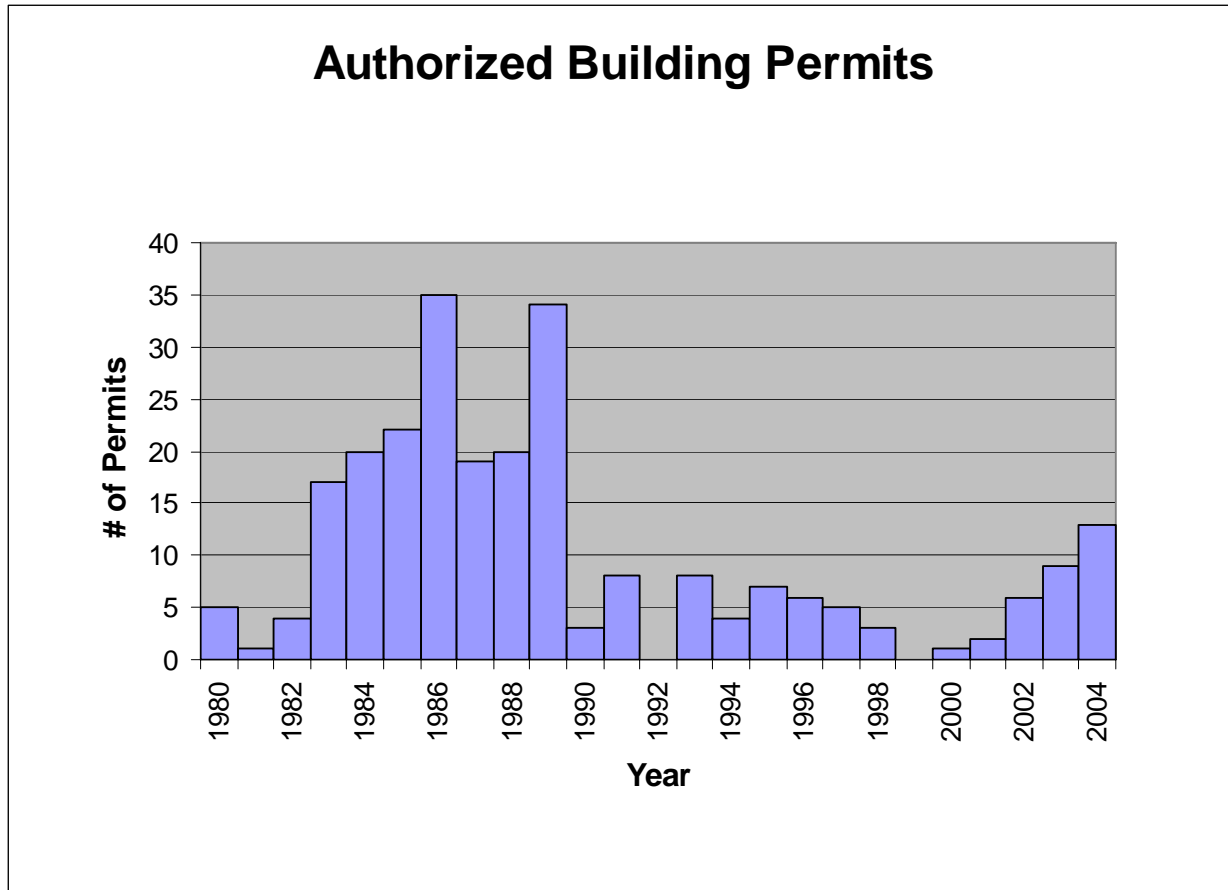
*** H 50 SF 3 2000 Census Data

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

The municipality has experienced cycles of housing related construction. Throughout the 1980s, the municipality saw a steady issuance of building permits for new construction and related home improvements. Through the 1990's development slowed significantly but continued at a steady rate. 2004 experienced development over 10 permits granted in the last 14 years. **Table 9** illustrates the number of building permits issued between the years 1980 to 2004.

TABLE 9
BUILDING PERMITS - 1980 TO 2004

Year	Total	Single Family	2 to 4 Family	5 or more Family
1980	5	5	0	0
1981	1	1	0	0
1982	4	4	0	0
1983	17	17	0	0
1984	20	20	0	0
1985	22	22	0	0
1986	35	33	2	0
1987	19	11	0	8
1988	20	20	0	0
1989	34	34	0	0
1990	3	1	2	0
1991	8	8	0	0
1992	0	0	0	0
1993	8	8	0	0
1994	4	4	0	0
1995	7	7	0	0
1996	6	6	0	0
1997	5	5	0	0
1998	3	3	0	0
1999	0	0	0	0
2000	1	1	0	0
2001	2	2	0	0
2002	6	6	0	0
2003	9	9	0	0
2004	13	13	0	0
<i>Totals</i>	252	240	4	8



Source: NJ Residential Building Permit Summaries, New Jersey Department of Labor

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

The Borough's population has remained relatively stable over the past ten years. The 2000 population of 16,400 persons shows a slight increase (2.6 percent) from the 1990 population of 15,990 persons. The age group characteristics based upon the 1990 and 2000 US Censuses are shown in Table 7. The racial composition of New Milford's population is predominately white, accounting for accounting for nearly 79% of Borough residents. The racial characteristics of New Milford' residents are identified in **Table 10**.

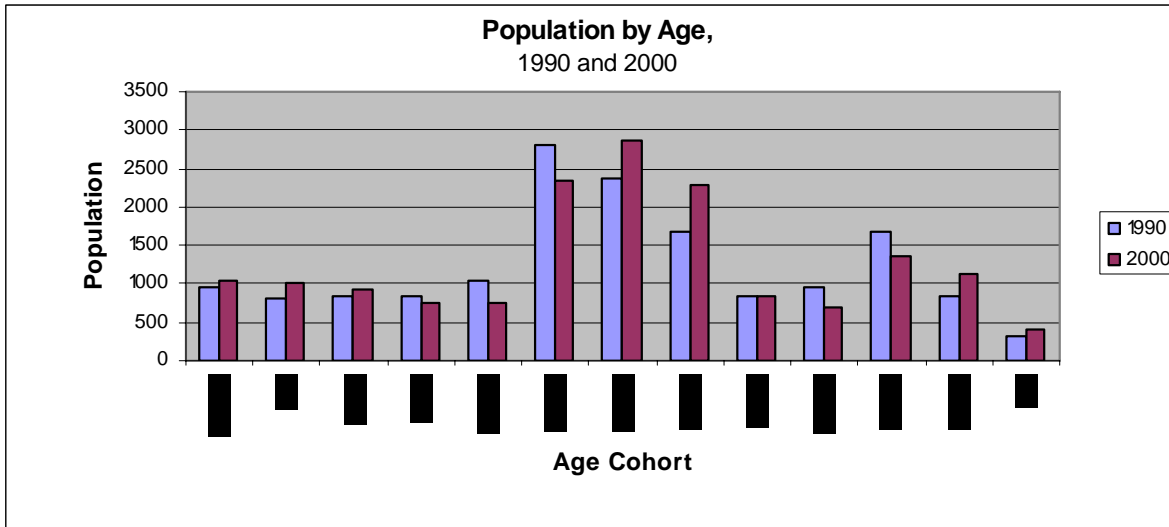
TABLE 10
2000 RACIAL CHARACTERISTICS

<u>Race</u>	<u>New Milford</u>	
	<u>Number</u>	<u>Percent</u>
One race	16,065	98.0%
White	12,888	78.6%
Black or African American	429	2.6%
American Indian and Alaska Native	19	0.1%
Asian	2,420	14.8%
Asian Indian	631	3.8%
Chinese	328	2.0%
Filipino	1,046	6.4%
Japanese	65	0.4%
Korean	223	1.4%
Vietnamese	11	0.1%
Other Asian	80	0.5%
Native Hawaiian and Other Pacific Islander	4	-
Native Hawaiian	-	-
Samoan	1	-
Guamanian or Chamorro	-	-
Other Pacific Islander	3	-
Some other race	305	1.9%
Two or more races	335	2.0%

Source: US Census Bureau, 2000.

TABLE 11
POPULATION CHANGE - 1990 TO 2000

<u>Age</u>	<u>1990</u>		<u>2000</u>		<u>Change, 1990 - 2000</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
<i>Under 5</i>	941	5.9%	1,050	6.4%	109	11.6%
<i>5 - 9</i>	809	5.1%	1,010	6.2%	201	24.8%
<i>10 - 14</i>	827	5.2%	933	5.7%	106	12.8%
<i>15 - 19</i>	829	5.2%	758	4.6%	-71	-8.6%
<i>20 - 24</i>	1,054	6.6%	738	4.5%	-316	-30.0%
<i>25 - 34</i>	2,819	17.6%	2,353	14.3%	-466	-16.5%
<i>35 - 44</i>	2,386	14.9%	2,865	17.5%	479	20.1%
<i>45 - 54</i>	1,691	10.6%	2,273	13.9%	582	34.4%
<i>55 - 59</i>	837	5.2%	844	5.1%	7	0.8%
<i>60 - 64</i>	944	5.9%	688	4.2%	-256	-27.1%
<i>65 - 74</i>	1,679	10.5%	1,362	8.3%	-317	-18.9%
<i>75 - 84</i>	847	5.3%	1,122	6.8%	275	32.5%
<i>85 +</i>	327	2.0%	404	2.5%	77	23.5%
<i>Totals</i>	15,990	100.0%	16,400	100.0%	410	2.6%



Source: US Census Bureau, 2000.

In 2000, the average population of the Borough’s 6,355 households was 2.54. The 1999 median income per household in New Milford was \$59,118, which is a 29% increase over the 1989 household median income of \$44,600. The 2000 breakdown of income categories is shown in **Table 12**.

TABLE 12
HOUSEHOLD INCOMES in 1999

Income	# of	
	Households	Percent
Less than \$10,000	286	4.5%
\$10,000 to \$14,999	243	3.8%
\$15,000 to \$24,999	427	6.7%
\$25,000 to \$34,999	565	8.9%
\$35,000 to \$49,999	1048	16.5%
\$50,000 to \$74,999	1274	20.0%
\$75,000 to \$99,999	1060	16.7%
\$100,000 to \$149,999	910	14.3%
\$150,000 to \$199,999	316	5.0%
\$200,000 or more	226	3.6%
Totals	6,355	100.0%

Source: 2000 Census

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

Of the 8,754 persons in the labor force in the Borough, only 324 or approximately 3.7% were unemployed at the time of the 2000 Census. Approximately 75% of all persons employed have traditional white-collar jobs, while 25% of the labor force is employed in traditional blue-collar occupations. **Table 13** indicates the number of employed persons by profession for the Borough of New Milford.

TABLE 13
EMPLOYED PERSONS BY PROFESSION - 2000

Occupation	Number of Persons	Percent
Management, professional, and related occupations:	3509	41.7%
Service occupations:	830	9.9%
Sales and office occupations:	2815	33.4%
Farming, fishing, and forestry occupations	0	0.0%
Construction, extraction, and maintenance occupations:	589	7.0%
Production, transportation, and material moving occupations:	681	8.1%
Total:	8,424	100.0%

Source: US Census Bureau, General Social and Economic Characteristics, 2000 US Census

4. A determination of the municipality's present and prospective fair share for low- and moderate-income housing and its capacity to accommodate its present and prospective housing needs, including its fair share for low- and moderate-income housing.

Deficient housing units occupied by low- and moderate-income households which is referred to as rehabilitation share;

The rehabilitation share for affordable housing is the number of existing housing units as of April 1, 2000 that are both deficient and occupied by households of low or moderate income as determined through the methodology provided in Appendix A, or through a survey of the municipal housing stock conducted in accordance with the provisions of N.J.A.C. 5:93. Each municipality's rehabilitation share is calculated in Appendix C, incorporated herein by reference.

The rehabilitation share as calculated in Appendix C is 1 housing unit.

Remaining Prior Round (1987 - 1999) Obligation assigned to a municipality by the Council or the court for the period 1987 through 1999;

Remaining Prior Round (1987 - 1999) Obligations from the first and second fair share rounds have been recalculated to include data from the 2000 Census and are displayed for each municipality in Appendix C.

New Milford’s remaining prior round (1987 – 1999) obligation for the first and second rounds as calculated in Appendix is 17 units.

The share of the affordable housing need generated by a municipality's actual growth (2004 - 2014) based upon the number of new housing units constructed and the number of new jobs created as a result of non-residential development.

The “growth share” for the period January 1, 2004 through January 1, 2014 shall initially be calculated based on municipal growth projections pursuant to N.J.A.C. 5:94-2.2. Projections of population and employment growth shall be converted into projected growth share affordable housing obligations by applying a ratio of one affordable unit for every eight new market-rate residential units projected, plus one affordable unit for every 25 newly created jobs as measured by new or expanded non-residential construction within the municipality in accordance with Appendix E, as projected in the municipality pursuant to N.J.A.C. 5:94-2.4. The growth share projections shall be converted into actual growth share obligation when market-rate units and newly constructed and expanded non-residential developments receive permanent certificates of occupancy, pursuant to N.J.A.C. 5:94-2.5. Although the overall statewide need calculations are figured from the last year of the prior round (1999) to the last year of the new round (2014), the municipality's portion of the statewide need is compressed into a delivery period that runs from January 1, 2004 to January 1, 2014.

TABLE 10
FAIR SHARE OBLIGATION: 1999-2014

Step 1	Rehabilitation Share (2000)	+	1
Step 2	Remaining Prior Round (1987-1999) Obligation	+/-	17
Step 3	Growth Share (2004-2014) (15-year need)	+	34
Step 4	Fair Share Obligation (1999-2014)	=	52

* Fair Share Obligation is the sum of Rehabilitation Share (2000), Remaining Prior Round (1987-1999) Obligation, and growth share (2004-2014) calculated as development occurs through ratios.

Growth Share Calculations (2004-2014)

A. Residential Growth Share Obligation Projections

Table R-1 - MPO Residential Growth Projection

2015	2005	Population Change	2000 Household Size	Household Growth
16,640	16,430	210	2.87	200

Table R-2 - 9 Year Historic Trend of C/O's and Demolitions

-	1996	1997	1998	1999	2000	2001	2002	2003	2004
C/O's Issued	3	10	5	2	0	3	8	3	9
Demolitions	1	1	0	0	0	3	2	1	1
net	2	9	5	2	0	0	6	2	8

Table R-3 - Anticipated Developments and Number of Residential Units by the Year that the C/O's are Anticipated to be Issued

<u>Approved Development Applications</u>	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Total
<u>New Construction</u>											
Single-Family Unit #1	1	-	-								1
Single-Family Unit #2	1	-	-								1
<u>Projected Development Applications</u>											
<u>New Construction</u>											
Private Subdivision #1	-	1	-								1
Private Subdivision #2	-	1	-								1
<u>Other Projected Development Applications</u>											
United Water Property - Redevelopment Site	-	-	215								215
1070 River Road Apartments	-	-	38								38
Projected Estimated Infill Development*			5*	5*	5*	5*	5*	5*	5*	5*	40
	2	2	258	5*	5*	5*	5*	5*	5*	5*	297

* Projected Estimated Infill Development is based on historic rates of C/O's from 1996 to 2004 with an average of 4.7 C/O's issued per year.

Table R-4 - Projected C/O's and Demolition Permits

-	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Total
Total C/O's Issued (from Table R-3)*	2	2	258	5	5	5	5	5	5	5	297
Demolitions**	0	0	1	1	1	1	1	1	1	1	8
net	2	2	257	4	4	4	4	4	4	4	289

* Projected Estimated Infill Development is based on historic rates of C/O's from 1996 to 2004 with an average of 4.7 C/O's issued per year.

** Projected Demolition Estimates is based on historic rates of demolitions from 1996 to 2004 with an average of 1 demolition issued per year.

Table R-5 - Total Net Residential Growth
(Sum of actual and Projected Growth)

-	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Total
Total C/O's Issued (from Table R-3)	9	2	2	258	5	5	5	5	5	5	5	306
Demolitions	1	0	0	1	1	1	1	1	1	1	1	9
net	8	2	2	257	4	4	4	4	4	4	4	297

* Projected Estimated Infill Development is based on historic rates of C/O's from 1996 to 2004 with an average of 4.7 C/O's issued per year.

** Projected Demolition Estimates is based on historic rates of demolitions from 1996 to 2004 with an average of 1 demolition issued per year.

Table R-6 - Net Residential Growth Projections After Subtracting 2nd and 3rd Round Affordable and Inclusionary Development from Projected Residential Growth (5:94-2.4)^{a,b}

-	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Total
Net Residential Growth	8	2	2	257	4	4	4	4	4	4	4	297
2nd Round Units	0	0	0	-25	0	0	0	0	0	0	0	-25
3rd Round Units	0	0	0	-40	0	0	0	0	0	0	0	-40
Final Net Growth	8	2	2	192	4	4	4	4	4	4	4	232

* Projected Estimated Infill Development is based on historic rates of C/O's from 1996 to 2004 with an average of 4.7 C/O's issued per year.

** Projected Demolition Estimates is based on historic rates of demolitions from 1996 to 2004 with an average of 1 demolition issued per year.

Table R-7 - Affordable Housing Unit Growth Projections

-	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Total
Final Net Growth	8	2	2	192	4	4	4	4	4	4	4	232
Divided by Nine	1.00	0.25	0.25	24.00	0.50	0.50	0.50	0.50	0.50	0.50	0.50	29.00

^a 5 low-and moderate income on-site + number of low-and moderate income on-site (5 x 4) = 20. The Borough can exclude the number of low-and moderate income units built on-site and market rate units at the rate of 4 times the number of low-and moderate income units built on-site to address the PRO.

^b When addressing its GSO, the Borough can exclude the number of low-and moderate income units built on-site from its GSO.

B. Non-Residential Growth Share Obligation Projections

Table NR-1 - MPO Non-Residential Growth Projection

2015	2005	Employment Change
2,660	2,560	100

Table NR-2 - 9 Year Historic Trend of C/O's and Demolitions by Square Feet

-	1996	1997	1998	1999	2000	2001	2002	2003	2004
C/O's Issued (E - Education)	235,000	-	-	-	-	13,728	80,642	3,100	0
C/O's Issued (B - Office)	-	2,616	3,640	-	552	7,278	-	-	2,778
C/O's Issued (A2 Assembly)	-	-	-	-	-	-	-	-	7,122
C/O's Issued (A4 Assembly)	-	-	-	14,989	-	-	-	-	-
C/O's Issued (R1-Hotels etc.)	-	-	-	-	-	-	-	-	2,720
Demolitions	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
net	235,000	2,616	3,640	14,989	552	21,006	80,642	3,100	12,620

Table NR-3 - "B" USE GROUP: Actual Developments by Year that C/O's Were Issued (three jobs per 1,000 square feet)

Total New Development	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Total Square Feet	Jobs
Office Development	2,778										0	2,778	8
total													8

Table NR-4 - "A2" USE GROUP: Actual Developments by Year that C/O's Were Issued (three jobs per 1,000 square feet)

Total New Development	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Total Square Feet	Jobs
Assembly Development	7,122										0	7,122	21
total													21

Table NR-5 - "R1" USE GROUP: Actual Developments by Year

that C/O's Were Issued (.8 jobs per 1,000 square feet)

Total New Development	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Total Square Feet	Jobs
Assembly Development	2,720											2,720	2
total													2

Table NR-6 - Total Net Non-Residential (Employment) Growth
(Sum of Actual and Projected Growth)

-	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Jobs
Total New Development	31	10*	10*	10*	10*	10*	10*	10*	10*	10*	10*	131
Total Demolitions	0											0
Total Net Employment Growth	31	10	10	10	10	10	10	10	10	10	10	131

*Non-Residential projections are based on certified MPO projection for employment of 2,660 persons which is a increase of 100 persons from 2005 to 2015.

Table NR-7 - Affordable Housing Unit Obligation
Generated by Non-Residential Development

-	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Total
Total New Development	31	10	10	10	10	10	10	10	10	10	10	131
Divided by 25	1.24	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	5.24
Total Net Employment Growth	1.24	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	5.24

*Non-Residential projections are based on certified MPO projection for employment of 2,660 persons which is a increase of 100 persons from 2005 to 2015.

Analysis of Future Non-Residential Growth

The task of projecting non-residential growth within the Borough of New Milford from 2006 to 2014 is a projection that is very hard to predict. On that basis we feel that the existing non-residential base will remain stable with no new development. We base this idea on the land use facts of the Borough that there is no vacant land to develop non-residential development and the existing 4 to 5 commercial strips are all viable in good condition. Therefore the only suitable means for predicting future non-residential growth is by applying the MPO forecast for Employment for the Borough of New Milford. On this basis, MPO projects 100 new jobs to be created within the Borough from 2005 to 2015. Under COAH's third round rules, this will result in the Borough providing 4 affordable housing units.

Growth Share Obligation (2004-2014)

Table 11
Total Projected Affordable Housing Obligation Generated
by Residential and Non-Residential Development 2004-2014

-	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Total
Total New Residential Development	1.00	0.25	0.25	24.00	0.50	0.50	0.50	0.50	0.50	0.50	0.50	29.00
Total New Non-Residential Development	1.24	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	5.24
Total	2.24	0.65	0.65	24.4	0.9	0.9	0.9	0.9	0.9	0.9	0.9	34.24

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

The majority of the vacant land remaining in the Borough that have not been included in the future growth calculations are un-developable and/or are being utilized for open space and recreation designation. Therefore we do not currently see any additional growth due to the development of vacant lands for residential or non-residential purposes.

New Milford is a fully developed community with a relatively small geographic area of 2.31 square miles. As evidenced by the attached land use map there are virtually no developable land area within the community which would support additional residential, commercial or light industrial development.

Each major land use area is fully developed with clear and concise boundaries. There are very few “soft” transition areas which would be prone to redevelopment. Extremely limited future residential development will occur through tear down and very limited infill development. (i.e. subdivision of larger lots)

In my opinion there are no known empirical models or methodology to serve predictability of the given growth of infill growth of a given municipality other than a straight line growth projection, as population growth logically follows such conditions as economics, employment and interest rates. Accordingly the projections with the Borough’s Housing Plan are perceived on a straight line projection and perceived under a 10 year time frame.

It is our opinion that these projections are sufficient for the purposes of this Housing Plan as the very nature of the growth share concept is pragmatic. Accordingly the best determination of actual growth is by periodic measure and required monitoring reports.

The following sites have been identified as being appropriate for the construction of low-and moderate income housing.

Site 1

- Block 1309, Lot 1 (United Water Company – Redevelopment Site)
- Image of Subject Property



The United Water Company – Redevelopment Site project is a proposed 215 unit residential development. Forty-Five (45) rental units are set aside for low-and moderate income housing while the remaining 170 units are market rate units. The proposed development is located at the northwest corner of the Borough; south of Main Street and west of River Road and is within the Residential A Zone. The current owner is United Water Company. The size of the Block 1309, Lot 1 is 16.08 acres. This site is the largest vacant development site and is the last opportunity for large scale development without any requiring any demolitions within the Borough. Surrounding the subject property is a mix of uses. To the north of the property is a pumping station maintained by United Water Company. To the South of the property is New Milford’s High School. The remaining uses surrounding the property are open/recreation space and residential uses.

The Borough of New Milford is committed to purchase development in accordance with the plan contained here within. In response to the Borough's request, United Water Company is currently implementing reclamation and site development activity on the site. Currently, Department of Environmental Protection (DEP) is monitoring the subject property and is in the process of cleaning up the site. The expected clean up of the property is by the end of this year. As a public utility company, the sale must be reviewed and approved by the New Jersey Watershed Review Board. With no legal hold ups the expected completion of this project is within next year.

Four (4) units of the proposed 215 units will be transferred via RCA. There are 4 units that will be subject to a money in lieu of agreement between the municipality and the developer at the rate of \$65,000 per unit. The development will be used to address a portion of the Borough's PRO. Therefore the rules and regulations of Round 2 would govern.

Site 2

- Block 104, Lot 18 (1070 River Road Apartments)
- Image of Subject Property



The 1070 River Road Apartments – is a proposed development containing 38 unit residential units located on the west side of River Road, just west of the Borough Hall and within the Proposed Townhouse Housing District. The Proposed Townhouse Housing District is located in the same location as the subject development. River Road is the major arterial road for the Borough of New Milford. As you can see from the aerial the majority of the land uses are residential. The owner of the property is Canterbury Village and the size of the lot is .882 acres or 38,419 SF.

The development will result in the construction of 38 total units of which 4 will be transferred via RCA. The 4 units will be subject to a money in lieu of agreement between the municipality and the developer at the rate of \$65,000 per unit. The development will be used to address a portion of the Borough’s PRO. Therefore the rules and regulations of Round 2 would govern.

TABLE 12
APPROPRIATE SITES FOR THE CONSTRUCTION OF
LOW-AND MODERATE INCOME: 1999-2014

Site	Name	Total Units	Affordable Units On-Site	RCA ^c
1	United Water Company – Redevelopment Site (Block 1309, Lot 1)	215	45	4
2	1070 River Road Apartments (Block 104, Lot 18)	38	0	4

PROPOSED FAIR SHARE PLAN

The Borough of New Milford has a total obligation including the rehabilitation, remaining prior round obligation and growth share components of 52 low and moderate units. The 40 low and moderate units are broken down as follows: Rehabilitation – 1; Remaining Prior Round Obligation – 17; Third Round Growth Share – 34. The following table documents these components.

TABLE 13
FAIR SHARE OBLIGATION: 1999-2014

Step 1	Rehabilitation Share (2000)	+	1
Step 2	Remaining Prior Round (1987-1999) Obligation	+/-	17
Step 3	Growth Share (2004-2014) (15-year need)	+	34
Step 4	Fair Share Obligation (1999-2014)	=	52

* Fair Share Obligation is the sum of Rehabilitation Share (2000), Remaining Prior Round (1987-1999) Obligation, and growth share (2004-2014) calculated as development occurs through ratios.

This obligation will be provided for in the following manner:

Rehabilitation Obligation

^c Per COAH Round Two Regulations, up to 50% of the fair share obligation can be included in an RCA.

Out of the 52 total fair share obligation 1 unit was identified as a substandard unit occupied by low- and moderate-income households. The rehabilitation obligation will be addressed from the proceeds of a new Development Fee Ordinance consistent with the new third round requirements of COAH and submitted along with this document for certification by COAH.

Prior Round Obligation

The Borough has a Prior Round Obligation of 17 units. The PRO will be provided for in the following manner:

TABLE 14
PRO COMPLIANCE PLAN: 1987-1999

Site	Name	Affordable Units On-Site	Bonus Credits	RCA ^d	Total Credits
1	United Water Company – Redevelopment Site (Block 1309, Lot 1)	5 Units (Rental) ^e	4	4	13
2	Sarna/1070 River Road Apartments (Block 104, Lot 18)	-	-	4	4
	Total	5	4	8	17

Pursuant to COAH’s Round 2 Regulations the Borough of New Milford has a rental obligation of 25% of their Prior Round Obligation or 4 units ($17 \times 0.25 = 4.25$ rounded down to 4). The rental obligation would be satisfied with the 4 rental units from the United Water Company site. The Borough would also be permitted to receive a 2 for 1 rental bonus credits for non-age restricted rental units up to the rental obligation. Therefore, the Borough would be eligible to receive a bonus credit of 4 units.

The 215 unit United Water Company – Redevelopment Site will result in the construction of 5 rental units and the transfer of 4 RCA units, at \$65,000 per unit, which will provide for a total of 13 credits. Of the 5 rental units, 4 would be eligible for 4 bonus credits. The 4 bonus credits are derived from the Borough being able to take a 2-for-1 credit for units built up to the 25% rental obligation.

The Sarna/1070 River Road Apartments development will result in the construction of 38 total units of which 4 will be transferred via RCA. The 4 units will be subject to a money in lieu of agreement between the municipality and the developer at the rate of \$65,000 per unit. The development will be used to address a portion of the Borough’s PRO. Therefore, the rules and regulations of Round 2 would govern.

^d Per COAH Round Two Regulations, up to 50% of the fair share obligation can be included in an RCA.

^e Per COAH Round Two Regulations, a 2-for-1 credit may be taken for rental units up to 25% of the fair share obligation.

Growth Share Obligation

The Borough has a Growth Share Obligation of 34 units as per the Third Round growth share calculations. The GSO will be provided for in the following manner:

TABLE 15
GROWTH SHARE COMPLIANCE PLAN: 1987-2014

Site	Name	Affordable Units On-Site	Bonus Credits	Total Credits
1	United Water Company – Redevelopment Site (Block 1309, Lot 1)	40 units (Rental) ^f	31	62
	Total	40	31	62

Pursuant to COAH’s Round 3 Regulations the Borough of New Milford has a rental obligation of 25% of their Growth Share Obligation or 9 units ($34 \times 0.25 = 8.5$ rounded up to 9). The rental obligation would be satisfied with 9 rental units from the United Water Company site. A significant departure from the previous regulations allows the Borough to receive unlimited rental bonus credits for non-age restricted rental units in excess of their rental obligation. The Borough would be permitted to receive rental bonus credits for all non-age restricted rental units in excess of the 9 unit rental obligation. The United Water site is proposed to produce 40 rental units to address the Growth Share Obligation, 31 of which would be eligible for the rental bonus credit. Therefore, this development would satisfy the Borough’s GSO of 34 units and has the potential for a total of 62 excess credits to address any future growth share obligation.

Affordable Housing Summary

1. Rehabilitation Share of 1 – Addressed by a Development Fee Ordinance.
2. Prior Round Obligation of 17
 - United Water Company
 - 5 affordable rental units on site
 - 4 bonus credits
 - 4 affordable units to be RCA
 - Total credits for United Water Company is 13
 - Sarna / River Road Apartments
 - 4 affordable units to be RCA
 - Total credits for Sarna / River Road Apartment is 4
3. Growth Share Obligation of 34

^f Per COAH Round Three Regulations, a 2-for-1 credit may be taken for rental units over and above the 25% rental obligation.

- United Water Company 40 rental units built on-site with the potential for 62 total credits

The following summarizes the Borough of New Milford's compliance with their affordable housing obligation for the (1987-2014) period

TABLE 16
FAIR SHARE COMPLIANCE PLAN: 1999-2014

Total Obligation	52
- Rehabilitation Share	<u>1</u>
- PRO	<u>17</u>
United Water Company	13
1070 River Road Apartments	4
- GSO	<u>34</u>
United Water Company	62
Units in Excess for any Future GSO	28

The table above indicates the Borough has 28 units in excess of their obligation, which would be used to address any future obligation.

AFFIRMATIVE MARKETING PLAN

The affirmative marketing plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of sex, age or number of children, to housing units that are being marketed by a developer/sponsor, municipality and/or designated administrative agency of affordable housing. The plan will address the requirements of *N.J.A.C. 5:93-11*. In addition, the plan prohibits discrimination in the sale, rental, financing or other services related to housing on the basis of race, color, sex, religion, handicap, age, familial status/size or national origin. The Borough of New Milford is in the housing region containing Bergen County. The affirmative marketing program is a continuing program and will meet the following requirements:

- A. All newspaper articles announcements and requests for applications for low- and moderate-income units will appear in the following daily regional newspapers/publications:

The Record

- B. The primary marketing will take the form of at least one press release sent to the above publication and a paid display advertisement in each of the above newspapers. Additional advertising and publicity will be on an “as needed” basis.

- C. The advertisement will include a description of the:

street address of units;
direction to housing units;
number of bedrooms per unit;
range of prices/rents;
size of units;
income information; and
location of applications including business house and where/how applications may be obtained.

- D. All newspaper articles, announcements and requests for applications for low and moderate income housing will appear in the following neighborhood-oriented weekly newspapers, religious publications and organizational newsletters within the region:

The Record

- E. The following is the location of applications, brochure(s), sign(s) and/or poster(s) used as part of the affirmative marketing program including specific employment centers within the region:

Municipal Building
Borough Library
Developer's sales office
Major employers in region

- F. The following is a listing of community contact person(s) and/or organizations in Bergen County 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:

Religious groups
Tenant groups
Civic organizations

- G. Quarterly flyers and applications will be sent to each of the following agencies for publication in their journals and for circulation among their members:

Board of Realtors in Bergen County

- H. Applications will be mailed to prospective applicants upon request.

- I. Additionally, quarterly informational circulars and applications will be sent to the chief administrative employees of each of the following agencies in Bergen County:

Welfare or Social Service Board
Rental Assistance Office (local office of NJ Department of Community Affairs)
Office on Aging
Housing Agency or Authority
Library
Area Community Action Agencies

- J. The following is a description of the random selection method that is used to select occupants of low and moderate income housing:

Each applicant upon submission of an application will be designated a number. Two categories will be created: one for low-income households and one for moderate-income households. A blind drawing will be undertaken: one each for low- and moderate-income households who are eligible for the specific affordable units.

- K. The Borough of New Milford's Affordable Housing Board is to administer the affirmative marketing program. The Borough of New Milford's Affordable Housing Board has 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

- reoccupancy 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 as per *N.J.A.C. 5:93-9.1*. The New Milford Borough Administrator is the designated housing officer to act as liaison to the New Milford Affordable Housing Board. The New Milford Affordable Housing Board will 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.
- L. Households who live or work in the COAH-established housing region may be given preference for sales and rental units constructed within that housing region. Applicants living outside the housing region will have an equal opportunity for units after regional applicants have been initially serviced. The Borough of New Milford intends to comply with *N.J.A.C. 5:93-11.7*.
 - M. All developers of low- and moderate-income housing will be required to assist in the marketing of the affordable units in their respective developments.
 - N. The marketing program will commence at least 120 days before the issuance of either temporary or permanent certificates of occupancy. The marketing program will continue until all low and moderate income housing units are initially occupied and for as long as affordable units are deed restricted and occupancy or re-occupancy of units continues to be necessary.

The New Milford Affordable Housing Board will comply with monitoring and reporting requirements as per *N.J.A.C. 5:93-11.6* and *12.1*.

- 6. A map of all sites designated by the municipality for the production of low- and moderate-income housing and a listing of each site that includes its owner, acreage, lot and block.

See Appendix.

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

Not applicable.

- 8. Copies of the necessary applications for water quality management plans.

Not applicable.

- 9. A copy of the most recently adopted municipal Master Plan and, where required, the immediately preceding, adopted Master Plan.

One copy of the Borough of New Milford' 2004 Master Plan is being submitted herewith.

10. For each designated site, a copy of the New Jersey Freshwater Wetlands maps, where available. When such maps are not available, municipalities shall provide appropriate copies of the National Wetlands Inventory maps provided by the US Fish and Wildlife Service.

See Appendix.

11. A copy of the appropriate United States Geological Survey Topographic Quadrangles for designated sites.

See Appendix.

12. Any other documentation pertaining to the review of the municipal housing element as may be required by the Council on Affordable Housing.

Not applicable.

APPENDIX