HOUSING ELEMENT & FAIR SHARE PLAN

TOWNSHIP OF UPPER

CAPE MAY COUNTY, NEW JERSEY

December 2008

Adopted by the Upper Township Planning Board on:

December 18, 2008

Prepared by:

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The original of this document has been signed and sealed in accordance with New Jersey Law.

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INTRODUCTION

According to the Fair Housing Act of 1985 and the Mount Laurel I (Burlington County N.A.A.C.P. v. Township of Mount Laurel, 67 N.J. 151 (1975)) and Mount Laurel II (South Burlington County N.A.A.C.P. v. Mount Laurel, 92, N.J. 158 (1983)) decisions, a Housing Plan Element must be designed to address the municipal fair share for low and moderate income housing as determined by the New Jersey Council on Affordable Housing ("COAH"), which is charged with determining need and creating the standards by which the Act is implemented.

This is the Township of Upper's first Housing Element and Fair Share Plan ("HEFSP") under COAH's revised Third Round methodology for the period 2004 to 2018. Upper Township adopted a Housing Element and Fair Share Plan on November 16, 2006 to address the Third Round but the plan was not filed with COAH. COAH has since substantially redesigned the process that provides affordable housing opportunities in New Jersey municipalities. During the First and Second Rounds ("Prior Round"), using a predetermined formula, COAH allocated a specific number of units for which a municipality had to provide a realistic opportunity. The allocated number was based on housing and employment conditions in the municipality, any remaining Prior Round unit obligation that was not constructed, or otherwise committed for and deficient housing units occupied by low and moderate income housing units, known as the rehabilitation share.

The Third Round methodology, with the final version adopted by COAH on September 22, 2008, requires that a municipality's fair share consist of three elements:

1. Rehabilitation share;
2. Any remaining Prior Round obligation that was not provided for;
3. Third Round Growth Share
    - For every four market-rate residential units that receive a certificate of occupancy, one new affordable housing unit must be created.
    - For every sixteen jobs based upon receipt of certificates of occupancy arising from construction of new or expansion of existing non-residential structures, one affordable unit must be created using COAH formulae relating built non-residential space to number of employees.

MUNICIPAL SUMMARY

Upper Township is located at the northern end of Cape May County, which occupies a peninsula at the southern tip of the State of New Jersey, where it adjoins Atlantic and Cumberland Counties. The Township, incorporated in 1798, occupies a land area of approximately 68.5 square miles (or 43,830 acres). Within Cape May County, Upper Township is bordered by Dennis Township and Woodbine Borough to the south and Sea Isle City and Ocean City to the east. Upper is also bordered by Maurice River Township in Cumberland County to the west and Corbin City, Egg Harbor Township and Somers Point City in Atlantic County to the north. The Atlantic Ocean and inter-coastal waterways also border the municipality to the east. Major roadways that run through Upper Township include the Garden State Parkway, U.S. Route 9 and State Routes 49 and 50.

Upper Township is completely encompassed within either the New Jersey Department of Environmental Protection ("NJDEP") Coastal Zone, subject to the Coastal Area Facility Review Act (CAFRA) - N.J.S.A. 13:19, or the Pinelands Management Area, subject to the Pinelands Protection Act - N.J.S.A. 13:18A. Approximately 46.2 square miles of Upper Township are located within the Coastal Zone; the remaining 22.3 square miles (14,276 acre) are within the Pinelands Management Area. The dividing line runs along State Route 49, State Route 50 and County Route 610. Approximately 33.7 square miles of the Coastal Zone are overlapped by the Pinelands National Reserve.

Upper Township received Plan Endorsement from the New Jersey State Planning Commission on February 21, 2007, which designated the town centers and planning area classifications of the State Development and Redevelopment Plan as Suburban, Fringe, Rural, Environmentally Sensitive and Barrier Island/Environmentally Sensitive Planning Areas. The designated centers include the Marmora-Palermo-Beesley's Point and Seaville Town Centers and the Tuckahoe and Petersburg Village Centers. Upper has defined its growth areas in centers which reflect existing development patterns along the Route 9 corridor in the Town Centers of Marmora-Palermo-Beesley's Point and Seaville with smaller villages reflecting again existing development patterns in Tuckahoe and Petersburg. These centers both reflect existing growth and provide opportunities for development and affordable housing.

Residential growth has continued in Upper Township with over 650 new housing units over the past 10 years. Housing serves a diverse income range of households with affordable mobile home parks (over 600 units), single family units on moderately-sized lots in the town centers, and rural residential development outside of the centers. High density development is limited in Upper Township since there is no public water or sewer available.

Much of Upper Township consists of public lands, which is environmentally constrained by wetlands, floodplains and Category One waters. According to the NJDEP, almost 50 percent of the Township (20,880 acres) is constrained by freshwater or coastal wetlands, with an additional 10 percent containing open waters (4,500 acres). Much of this land corresponds to the 13,000 acres of federal, state, county, municipal and not-for-profit preserved open space and the 80 acres of preserved farmland.

The Township adopted a Housing Element and Fair Share Plan on November 16, 2007. Since then, the Appellate Division has invalidated various regulations COAH adopted in 2004; COAH has adopted amended regulations on June 2, 2008, with subsequent amendments adopted on September 22, 2008. This plan is intended to supersede the 2006 HEFSP and to address the Township's responsibilities defined in the revised regulations COAH adopted on September 22, 2008.

For the Third Round, COAH has determined that Upper has a rehabilitation obligation of 14 units, a 317 unit Prior Round obligation ("PRO") and a Third Round Growth Share obligation ("GSO") of 62 units based upon COAH estimated housing growth of 109 housing units and 643 jobs. This is a combined total obligation of 393 units. However, through municipal projections, the Township of Upper has determined that, based upon already approved, pending and anticipated development, its Third Round growth share projection exceeds COAH's determination. Upper projects a GSO of 200 affordable units, for a total fair share obligation of 531 units.

GOAL

It is the overall goal of Upper Township's Housing Element and Fair Share Plan to provide the planning context in which access to low- and moderate-income housing can be provided in accordance with the requirements of the Fair Housing Act and the laws of the State of New Jersey.

CONTENT of HOUSING ELEMENT

The Municipal Land Use Law ("MLUL") requires that "the housing element be designed to achieve the goal of access to affordable housing to meet present and prospective housing needs, with particular attention to low and moderate income housing." The Fair Housing Act (N.J.S.A. 52:27D-310) requires a Housing Element to contain at least the following items:

1. An inventory of the municipality's housing stock by age, condition, purchase or rental value, occupancy characteristics, and type, including the number of units affordable to low and moderate income households and substandard housing capable of being rehabilitated.
2. A projection of the municipality's housing stock, including the probable future construction of low and moderate income housing, for the next ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands;
3. An analysis of the municipality's demographic characteristics, including but not necessarily limited to, household size, income level and age;
4. 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;
5. A determination of the municipality's present and prospective fair share for low- and moderate-income housing and its capacity to accommodate its present and prospective housing needs, including its fair share for low and moderate income housing; and
6. A consideration of the land that is 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.

In addition to the requirements of the Fair Housing Act set forth above, COAH regulations (N.J.A.C. 5:97-2.3(a)) require the Housing Element and Fair Share Plan to include the following:

1. Household projection in Appendix F(2) of COAH's Third Round Rules
2. Employment projection in Appendix F(2) of COAH's Third Round Rules
3. Prior Round obligation in Appendix C of COAH's Third Round Rules
4. Rehabilitation share in Appendix B of COAH's Third Round Rules
5. Projected growth share in accordance with N.J.A.C. 5:97-2.4
6. Copy of most recently adopted municipal zoning ordinance
7. Copy of most up to date tax maps

HOUSING ELEMENT

I. HOUSING CHARACTERISTICS

TOTAL HOUSING STOCK

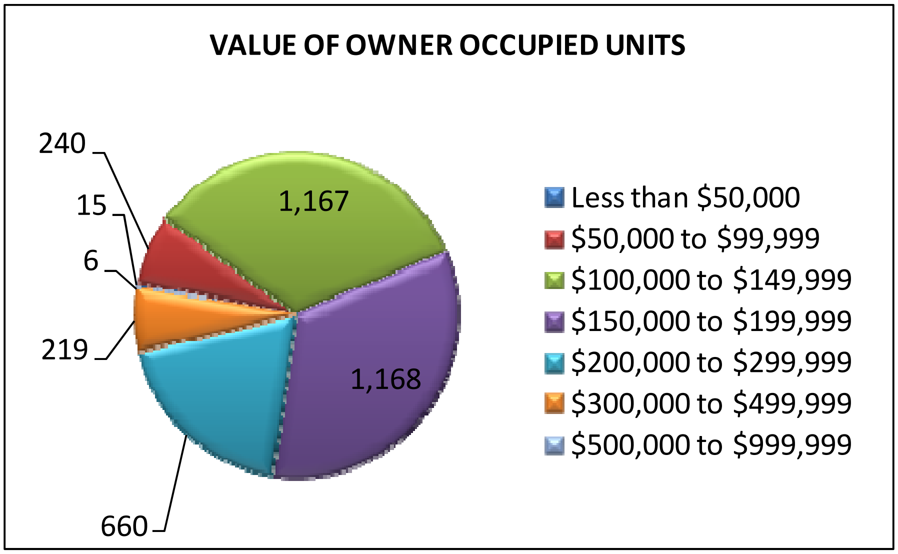
As of the 2000 census, there were 5,472 total housing units and 1,206 vacant housing units in Upper Township. The majority of the owner-occupied housing stock consists of single-family detached housing; of the vacant units, a majority (1,073) are seasonal, recreational or occasional use units. The Township's housing stock includes single-family detached units, single-family attached units, multi-family dwelling units and mobile homes. Single-family detached dwellings totaled 4,612 or 84.3% of the total housing stock. Including the 72 single-family attached dwelling units, single-family dwelling units account for 85.6% of the Township's total housing stock. The second most prevalent dwelling structure in Upper Township is mobile homes. Mobile homes totaled 611 or 11.2% of the housing stock. Multi-family units containing 3 or more units in a structure only totaled 48, or 0.9% of the total housing stock; of those units 5, or 0.1% contained twenty or more units. Of the 4,266 occupied housing units in the Township, 3,869 units, or 90.7% were owner occupied and 397 units, or 9.3% were renter occupied. The median of 6.3 rooms per unit is indicative of Upper Township's primarily single-family housing stock.

HOUSING TYPE BY UNITS IN STRUCTURE		
Unit Type	**Number**	**Percent of Total**
1, Detached	4,612	84.3%
1, Attached	72	1.3%
2	129	2.4%
3 or 4	36	0.7%
5 to 9	7	0.1%
10 to 19	0	0.0%
20 or more	5	0.1%
Mobile Home	611	11.2%
Other	0	0.0%
Total	**5,472**	
Vacant Units (non-seasonal)	1,206	
Median Rooms Per Unit	6.3	

Sources: US Census Bureau DP-4 Profile of Selected Housing Characteristics: 2000; DP-1 Profile of General Demographic Characteristics: 2000

PURCHASE AND RENTAL VALUE OF HOUSING STOCK

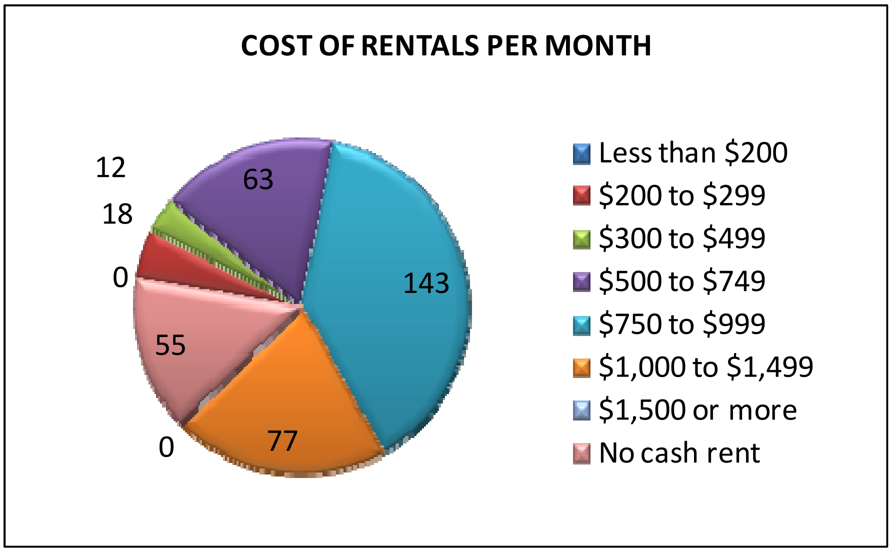
Based on the 2000 US Census, Upper Township had 3,475 owner occupied units. The largest percentage of which were in the $100,000 to $149,999 and the $150,000 to $199,999 brackets each accounting for 33.6 percent of the total number of units. The median value of owner occupied housing in Upper Township was $161,700 according to the 2000 census.



VALUE OF OWNER OCCUPIED UNITS		
Value	**Number of Units**	**Percent of Total**
Less than $50,000	15	0.4%
$50,000 to $99,999	240	6.9%
$100,000 to $149,999	1,167	33.6%
$150,000 to $199,999	1,168	33.6%
$200,000 to $299,999	660	19.0%
$300,000 to $499,999	219	6.3%
$500,000 to $999,999	6	0.2%
$1,000,000 or more	0	0.0%
Total Units	**3,475**	
Median (in dollars)	$161,700	

Source: US Census Bureau DP-4. Profile of Selected Housing Characteristics: 2000

According to the 2000 Census, there were 368 renter occupied units in Upper Township. Of those units, 25.3 percent cost less than $750 per month. The median gross rent for Upper Township was $827.



COST OF RENTALS PER MONTH		
Cost	**Number of Units**	**Percent of Total**
Less than $200	0	0.0%
$200 to $299	18	4.9%
$300 to $499	12	3.3%
$500 to $749	63	17.1%
$750 to $999	143	38.9%
$1,000 to $1,499	77	20.9%
$1,500 or more	0	0.0%
No cash rent	55	14.9%
Total Units	**368**	
Median (in dollars)	$827	

Source: DP-4. Profile of Selected Housing Characteristics: 2000

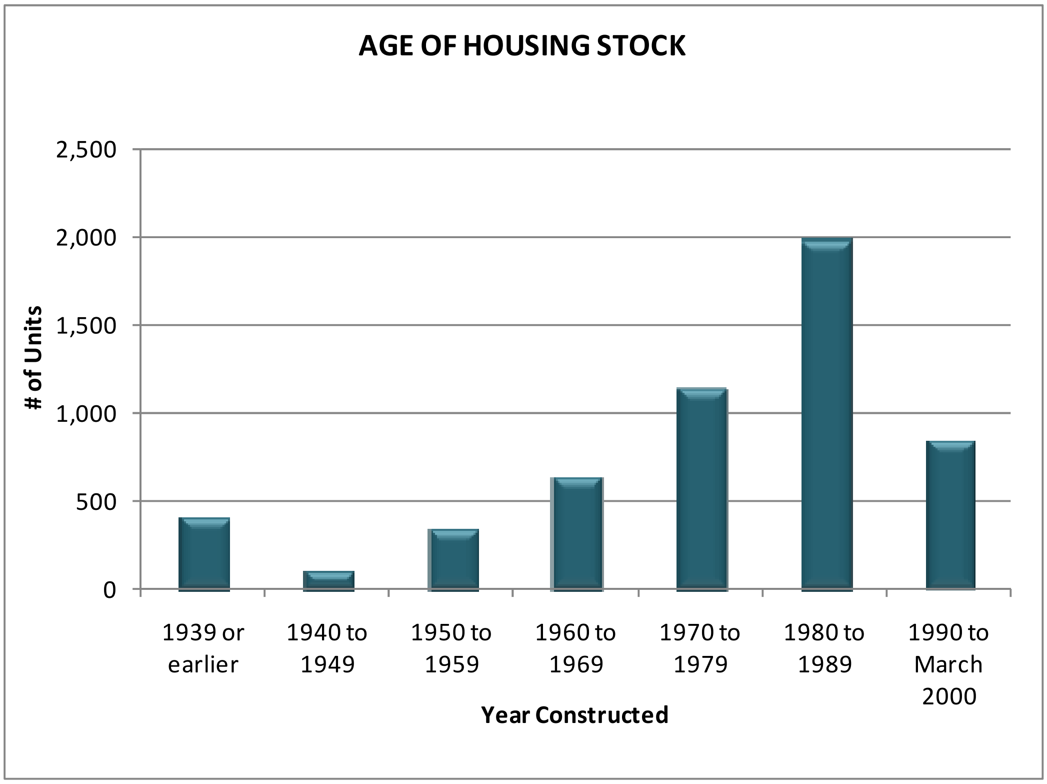
CONDITION OF HOUSING STOCK

The Census does not classify housing units as standard or substandard, but it can provide an estimate of substandard housing units that are occupied by low and moderate-income households. COAH uses the Census to determine which units are occupied by low and moderate-income households. COAH then analyzes the low and moderate income housing stock based on the year the structure was built, persons per room, plumbing and kitchens, heating, sewer and water. Although any of these characteristics may not signal a deficient structure, a unit may be considered deficient if it is occupied by a poor household, is more than 50 years old and contains a single deficiency, or if the structure is 50 years old or less with an additional detrimental condition and occupied by a poor household. To actually qualify for housing deficiency, a record of the unit must be made from the field, physical insufficiency including such as incomplete or inadequate kitchen and plumbing, crowding, inadequate heating fuels, and insufficient sewer and water resources must be noted, and the unit must be identified as less than adequate.

Year Structure Built

COAH's new methodology for calculating a municipality's rehabilitation obligation has made one significant change from the methods presented in the original Third Round Rules. Housing units built in 1949 or earlier are now flagged instead of units built in 1939 or earlier. Research has demonstrated that units built 50 or more years ago are much more likely to be in substandard condition. Included in the rehabilitation calculation are overcrowded units and dilapidated housing. Overcrowded units are defined by the U.S. Department of Housing and Urban Development as those with more than one person living per room. Finally, COAH includes dilapidated housing – lacking complete plumbing and/or kitchen facilities as reported by the 2000 U.S. Census.

Approximately 9.5 percent (or 519 units) of Upper's housing stock was constructed before 1950. COAH has cited an obligation of 14 rehabilitation units for the Township, reflecting the relatively good condition of these older homes.



AGE OF HOUSING STOCK		
Year Built	**Total Units**	**Percent**
1939 or earlier	408	7.5%
1940 to 1949	111	2.0%
1950 to 1959	345	6.3%
1960 to 1969	634	11.6%
1970 to 1979	1,135	20.7%
1980 to 1989	1,991	36.4%
1990 to March 2000	848	15.5%
Total Units	**5,472**	

Source: US Census Bureau H-34. Year Structure Built: 2000

Persons per Room

1.01 or more persons per room is an index of overcrowding. The majority of the occupied housing units have 1.00 occupants per room or less, and a total of 25 units may be overcrowded.

OCCUPANTS PER ROOM		
Occupants	**Number of Units**	**Percent of Total**
1.00 or less	4,241	99.4%
1.01 to 1.50	25	0.6%
1.51 or more	0	0.0%
Total Units	**4,266**	

Source: US Census Bureau DP-4. Profile of Selected Housing Characteristics: 2000

Plumbing Facilities

Inadequate plumbing are indicated by either a lack of exclusive use of plumbing or incomplete plumbing. The 2000 Census indicates that 9 units or 0.2% of the total housing stock within Upper Township lacks complete plumbing facilities.

Kitchen Facilities

Inadequate kitchens are indicated by shared use of a kitchen or the lack of a sink with piped water, a stove or a refrigerator. The 2000 Census indicates that zero units within Upper Township lacks complete kitchen facilities.

Heating Fuel

Inadequate heating is considered the use of coal, coke, wood or no fuel for heating. A total of 151 units or 3.5% of the total occupied housing units may have inadequate heating. Within Upper Township, 116 units use wood, 14 units use coal or coke and 21 units use other fuel or no fuel for heating.

CONDITION OF SELECTED HOUSING STOCK		
Fuel Type	**Number of Units**	**Percent of Total**
Lack of complete plumbing	9	0.2%
Lack of complete kitchen	0	0.0%
Lack of telephone service	0	0.0%
Lack of adequate heat	151	3.5%
Utility gas	1,510	35.4%
Bottled, tank, or LP gas	610	14.3%
Electricity	1,117	26.2%
Fuel oil, kerosene, etc.	878	20.6%
Coal or coke	14	0.3%
Wood	116	2.7%
Solar energy	0	0.0%
Other fuel	11	0.3%
No fuel used	10	0.2%
Total Selected Units	**4,266**	

Source: US Census Bureau DP-4. Profile of Selected Housing Characteristics: 2000

Most of the Census indicators available at the municipal level indicate a sound housing stock. Approximately 0.6 percent of the units are occupied by more than 1 person per room. The vast majority of the housing stock has complete plumbing facilities, telephone service, and kitchen facilities. Most of the units are heated with standard heating fuels.

Although the majority of the housing stock in Upper Township is relatively new, 864 units, or 15.8% of the existing housing units were built prior to 1960. Given this situation, there is the potential for a number of units in Upper Township to be eligible for rehabilitation.

II. POPULATION DEMOGRAPHICS

POPULATION

As of 2000, Upper Township's population was 12,115 persons, which represents a net increase of 5,402 persons or about 80.5 percent of the 1980 population level. Population increased by over 13.4% between 1990 and 2000.

POPULATION GROWTH			
Year	Population	Change	Percent
1980	6,713	---	---
1990	10,681	3,968	59.1%
2000	12,115	1,434	13.4%

Source: US Census Bureau DP-1. Profile of General Demographic Characteristics: 2000, 1990, & 1980

By 2015, the South Jersey Transportation Planning Organization ("SJTPO") projects that Upper Township's population will increase to 12,688 or an increase of 573 persons. The population projections prepared by the SJTPO are significantly lower than the population estimates provided by the Cape May County Planning Department, which projects that the Township's population will increase to 13,765 (an increase of 1,650 persons between 2000 and 2015).

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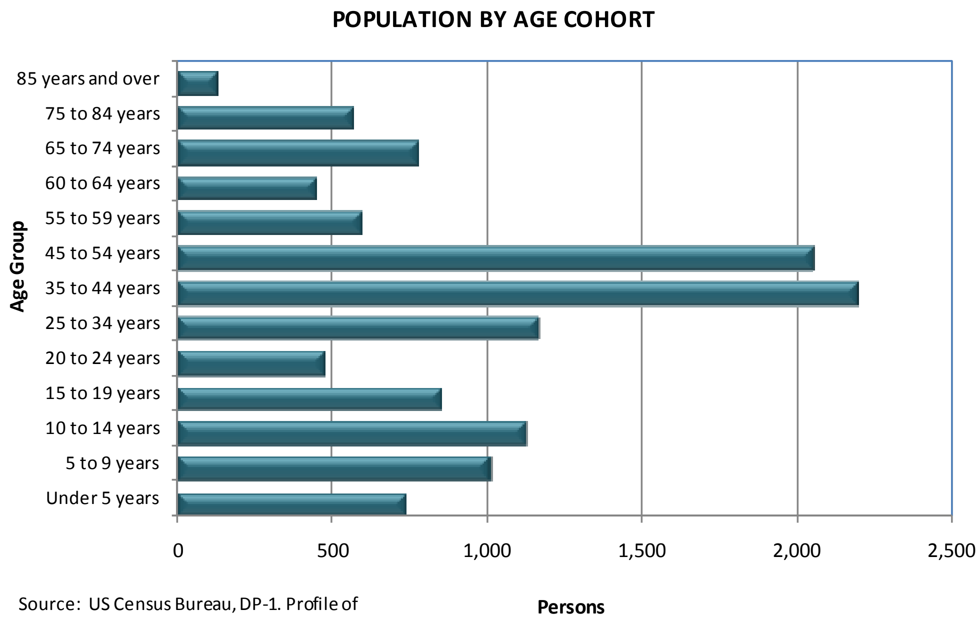
PERMANENT POPULATION PROJECTION			
Year	Population	Change	Percent
2000	12,115	---	---
2007	12,109	-6	0.0%
2010	12,322	213	1.8%
2015	12,688	366	3.0%
2020	12,982	294	2.3%
2025	13,268	286	2.2%
2030	13,572	304	2.3%
2035	13,920	348	2.6%

SJTPO 2030 Population and Employment Projections by Municipality June 2006

The median age in Upper Township in 2000 was 38.4 years. About 12.2 percent or 1,472 residents are age 65 or older.



Source: US Census Bureau, DP-1. Profile of General Demographic Characteristics: 2000

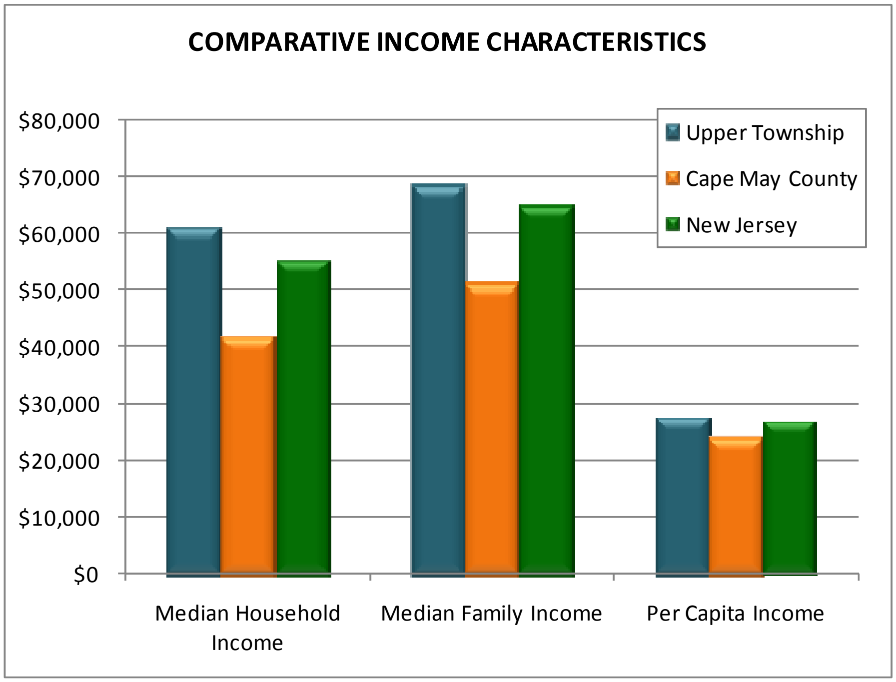
POPULATION BY AGE COHORT		
Age	**Total**	**Percent**
Under 5 years	736	6.1%
5 to 9 years	1,009	8.3%
10 to 14 years	1,124	9.3%
15 to 19 years	853	7.0%
20 to 24 years	474	3.9%
25 to 34 years	1,164	9.6%
35 to 44 years	2,193	18.1%
45 to 54 years	2,051	16.9%
55 to 59 years	595	4.9%
60 to 64 years	444	3.7%
65 to 74 years	775	6.4%
75 to 84 years	567	4.7%
85 years and over	130	1.1%
Total Population	**12,115**	

Source: US Census Bureau DP-1. Profile of General Demographic Characteristics: 2000

INCOME AND POVERTY STATUS

The 2000 Census indicates that the median household income in 1999 for Upper Township $60,942. This is almost 47 percent higher than the median household income of Cape May County, which is $41,591, and almost 11 percent higher than the State, which is $55,146.

Like median household income, per capita income in Upper Township is higher than Cape May County, and slightly higher than New Jersey. In 1999, Upper Township's per capita income was $27,498, which is 14 percent ($3,326) more than Cape May County's per capita income of $24,172. The State's per capita income was $27,006, which is 0.2% ($492) less than Upper Township's per capita income. Similarly, Upper Township's poverty status, as per the 2000 US Census, is significantly less on a percentage basis than that of Cape May County and New Jersey.



INCOME CHARACTERISTICS			
Income Type	**Upper Township**	**Cape May County**	**New Jersey**
Median Household Income	$60,942	$41,591	$55,146
Median Family Income	$68,824	$51,402	$65,370
Per Capita Income	$27,498	$24,172	$27,006
Poverty Status (Percent of People)	3.5%	8.6%	8.5%
Poverty Status (Percent of Families)	2.4%	6.4%	6.3%

Source: US Census Bureau DP-3. Profile of Selected Economic Characteristics: 2000

The 2000 Census indicates that the greatest percent of Upper Township households had an income between $50,000 and $74,999 in 1999. A total of 22.8 percent of Upper Township's households were within that income bracket, while the County had 18.2 percent and the State had 19.8 percent of their households within the same bracket. Upper Township's households in the top three household income brackets are generally consistent with the State as a whole while overall a less percentage of County households fall into these income brackets.

HOUSEHOLD INCOME						
	Upper Township		Cape May County		New Jersey	
	Total	Percent	Total	Percent	Total	Percent
Less than $10,000	135	3.2%	3,152	7.5%	213,939	7.0%
$10,000 to $14,999	160	3.7%	2,810	6.7%	143,783	4.7%
$15,000 to $24,999	400	9.4%	6,118	14.5%	288,606	9.4%
$25,000 to $34,999	444	10.4%	5,631	13.4%	305,449	10.0%
$35,000 to $49,999	553	12.9%	7,020	16.7%	437,373	14.3%
$50,000 to $74,999	976	22.8%	7,672	18.2%	608,244	19.8%
$75,000 to $99,999	709	16.6%	4,553	10.8%	413,928	13.5%
$100,000 to $149,999	549	12.8%	3,126	7.4%	391,123	12.8%
$150,000 to $199,999	169	4.0%	915	2.2%	130,492	4.3%
$200,000 or more	181	4.2%	1,143	2.7%	132,837	4.3%
Households	4,276		42,140		3,065,774	
Median Household (in persons)	2.84		2.36		2.68	

Source: US Census Bureau DP-3. Profile of Selected Economic Characteristics: 2000

HOUSEHOLD SIZE

The median household size, according to the Census data, was 2.84 persons. By comparison the average household size of the Cape May County and New Jersey was 2.36 and 2.68 persons, respectively.

AGE DISTRIBUTION OF POPULATION

In 2000, 30.7 percent of Upper Township's population was 19 years of age and younger, while 12.2 percent of the population (1,472 persons) was 65 years or older. This represents an 18.1 percent increase in the senior population from 1990 when there were 1,246 persons 65 years or older. Cape May County and the State saw smaller increases of 8.1% and 7.9%, respectively in people over 65 years against 1990 figures. Just as the senior population grew, the total population also grew. Upper Township had an overall population increase of 13.4 percent between 1990 and 2000, Cape May County had an overall increase of 7.6 percent and the State had an increase of 8.9 percent in total population. Upper Township grew at a faster rate compared to the State and the County during this decade.

AGE DISTRIBUTION						
Age Group	Upper Township		Cape May County		New Jersey	
	Total	Percent	Total	Percent	Total	Percent
Under 5 years	736	6.1%	5,244	5.1%	563,785	6.7%
5 to 9 years	1,009	8.3%	6,541	6.4%	604,529	7.2%
10 to 14 years	1,124	9.3%	7,103	6.9%	590,577	7.0%
15 to 19 years	853	7.0%	6,082	5.9%	525,216	6.2%
20 to 24 years	474	3.9%	4,450	4.3%	480,079	5.7%
25 to 34 years	1,164	9.6%	10,473	10.2%	1,189,040	14.1%
35 to 44 years	2,193	18.1%	15,606	15.3%	1,435,106	17.1%
45 to 54 years	2,051	16.9%	14,354	14.0%	1,158,898	13.8%
55 to 59 years	595	4.9%	6,239	6.1%	423,338	5.0%
60 to 64 years	444	3.7%	5,553	5.4%	330,646	3.9%
65 to 74 years	775	6.4%	10,662	10.4%	574,669	6.8%
75 to 84 years	567	4.7%	7,394	7.2%	402,468	4.8%
85 years and over	130	1.1%	2,625	2.6%	135,999	1.6%
Total	**12,115**		**102,326**		**8,414,350**	
Median Age	38		42		37	

Source: US Census Bureau DP-1. Profile of General Demographic Characteristics: 2000

III. EMPLOYMENT DEMOGRAPHICS

ECONOMIC DEVELOPMENT

Upper Township is primarily residential but also contains some commercial uses, which are primarily located along the U.S. Route 9 corridor in the town centers of Seaville and Marmora-Palermo-Beesley's Point. There is also limited commercial development along the State Routes 49 and 50 corridors. The Township anticipates future development to primarily occur within the town centers in accordance with the Township Master Plan.

EMPLOYMENT PROJECTIONS

The SJTPO estimated 4,068 jobs in Upper Township in 2007. By 2035, the SJTPO projects 4,877 total jobs in Upper Township, a net increase of 809 jobs or an average of 29 new jobs annually.

EMPLOYMENT PROJECTION			
Year	Jobs	Change	Percent
2007	4,068	-	-
2010	4,236	168	4.1%
2015	4,436	200	4.7%
2020	4,570	134	3.0%
2025	4,689	119	2.6%
2030	4,801	112	2.4%
2035	4,877	76	1.6%

SJTPO 2030 Population and Employment Projections by Municipality June 2006

WORKERS BY INDUSTRY

According to the New Jersey Department of Labor and Workforce Development ("NJDLWD"), in 2003 Upper Township contained 407 business establishments in the private sector, totaling 3,012 jobs. Construction had 74 businesses (18%) followed by professional and technical services with 44 businesses (11%). However, the retail and accommodation industries employed significantly more persons than the construction and professional industries, indicating that these businesses employ almost twice as many persons per establishment. Professional and technical services average annual wage was $44,842 followed by wholesale trade at $41,778 in 2003.

EMPLOYMENT BY INDUSTRY SECTOR AND NUMBER OF EMPLOYEES (2003)

Industry	Establishments		Employees		Wages
	Total	Percent	Total	Percent	Average
Agriculture, forestry, fishing and hunting	3	1%	4	0%	$32,701
Construction	74	18%	407	12%	$37,283
Manufacturing	12	3%	98	3%	$30,112
Wholesale trade	23	6%	189	6%	$41,778
Retail trade	38	9%	572	17%	$29,094
Finance and insurance	17	4%	134	4%	$31,477
Real estate and rental and leasing	13	3%	100	3%	$29,201
Professional and technical services	44	11%	187	6%	$44,842
Administrative and waste services	23	6%	67	2%	$28,812
Educational services	6	1%	33	1%	$19,672
Health care and social assistance	23	6%	154	5%	$35,474
Arts, entertainment, and recreation	9	2%	53	2%	$23,105
Accommodation and food services	38	9%	511	15%	$16,442
Other services, except public administration	43	10%	154	5%	$22,189
Unclassified entities	31	8%	41	1%	$28,692
PRIVATE SECTOR TOTAL	407	99%	3,012	89%	$34,039
FEDERAL GOVERNMENT TOTAL	2	0%	8	0%	$50,707
LOCAL GOVERNMENT TOTAL	2	0%	359	11%	$39,538

Source: NJ Department of Labor and Workforce Development, Employment and Wages, 2003 Annual Report

WORKER CLASS

The Census reports on work activity of residents 16 years and older. Of those 16 years and older; 3,173 out of 4,267 males and 2,976 out of 4,825 females were employed in the civilian labor force in 2000. Most Upper Township residents worked in the private sector.

CLASS OF WORKER		
Class of Worker	**Number**	**Percent**
Private wage and salary workers	4,359	72.7%
Government workers	1,059	17.7%
Self-employed workers	546	9.1%
Unpaid family workers	33	0.6%
Total employed residents	5,997	97.5%
Total unemployed residents	152	2.5%
Total residents in civilian labor force	6,149	100.0%

Source: US Census Bureau DP-3. Profile of Selected Economic Characteristics: 2000

Most Upper Township workers are involved in management, professional and related occupations and sales and office occupations. Of the total Upper Township workforce, 42 percent have been classified by the 2000 Census as managerial, professional and related occupations, with 24% in sales and office occupations. A higher percentage of the Upper Township workforce was in management and related occupations as compared to the overall County workforce.

EMPLOYED CIVILIAN POPULATION BY OCCUPATION (AGE 16 YEARS OR OLDER)				
Occupation	Upper Township		Cape May County	
	Total	Percent	Total	Percent
Management, professional, and related	2,506	41.8%	14,006	31.5%
Service	1,038	17.3%	9,403	21.1%
Sales and Office	1,415	23.6%	12,164	27.3%
Farming, Fishing, and Forestry	43	0.7%	378	0.8%
Construction, Extraction, and Maintenance	627	10.5%	4,988	11.2%
Production, transportation, and material moving	368	6.1%	3,564	8.0%
Total	**5,997**		**44,503**	

Source: US Census Bureau DP-3. Profile of Selected Ecomonic Characteristics: 2000

PLACE OF WORK

Approximately 22% of Upper Township residents work within the Township, 33% work outside of the Township but within Cape May County, 43% work outside of the County but within New Jersey and 2.4% work outside New Jersey. By comparison, 31% of Cape May County workers worked within their municipality of residence, 41% worked outside their municipality but within the County, 24% worked outside Cape May County, and only 4% worked outside of the State. On the whole 20% of New Jersey workers worked within their municipality of residence, 35% worked outside of their municipality but within the County of residence, 33% worked outside of their County but within the State, and 12% of workers worked outside of the State.

Additionally, nearly 85.5% of commuters (5,096) drove alone to work, and 8.8% of commuters (524) car pooled, which gives a total of 5,620 or 94.3% of commuters who are auto-dependent residing in Upper Township. About 0.7% of commuters use public transit and a small number of residents (45) walk to work. About 4% of Upper residents work at home.

PLACE OF WORK

Place of Work	Upper Township		Cape May County		New Jersey	
	Total	Percent	Total	Percent	Total	Percent
Worked within municipality of residence	1,288	21.6%	13,709	31.1%	761,684	19.6%
Worked outside of municipality but within county of residence	1,965	33.0%	18,073	41.1%	1,364,495	35.2%
Worked outside county of residence but within the state	2,563	43.0%	10,381	23.6%	1,270,606	32.8%
Worked in state of residence	5,816	97.6%	42,163	95.8%	3,396,785	87.6%
Worked outside state of residence	143	2.4%	1,859	4.2%	479,648	12.4%
Total Employed	5,959		44,022		3,876,433	

Source: US Census Bureau P26. PLACE OF WORK FOR WORKERS 16 YEARS AND OVER--STATE AND COUNTY LEVEL and P29. PLACE OF WORK FOR WORKERS 16 YEARS AND OVER--MINOR CIVIL DIVISION LEVEL

TRAVEL TIME TO WORK

The mean commute time among Upper residents is 25.6 minutes, with 11.3% of the population having a travel time of less than 10 minutes. Compared to the mean of 23.2 and 30.0 minutes travel times for Cape May County and the State respectively, Upper Township residents spend less commuting time to and from their place of employment than others within the State and more commuting time than others in the County.

COMMUTE TIME						
Commute Time (in minutes)	Upper Township		Cape May County		New Jersey	
	Total	Percent	Total	Percent	Total	Percent
Less than 5	153	2.6%	2,654	6.0%	99,241	2.6%
5 to 9	517	8.7%	6,381	14.5%	347,598	9.0%
10 to 14	725	12.2%	7,541	17.1%	482,988	12.5%
15 to 19	1,020	17.1%	6,978	15.9%	510,571	13.2%
20 to 24	962	16.1%	5,675	12.9%	497,467	12.8%
25 to 29	462	7.8%	2,158	4.9%	210,226	5.4%
30 to 34	895	15.0%	3,985	9.1%	492,539	12.7%
35 to 39	210	3.5%	691	1.6%	109,571	2.8%
40 to 44	217	3.6%	965	2.2%	156,148	4.0%
45 to 59	205	3.4%	2,132	4.8%	352,609	9.1%
60 to 89	171	2.9%	1,999	4.5%	335,777	8.7%
90 or more	195	3.3%	1,606	3.6%	175,142	4.5%
Did not work at home:	5,732	96.2%	42,765	97.1%	3,769,877	97.3%
Worked at home	227	3.8%	1,257	2.9%	106,556	2.7%
Total:	5,959		44,022		3,876,433	
Mean travel time	26		23		30	

Source: US Census Bureau P31. TRAVEL TIME TO WORK FOR WORKERS 16 YEARS AND OVER

IV. PROJECTED GROWTH SHARE

MEASURING THE ACTUAL GROWTH SHARE OBLIGATION

"Growth Share" is the affordable housing obligation generated in Upper by both residential and non-residential development between January 1, 2004 and December 31, 2018. Upper's actual growth share obligation is composed of two components: residential and non-residential growth. The actual residential growth share obligation is the total number of market-rate residential certificates of occupancy issued within the Township between January 1, 2004 and December 31, 2018. For every four market-rate residential units issued a certificate of occupancy from January 1, 2004 to December 31, 2018, one additional unit affordable to low and moderate income households must be provided in a manner approved by COAH. Also for every sixteen new jobs added to the municipality from January 1, 2004 to December 31, 2018, one unit affordable to low and moderate income households must be provided. Appendix D of the Third Round Rules provides the ratios for non-residential square footage generating one affordable unit and jobs per 1,000 square feet for each use group. The following chart summarizes the non-residential growth share calculation ratios:

NON-RESIDENTIAL GROWTH SHARE CHART			
Use Group	**Description**	**Square Feet Generating One Affordable Unit**	**Jobs Per 1,000 Square Feet**
B Office	Includes corporate offices, banks, outpatient clinics, motor vehicle showrooms, and offices in higher education institutions	5,714	2.8
M Mercantile	Buildings that display and sell products, includes retail stores, shops, gas stations	9,412	1.7
F Factory Industrial	Factories where products are made, processed, or assembled	13,333	1.2
S Storage	Includes warehouses, lumberyards	16,000	1
H Hazardous	High hazard manufacturing, processing, generation and storage uses	10,000	1.6
A1 Assembly	Includes theaters, concert halls, tv studios	10,000	1.6
A2 Assembly	Includes casinos, night clubs, restaurants	5,000	3.2
A3 Assembly	Includes libraries, lecture halls, arcades, galleries, funeral parlors, gymnasiums, museums, excluding houses of worship	10,000	1.6
A4 Assembly	Includes arenas, skating rinks and pools	4,706	3.4
A5 Assembly	Includes amusement park structures and stadiums	6,154	2.6
E Education	Schools K-12	Exclude	Exclude
Various	Includes institution of higher learning	Exclude	Exclude
I Institutional	Includes assisted living facilities, hospitals, nursing homes, jails and day care facilities	6,154	2.6
R1 Hotel	Includes hotel, motel, dormitories and continuing care retirement communities	9,412	1.7
U Utility	Includes miscellaneous uses such as fences, tanks, barns, agricultural buildings, sheds, greenhouses, etc.	Exclude	Exclude

HOUSING PROJECTIONS

COAH's revised rules require each municipality to project its housing stock growth through the end of 2018, based on the household growth projections provided in N.J.A.C. 5:97 Appendix F. The Township of Upper's household growth is projected at a growth of 109 households during the Third Round period, based on 5,761 estimated households in 2004 and 5,870 allocated households at the end of 2018, as provided in Appendix F. If constructed as projected, these 109 housing units would generate a Third Round obligation of 22 affordable housing units. The revised COAH rules allow for a municipality to rely on its own household growth projections, provided that the municipal projections exceed the total GSO allocated by COAH.

In order to project ahead into the future, the historic trends must be analyzed. *New Jersey Construction Reporter* data from 1996 until 2003 reveals that Upper had residential growth (not excluding demolitions) of 390 units. This averages to 49 new units per year. The same data showed a historic trend of 4 demolished dwelling units per year.

TABLE R-1
Historic Trend of Certificates of Occupancy and Demolition Permits Issued

	'96	'97	'98	'99	'00	'01	'02	'03	**Total**
COs Issued	46	60	45	44	54	48	44	49	390
Demolitions	*3*	*1*	*3*	*6*	*3*	*4*	*5*	*7*	*32*

Source: "New Jersey Construction Reporter" - New Jersey Department of Community Affairs.
Note: Residential Demolitions are provided for reference only. Not to be subtracted from net growth.

Since January 1, 2004, the beginning of the Third Round to July 31, 2008, 267 new homes have been constructed in Upper. These units include a spike in 2004 of 122 units, due primarily to the Osprey Point age-restricted multifamily development. Table R-2 shows the Certificates of Occupancy that occurred since January 1, 2004, which will generate an obligation for the Township if they were not affordable units or market units as part of an inclusionary development.

The recent proposed amendment to N.J.A.C. 5:97-2.5 would allow for certificates of occupancy to be subtracted for owner-occupied residential structures that have been issued a demolition permit for its current owner, that the unit was occupied by the current owner for at least one year prior to the demolition and where no change in use has occurred. The Township Tax Assessor has certified that 15 units meet these criteria and are able to be excluded from the growth share projections. This results in a net total of 252 units.

TABLE R-2
Actual Certificates of Occupancy and Demolition Permits Issued

	'04	'05	'06	'07	1/1/08 - 7/31/08	**Total**
COs Issued	122	67	50	19	9	267
Demolitions	1	4	3	4	3	15
Net Development	121	63	47	15	6	252

Source: "New Jersey Construction Reporter" - New Jersey Department of Community Affairs.

Source: Certified List of Owner-Occupied Residential Demolition Permits, December 4, 2008

Table R-3 presents residential development activity that is anticipated between August 1, 2008 and December 31, 2018. This includes approved development that is not yet built, pending development not yet approved, anticipated development that has yet to submit an application to the Township, and other projected development, which makes up the difference between the known future developments and the projected trend throughout the Third Round.

Approved residential development applications not yet constructed amount to a total of 102 units. There are no pending development applications at this time. Anticipated development includes 258 new units. Estimated growth includes 332 forecast units, based on historic trends. In total, the Township expects approximately 692 new units to be constructed before the end of the Third Round period.

TABLE R-3
Anticipated Developments & Number of Residential Units by the Year that COs are Anticipated to be Issued

	8/1/08 - 12/31/08	'09	'10	'11	'12	'13	'14	'15	'16	'17	'18	**Total**
Approved Development Applications												
Argoe, Alvin			1									1
Barr, Ed				1								1
Cedar Vills & Mitchell				2	2	2						6
Seaville Plantation		3	3	4	4	4	4	4	5			31
Clayton Construction (Peach Orchard)			1		1							2
Clayton Construction (Oak Forest)	1	1	2									4
Georgetti Investments LLC (Queen Anne Ct)			2	2	2	2	1					9
Mashura Berger (Ella Lane)	1	2		1	1		1	1	1	1		9
Melvin Devl (Greendale Dr)			1	1	1							3
Migliaccio (Farm Rd)		1	1	1	1	1	1	1	1	1		9
Palmer (Perry Rd)							1	1				2
Tocci (Perry Rd)			1	2	2	2	2	2	2	2	2	17
Evio Jon (Sea Sounds Ave)									1	1	1	3
D'Abundo & McCreesh (Tuckahoe Rd)							1	1	1	1	1	5
Pending Development Applications												
Anticipated Development Applications												
Shore Acres MHP									50	50	50	150
Shaw Farm MHP			30	30	30	18						108
Other												
Trend Development	5	10	15	25	30	39	39	40	39	44	46	332
Total Projected Development	7	17	57	69	74	68	50	50	100	100	100	692

Table R-4 shows the total residential growth, the sum of both the actual residential development and the projected residential growth from 2004 to 2018. A total of 944 units are estimated for the Township.

TABLE R-4 Total Net Residential Growth (Sum of Actual and Projected Growth)																	
	Actual					Projected											Total
	'04	'05	'06	'07	1/1/08 - 7/31/08	8/1/08 - 12/31/08	'09	'10	'11	'12	'13	'14	'15	'16	'17	'18	
Total COs Issued	121	63	47	15	6	7	17	57	69	74	68	50	50	100	100	100	944

From the total number of residential certificates of occupancy issued in the Township, the following can be subtracted:

- Affordable housing units that received credit in a First or Second Round certified plan or court of judgment of compliance which have been or are projected to be constructed after January 1, 2004.
- Market-rate units in an inclusionary or mixed-use development where these affordable housing units received credit in a first or second round certified plan or a court judgment of compliance or are eligible for credit pursuant to N.J.A.C. 5:97-4 toward a municipality's prior round obligation, which have been or are projected to be constructed after January 1, 2004, provided these sites are zoned to produce affordable housing units. The Council shall assume, for crediting purposes, that market-rate units are constructed at a rate of four times the number of affordable units (this is a 20 percent set-aside) constructed on that particular site or constructed off-site but within the municipality, unless the municipality demonstrates to the Council that a lower set-aside percentage was used to produce the affordable units using the gross density and set-aside standards or the set-aside standards for constructing affordable rental units pursuant to N.J.A.C. 5:97-6.4(b)3iii. A municipality shall not receive an exclusion of market-rate units from residential growth at a rate above 5.67 times the number of affordable units (this is a 15 percent set-aside constructed on that particular site or constructed off-site but within the municipality).
- Continuing care retirement communities, dormitories, hotels and motels classified as R1 or R2 by the Uniform Construction Code (UCC).
- Graduate student housing owned and/or operated by an institution of higher education and farm labor housing constructed on a commercial farm as defined by the Right to Farm Act, N.J.S.A. 4:1C-1 et seq., and classified as R2, R3, or R5 by the Uniform Construction Code (UCC); and
- Additional market-rate rental units in an inclusionary or mixed-use development pursuant to N.J.A.C. 5:97-6.4(b)6ii where the affordable housing units are rental units that are addressing a municipality's growth share obligation.
- Any additional market-rate units that result from a rezoning to permit increased density to accommodate affordable housing to be exempted from the actual growth share obligation. In such circumstances, provided the affordable set-aside complies with COAH's standards, the increased density provided in an inclusionary zone would not generate a growth share obligation. Only the base density before the rezoning would generate a growth share obligation.

Table R-5 shows the residential units that can be excluded from the growth share projections, which includes 260 units for the Prior Round. A detailed description of each site and the specific applicability of the exclusion criteria, pursuant to N.J.A.C. 5:97-2.4 & 2.5, are included in the Fair Share Plan.

TABLE R-5
Market-Rate and Affordable Units in Inclusionary Developments Eligible to be Excluded from Growth Projection, by the Year that COs are Anticipated to be Issued

	Actual					Projected											Total
	'04	'05	'06	'07	1/1/08 - 7/31/08	8/1/08 - 12/31/08	'09	'10	'11	'12	'13	'14	'15	'16	'17	'18	
Market Rate & Affordable Units Eligible to Receive Prior Round Credit																	
Lucky 13 (Roberts Ave)						1											1
Holly Berry						1											1
Shore Acres MHP														50	50	50	150
Shaw Farm MHP								30	30	30	18						108
Market Rate & Affordable Units Eligible to Receive Third Round Credit																	
Total	0	0	0	0	0	2	0	30	30	30	18	0	0	50	50	50	260

Note: See N.J.A.C. 5:97-2.4(a)1 for detailed requirements for units permitted to be excluded from projections.

The results of Table R-5 can be subtracted from the actual and projected residential growth to determine the final net growth. The Township is projected to construct a total of 944 housing units and is able to exclude 260 of these units that have been or will be approved as part of inclusionary developments. This equals a final net growth of 684 housing units that will generate a growth share obligation for Upper Township.

TABLE R-6
Net Residential Growth After Subtracting Excluded Units

	Actual					Projected											Total
	'04	'05	'06	'07	1/1/08 - 7/31/08	8/1/08 - 12/31/08	'09	'10	'11	'12	'13	'14	'15	'16	'17	'18	
Net Residential Growth	121	63	47	15	6	7	17	57	69	74	68	50	50	100	100	100	944
Excluded Units	0	0	0	0	0	2	0	30	30	30	18	0	0	50	50	50	260
Final Net Growth	121	63	47	15	6	5	17	27	39	44	50	50	50	50	50	50	684

COAH requires that one affordable unit be built for every four market-rate units actually constructed. To calculate the total Third Round growth share obligation of the potential residential development, COAH states that the municipality shall divide the actual growth by four and the projected growth by five. As shown in Table R-7, if built as projected, the final net residential growth will require the construction of a total of 149 affordable housing units.

TABLE R-7
Affordable Housing Unit Growth Projections

	Actual					Projected											Total
	'04	'05	'06	'07	1/1/08 - 7/31/08	8/1/08 - 12/31/08	'09	'10	'11	'12	'13	'14	'15	'16	'17	'18	
Total Net Growth	121	63	47	15	6	5	17	27	39	44	50	50	50	50	50	50	684
Divided by 4	30	16	12	4	2												62
Divided by 5						1	3	5	8	9	10	10	10	10	10	10	85
Total Affordable Units	30	16	12	4	2	1	3	5	8	9	10	10	10	10	10	10	**149**

Note: Afforable Housing obligations for actual growth (2004-2007) equal to net growth divided by 4; projected growth (2008-2018) equal to net growth divided by 5.

In view of the above analysis, we anticipate that there will be more residential growth in the 15 year period than the housing units that COAH predicted. Specifically, we anticipate there may be a net household growth of 684 new market units as part of the growth share projections instead of the 109 units that COAH projects in the 15-year period.

EMPLOYMENT PROJECTIONS

COAH's revised rules also require each municipality to project its employment growth through the end of 2018, based on the employment growth projections provided in N.J.A.C. 5:97 Appendix F. The Township of Upper's employment growth is projected by COAH at a net growth of 643 new jobs during the Third Round period, based on 3,859 estimated jobs in 2004 and 4,502 allocated households at the end of 2018, as provided in Appendix F. If constructed as projected, these 648 new jobs would generate a Third Round obligation of 41 affordable housing units. The revised COAH rules also allow for a municipality to rely on its own employment growth projections, provided that the municipal projections exceed the total GSO allocated by COAH.

To project future employment characteristics, the historical trends will be utilized as well as anticipated, pending or approved non-residential applications. *New Jersey Construction Reporter* data was gathered to illustrate the pace of non-residential development in Upper Township from 1996 to 2003. As Table NR-1 shows the Township saw over 123,000 square feet of new non-residential construction from 1996 to 2003, an average of about 15,000 square feet per year. The Township reported demolitions from this same time period, however, this information was not readily available for documentation. During this period, almost 54 percent was in office uses, followed by storage facilities (46 percent).

TABLE NR-1
Historic Trend of Certificates of Occupancy and Demolition Permits Issued (by Square Feet)

	'96	'97	'98	'99	'00	'01	'02	'03	**Total**
Certificates of Occupancy Issued									
A2 - Assembly									0
A2 - Assembly									0
A3 - Assembly				1					1
A4 - Assembly									0
A5 - Assembly	0	0	0	0	0	0	0	0	0
B - Office	12,808	18,502	769	1,147	5,909	9,628	8,469	8,965	66,197
F - Industrial				1		198			199
H - High Hazard									0
I - Institutional									0
M - Retail	0	0	0	0	0	0	0	0	0
R1 - Dormitory									0
S - Storage	0	0		30,225	0	2,010	8,004	16,401	56,640
Total New Development	12,808	18,502	769	31,374	5,909	11,836	16,473	25,366	123,037
Demolition Permits Issued									
A1 - Assembly									0
A2 - Assembly									0
A3 - Assembly									0
A4 - Assembly									0
A5 - Assembly									0
B - Office									0
F - Industrial									0
H - High Hazard									0
I - Institutional									0
M - Retail									0
R1 - Dormitory									0
S - Storage									0
Total Demolitions	0	0	0	0	0	0	0	0	0
Total Net Growth	12,808	18,502	769	31,374	5,909	11,836	16,473	25,366	123,037

Source: "New Jersey Construction Reporter" - New Jersey Department of Community Affairs.

Table NR-2 shows the number of jobs that were generated between 1996 and 2003 according to COAH's non-residential job generation ratios contained in Appendix D of the rules. As the table shows, 200 jobs were generated by new non-residential development during this period. However, storage uses were almost half of the new construction and most of these uses were limited storage areas or mini storage type facilities which generate significantly less jobs than the COAH non-residential job generation ratios provide.

TABLE NR-2
Historic Trend of Certificates of Occupancy and Demolition Permits Issued (by Jobs)

Use Group	Jobs per 1,000 sf	'96	'97	'98	'99	'00	'01	'02	'03	Total
Certificates of Occupancy Issued										
A1 - Assembly	1.6									0
A2 - Assembly	3.2									0
A3 - Assembly	1.6				0					0
A4 - Assembly	3.4									0
A5 - Assembly	2.6									0
B - Office	2.8	36	52	2	3	17	27	24	25	185
F - Industrial	1.2				0		0			0
H - High Hazard	1.6									0
I - Institutional	2.6									0
M - Retail	1.7									0
R1 - Dormitory	1.7									0
S - Storage	0.25*				8		1	2	4	14
Total New Development		36	52	2	11	17	28	26	29	200
Demolition Permits Issued										
A1 - Assembly	1.6									0
A2 - Assembly	3.2									0
A3 - Assembly	1.6									0
A4 - Assembly	3.4									0
A5 - Assembly	2.6									0
B - Office	2.8									0
F - Industrial	1.2									0
H - High Hazard	1.6									0
I - Institutional	2.6									0
M - Retail	1.7									0
R1 - Dormitory	1.7									0
S - Storage	0.25*									0
Total Demolitions		0	0	0	0	0	0	0	0	0
Total Net Growth		36	52	2	11	17	28	26	29	200

Source: Jobs per 1,000 square feet are from N.J.A.C 5:97 Appendix D
Source: S - Storage Jobs per 1,000 square feet are from ITE Trip Generation

Table NR-3 shows that from January 1, 2004 through July 31, 2008, an additional 111,321 square feet of non-residential space was constructed. An average of about 24,000 square feet per year over the four years.

The Township reported several non-residential demolition permits for this time period, totaling 14,673 square feet. Subtracting the demolished area from the constructed area provides a net total of 96,648 square feet of additional non-residential space.

TABLE NR-3
Actual Certificates of Occupancy and
Demolition Permits Issued (by Square Feet)

	'04	'05	'06	'07	1/1/08-7/31/08	**Total**
Certificates of Occupancy Issued						
A1 - Assembly						0
A2 - Assembly	212					212
A3 - Assembly			1		335	336
A4 - Assembly						0
A5 - Assembly				1,920		1,920
B - Office	705	66	12,944	3,591		17,306
F - Industrial				120		120
H - High Hazard						0
I - Institutional					3,721	3,721
M - Retail		4,677		266	4,448	9,391
R1 - Dormitory						0
S - Storage	9,240	6,001	6,954	49,820	6,300	78,315
Total New Development	10,157	10,744	19,899	55,717	14,804	111,321
Demolition Permits Issued						
A1 - Assembly						0
A2 - Assembly						0
A3 - Assembly						0
A4 - Assembly						0
A5 - Assembly						0
B - Office						0
F - Industrial						0
H - High Hazard						0
I - Institutional						0
M - Retail	2,125				1,908	4,033
R1 - Dormitory						0
S - Storage					10,640	10,640
Total Demolitions	2,125	0	0	0	12,548	14,673
Total Net Growth	8,032	10,744	19,899	55,717	2,256	96,648

Source: "New Jersey Construction Reporter" - New Jersey Department of Community Affairs.

Table NR-4 converts non-residential development that has been constructed between January 1, 2004 and December 31, 2008 to jobs generated per use group, based on the non-residential job ratios provided in N.J.A.C. 5:97 Appendix D.

COAH permits municipalities to request a waiver for job estimations for S -Storage space, since different types of storage uses may generate less than 1.0 jobs per 1,000 square feet. In fact, the *1997 ITE Traffic Generation Manual* reports that storage uses typically generate 1 job per each 4,000 square feet of floor area. This is a significant reduction from COAH's job ratios. Most of the storage facilities built during this period in Upper Township are mini-storage operations. Accordingly, it is estimated that the 96,648 net square feet will generate a net total of 77.1 jobs. According to COAH's revised rules, for every sixteen jobs generated, one affordable unit will be required. Therefore, these 77 net jobs will require 4.8 affordable housing units.

TABLE NR-4
Actual Certificates of Occupancy and Demolition Permits Issued (by Jobs)

Use Group	Jobs per 1,000 sf	'04	'05	'06	'07	1/1/08-7/31/08	Total
Certificates of Occupancy Issued							
A1 - Assembly	1.6						0.0
A2 - Assembly	3.2	0.7					0.7
A3 - Assembly	1.6			0.0		0.5	0.0
A4 - Assembly	3.4						0.0
A5 - Assembly	2.6				5.0		5.0
B - Office	2.8	2.0	0.2	36.2	10.1		48.5
F - Industrial	1.2				0.1		0.1
H - High Hazard	1.6						0.0
I - Institutional	2.6					9.7	0.0
M - Retail	1.7		8.0		0.5	7.6	8.4
R1 - Dormitory	1.7						0.0
S - Storage	0.25*	2.3	1.5	1.7	12.5	1.6	18.0
Total New Development		5.0	9.6	38.0	28.1	19.3	80.7
Demolition Permits Issued							
A1 - Assembly	1.6						0.0
A2 - Assembly	3.2						0.0
A3 - Assembly	1.6						0.0
A4 - Assembly	3.4						0.0
A5 - Assembly	2.6						0.0
B - Office	2.8						0.0
F - Industrial	1.2						0.0
H - High Hazard	1.6						0.0
I - Institutional	2.6						0.0
M - Retail	1.7	3.6				3.2	3.6
R1 - Dormitory	1.7						0.0
S - Storage	0.25*					2.7	0.0
Total Demolitions		3.6	0.0	0.0	0.0	5.9	3.6
Total Net Growth		1.3	9.6	38.0	28.1	13.4	77.1

Source: Jobs per 1,000 square feet are from N.J.A.C 5:97 Appendix D

*Source: * S - Storage Jobs per 1,000 square feet are from ITE Trip Generation*

The Township anticipates that new construction expected to occur between January 1, 2008 and December 31, 2018 will be in the use groups of office (B), retail (M) and storage (S). This forecast non-residential development activity is presented in Tables NR-5B, NR-5M, and NR-5S and includes approved development that is not yet built, pending development not yet approved, anticipated development that has yet to submit an application to the Township, and other projected development, which makes up the difference between the known future developments and the projected trend.

Table NR-5B shows the amount of business development (corporate offices, banks, government offices, professional offices, car showrooms, outpatient clinics, etc.) that is anticipated for the Township between August 1, 2008 and December 31, 2018. Approved applications will generate 625 square feet of office space. Using the historic trend of about 7,500 square feet per year between 1996 and 2007, the Township projects an additional 75,000 square feet will be constructed by 2018. The office space projections would generate about 212 new jobs.

TABLE NR-5B
"B" USE GROUP: Developments and Anticipated Developments by the Year that COs are Anticipated to be Issued (2.8 jobs per 1,000 square feet)

	8/1/08 - 12/31/08	'09	'10	'11	'12	'13	'14	'15	'16	'17	'18	**Total Area**	**Jobs**
Approved Development Applications													
Coastal Development	400											400	1.1
Lucky 13 (Roberts Ave)	225											225	0.6
Pending Development Applications													
												0	0.0
Anticipated Development Applications													
												0	0.0
Other Projected Development													
Trend Development		7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	75,000	210.0
Net Projected Growth	625	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	75,625	211.8

Table NR-5M shows the amount of mercantile development (retail stores, strip malls, shops, gas stations, etc.) that is anticipated for the Township between January 1, , 2008 and December 31, 2018. Approved applications will generate 124,277 square feet of retail space; this includes the Marmora Shop Rite which is now under construction. The Township projects an additional 170,000 square feet could be constructed by 2018. The 294,277 square feet of retail space would generate about 500 new jobs based upon COAH's ratios.

TABLE NR-5M
"M" USE GROUP: Developments and Anticipated Developments by the Year that COs are Anticipated to be Issued (1.7 job per 1,000 square feet)

	8/1/08 - 12/31/08	'09	'10	'11	'12	'13	'14	'15	'16	'17	'18	**Total Area**	**Jobs**
Approved Development Applications													
Scarboro (Marmora ShopRite)		105,777										105,777	179.8
Migliaccio (Farm Rd)			5,000	5,000								10,000	17.0
Jersey Shore Party Rentals		1,000										1,000	1.7
Holly Berry	7,500											7,500	12.8
												0	0.0
Pending Development Applications													
												0	0.0
Anticipated Development Applications													
												0	0.0
Other Projected Development													
Trend Development			15,000	15,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	170,000	289.0
Net Projected Growth	7,500	106,777	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	294,277	500.3

Table NR-5S shows the amount of storage development (warehouses, lumberyards, aircraft hangers, boat storage, etc.) that is anticipated for the Township between August 1, 2008 and December 31, 2018. Approved applications will generate 31,120 square feet of storage space which would generate about 8 new jobs using a reduced storage job ratio of 0.25 jobs per 1,000 square feet, consistent with the ITE Trip Generation publication.

TABLE NR-5S
"S" USE GROUP: Developments and Anticipated Developments by the Year that COs are Anticipated to be Issued (0.25* jobs per 1,000 square feet)

	8/1/08 - 12/31/08	'09	'10	'11	'12	'13	'14	'15	'16	'17	'18	**Total Area**	**Jobs**
Approved Development Applications													
Coastal Development	22,520											22,520	5.6
Lucky 13 (Roberts Ave)	1,600											1,600	0.4
Jersey Shore Party Rentals		3,000										3,000	0.8
Holly Berry	4,000											4,000	1.0
												0	0.0
Pending Development Applications													
												0	0.0
Anticipated Development Applications													
												0	0.0
Other Projected Development													
Trend Development	0	0	0	0	0	0	0	0	0	0	0	0	0.0
Net Projected Growth	28,120	3,000	0	0	0	0	0	0	0	0	0	31,120	7.8

** Source: 0.25 jobs per 1,000 square feet are from ITE Trip Generation*

Table NR-6 shows the square footage that is anticipated to occur within Upper between 2008 and 2018 in all use categories. A total of 401,022 square feet of new non-residential development are projected to occur over the 11 year period.

TABLE NR-6 Net Projected New Development (by Square Feet)												
	8/1/08 - 12/31/08	'09	'10	'11	'12	'13	'14	'15	'16	'17	'18	**Total**
Certificates of Occupancy Issued												
A1 - Assembly												0
A2 - Assembly												0
A3 - Assembly												0
A4 - Assembly												0
A5 - Assembly												0
B - Office	625	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	75,625
F - Industrial												0
H - High Hazard												0
I - Institutional												0
M - Retail	7,500	106,777	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	294,277
R1 - Dormitory												0
S - Storage	28,120	3,000										31,120
Total New Development	36,245	117,277	27,500	27,500	27,500	27,500	27,500	27,500	27,500	27,500	27,500	401,022

According to COAH's non-residential ratios (and ITE Trip Generation for storage uses), the projected non-residential development between 2008 and 2018 will generate an estimated 720 new jobs. The majority of the jobs will be generated by the anticipated office and retail development, as shown in Table NR-7. If realized, the projected non-residential development for the remainder of the Third Round cycle will require 45 affordable housing units at the ratio of 1 unit per 16 jobs.

TABLE NR-7
Net Projected Employment Growth (by Jobs)

	Jobs per 1,000 sf	'08	'09	'10	'11	'12	'13	'14	'15	'16	'17	'18	**Total**
							Certificates of Occupancy Issued						
A1 - Assembly	1.6												0.0
A2 - Assembly	3.2												0.0
A3 - Assembly	1.6												0.0
A4 - Assembly	3.4												0.0
A5 - Assembly	2.6												0.0
B - Office	2.8	1.8	21.0	21.0	21.0	21.0	21.0	21.0	21.0	21.0	21.0	21.0	211.8
F - Industrial	1.2												0.0
H - High Hazard	1.6												0.0
I - Institutional	2.6												0.0
M - Retail	1.7	12.8	181.5	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	500.3
R1 - Dormitory	1.7												0.0
S - Storage	0.25*	7.0	0.8										7.8
Total New Development		21.5	203.3	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0	719.8

Source: Jobs per 1,000 square feet are from N.J.A.C 5:97 Appendix D

** Source: S - Storage Jobs per 1,000 square feet are from ITE Trip Generation*

Table NR-8 shows the total employment that is forecasted, for both actual non-residential development between January 1, 2004 and July 31, 2008 and projected non-residential development between August 1, 2008 and December 31, 2018, less the actual and projected demolitions. A net total of 810 jobs are anticipated for the Third Round cycle.

TABLE NR-8
Total Net Non-Residential Employment Growth (Sum of Actual and Projected Growth)

	Actual					Projected											Total
	'04	'05	'06	'07	1/1/08 - 7/31/08	8/1/08 - 12/31/08	'09	'10	'11	'12	'13	'14	'15	'16	'17	'18	
Total New Developments	5.0	9.6	38.0	28.1	19.3	21.5	203.3	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0	819.8
Total Demolition	3.6	0.0	0.0	0.0	5.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	9.5
Total Net Employment Growth	1.3	9.6	38.0	28.1	13.4	21.5	203.3	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0	810.3

Table NR-9 shows the total affordable unit obligation generated by actual and projected non-residential development. The total non-residential growth share for Upper is projected at 51 affordable housing units.

TABLE NR-9
Affordable Housing Unit Obligation Generated by Non-Residential Development

	Actual					Projected											Total
	'04	'05	'06	'07	1/1/08 - 7/31/08	8/1/08 - 12/31/08	'09	'10	'11	'12	'13	'14	'15	'16	'17	'18	
Total Net Employment Growth	1.3	9.6	38.0	28.1	13.4	21.5	203.3	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0	810.3
Divided by 16	0.1	0.6	2.4	1.8	0.8	1.3	12.7	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	50.6

The 810 net jobs the Township predicts in the 15-year period, as a result of the above analysis, is significantly higher than the 643 jobs COAH predicts for this period.

The total projected Third Round affordable housing obligation for Upper Township is shown in Table T-1. Residential construction has produced an obligation for 63 affordable units from actual development and projects an obligation of 86.4 affordable units for future residential development. Meanwhile, non-residential development has already generated an obligation of 5.7 affordable units. In addition, another 45 units will be needed for the projected non-residential development anticipated to occur during the remainder of the Third Round cycle. In total, residential and non-residential development are expected to generate a need for 200 affordable housing units projected for Upper's entire Third Round growth share.

TABLE T-1
Total Projected Affordable Housing Obligation Generated by Residential and Non-Residential Development 2004-2018

	Actual					Projected											Total
	'04	'05	'06	'07	1/1/08 - 7/31/08	8/1/08 - 12/31/08	'09	'10	'11	'12	'13	'14	'15	'16	'17	'18	
Total Residential	30.3	15.8	11.8	3.8	1.5	1.0	3.4	5.4	7.8	8.8	10.0	10.0	10.0	10.0	10.0	10.0	149.4
Total Non-Residential	0.1	0.6	2.4	1.8	0.8	1.3	12.7	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	50.6
Total Obligation	30.3	16.4	14.1	5.5	2.3	2.3	16.1	8.8	11.2	12.2	13.4	13.4	13.4	13.4	13.4	13.4	**200.0**

This unit growth share, projected through the above analysis, is significantly greater than the 62-unit growth share COAH projects. This analysis was performed to provide a general approximation of growth that is anticipated for the Third Round and will be subject to COAH tracking and monitoring to provide an accurate measure of the GSO as development occurs within the Township. COAH Worksheet B is included in the Appendix, which reflects this data.

V. CAPACITY FOR FAIR SHARE

A determination of Upper's present and probable fair share for affordable housing, along with the capacity to accommodate those units, is required by COAH. As shown in Table T-1, Upper is projected to generate an obligation of about 200 affordable housing units between 2004 and 2018. The Township has a present need of 68.7 affordable units from development already constructed in the first 4 years of the Third Round. As for Upper's future affordable housing share, future residential and non-residential construction in the Township is projected to generate an additional obligation of 131.4 affordable housing units for the remainder of the Third Round. Based upon existing land uses and known approved development applications, there is sufficient land capacity to absorb these projected units.

ZONING ANALYSIS

Based upon the existing zoning, the Township has land within both residential and commercial zones that can accommodate the projected development over the next 10 years. It is expected that the nonresidential development may development on remaining vacant lands and private redevelopment on aged outmoded developments and/ or underutilized lands especially within the Town Center and Town Center Core zones on Route 9 within the centers. The Township adopted in 2006 an updated Land Use Plan which planned for higher density nonresidential, mixed use and residential development within its proposed town centers, generally maintained current development patterns in its two villages of Petersburg and Tuckahoe, and limited development in its Environs outside of the centers to low density development to support on-site septic systems. The Land Use Plan supports the current zoning adopted in 2007. The Township has 14,276 acres or 32.6 percent within the Pinelands Management Area, which has very limited development potential.

ANTICIPATED DEMAND FOR TYPES OF USES PERMITTED BY ZONING

Over the past 12 years, there has been significant residential growth in the Township; over 650 housing units constructed between January 1, 1996 and July 1, 2008. About 102 residential units have been approved but not constructed as of 2008. It is expected that due to the poor economic climate, this residential development will occur at a slower pace initially, which has been reflected in reduced residential permits trending downward since 2006.

New construction within Marmora with the Shop Rite center is underway. It is expected that redevelopment of the now closed auto dealerships in Marmora will proceed and will spur future development of this area. The Seaville Town Center Core is also expected to be an area for future growth.

ANTICIPATED LAND USE PATTERNS

Upper Township expects that the lands within the Township centers will be developed at a scale and intensity that will encourage development in keeping with the established goals of protecting rural lands and concentrating development within compact centers. The lands in the Environs will be low density development ranging from 1 residential unit/3 acres to 1 residential unit/10 acres in the Conservation Zone which is primarily public lands and wetlands. The Pinelands Management Area will not be sewered and development will range from 1 acre lots in the Pinelands Villages to 1 du/3.2 acres in the rural zones. The lands planned for forest area preservation range from F10 at 1 du/10 acres to F25 at 1 du/25 acres. Techniques such as density cluster between non-contiguous parcels and conservation residential cluster are provided for in the Township zoning ordinance to better preserve open space in the Environs.

TOWNSHIP ECONOMIC DEVELOPMENT POLICIES

The Township's zoning and land use patterns will support economic growth within it Marmora and Seaville Town Center and Town Center Core zones. Outside of these two Route 9 commercial areas and the Tuckahoe Village Center, limited low density commercial growth is planned in keeping with the environmental constraints, CAFRA and Pinelands Management Area policies.

AVAILABILITY OF PUBLIC WATER AND SEWER INFRASTRUCTURE

Public Water

The Township of Upper lies above the Cohansey aquifer and most of the Township's potable water is derived from on-site private wells. New Jersey American Water provides public water to parts of Marmora, Beesley's Point, Seaville and Strathmere. Water mains have been installed in the Marmora and Beesley's Point section of the Township. This area includes Route 631 from Stagecoach Road to Route 9, north to Roosevelt Boulevard from Old Tuckahoe Road east to 34th Street. Water service has also been provided to the entire portion of Beesley's Point north of Roosevelt Boulevard to Cedar Hollow Court. Water service has recently been extended through Palermo to Seaville serving Osprey Point (a 149 unit age-restricted development). The waterline then runs down Stagecoach Road south to Evergreen Drive, then east to Route 9 and continues east for approximately 1,000 feet.

New Jersey American Water has designed, permitted and will begin construction on a water main extension, which will connect the Ocean City system with the Middle Township/ Cape May Court House system. The water main will continue South on Rt-9 to Rt-50 in Seaville, then continue South on Corson-Tavern Road into Dennis Township and continuing to Middle Township. The water service is not connected to Ocean City system but is self-sufficient and interconnected to Sea Isle City system.

An analysis was performed to determine the available water supply allocation capacity to serve the projected growth in the Marmora-Palermo-Beesley's Point Town Center and Seaville Town Center. This is based upon the Buildout Analysis performed on the 2006 Master Plan Land Use Plan which assessed future land use. As of 2006, there was a projected monthly surplus of 87.521 MGM; the projected water usage in the two Town Centers was estimated at full buildout at 47.750 MGM.

Public Sewer

Upper Township has no public sewer service. The Township has planned for areas within its centers to include privately constructed and funded alternative wastewater treatment systems such as community based package treatment plants to support future growth in its centers. Cape May County is currently preparing an amendment to its Wastewater Management Plan as required by NJDEP.

DEVELOPMENT CAPACITY

As discussed below, a significant portion of the Township is constrained from development. In addition, the majority of those unconstrained lands are developed. However, a preliminary build-out analysis that was performed as part of the Master Plan indicates that there are over 3,000 acres of developable land remaining in the Township. However, the majority of this land is outside of the sewer and water service areas and would require private wells and septic systems to support any future development. Future development can occur within the proposed Township centers at a higher density, where supported by public water and sewer.

CONSTRAINTS ON DEVELOPMENT

The primary constraints on development are wetlands, floodplains and C-1waters, which are regulated by NJDEP. These lands encumber more than half of the Township. Where situated, these environmental resources will limit development areas to uplands outside of the required buffers.

Approximately two-thirds of Upper Township is located within the CAFRA Zone, where the NJDEP regulates development. The CAFRA Zone is divided into different centers and planning areas. CAFRA administers restrictions on the intensity of development in each of the various Planning Areas. Consistent with the State Plan, CAFRA regulations encourage growth within centers and minimize development potential outside these Centers by requiring more stringent regulations.

The western portion of the Township outside the CAFRA Zone is part of the Pinelands Management Area. The Pinelands Management Area encompasses 22.3 square miles or 32.9 percent of the land area of Upper Township. There are two Pinelands villages in Upper Township, Tuckahoe and Petersburg, which are adjacent to the proposed Petersburg and Tuckahoe Villages in the CAFRA zone.

The Township of Upper has a partnership agreement with the National Park Service and the Great Egg Harbor River Council to protect the Tuckahoe River, which has been designated by the United States Congress as components of the National Wild and Scenic River System. With the passing of Public Law 203-536 in 1992, the Tuckahoe River from its confluence with the Great Egg Harbor River to the Route 40 Bridge, approximately nine miles, has been designated as a scenic river and the Tuckahoe River from the Route 50 Bridge to the Route 49 Bridge, approximately 7.3 miles , is designated as a recreational river. The Township of Upper with its adopted zoning codes controls the River Management Area, which is the same as the Federal boundary along the Tuckahoe River.

LAND OWNERSHIP PATTERNS

A significant portion of the Township is under public ownership. These lands are primarily coincidental to the freshwater wetlands associated with the intercoastal waterway, Tuckahoe River and Cedar Creek Swamp. A buildout analysis was performed as part of the 2006 Master Plan Land Use Plan amendment. Of the vacant lands, unpreserved farmlands and residential lands capable of further subdivision, the Township expects to yield approximately 2,300 new residential units at full buildout.

STATE DEVELOPMENT AND REDEVELOPMENT PLAN

According to COAH regulations (N.J.S.A. 5:97-3.13.b.1), "Sites that are located in Planning Areas 1 or 2 or located within a designated center or located in an existing sewer service area are the preferred location for municipalities to address their fair share obligation."

Like most of Cape May County, a large portion of Upper Township is designated as PA5 due to coastal wetlands and other environmentally constrained lands. The bulk of the Township development, which runs along the Route 9 Corridor, is designated as PA2. The western portion of the municipality has large isolated areas designated PA4. These areas are surrounded by environmentally sensitive lands and linked together by major roads such as State Route 49 and County Routes 557 and 631.

Upper Township received Plan Endorsement from the New Jersey State Planning Commission on February 17, 2007. This was confirmed by NJDEP in March 2008. This plan endorsement confirms the Township center boundaries of the Marmora-Palermo-Beesley's Point Town Center, the Seaville Town Center, the Petersburg Village Center and the Tuckahoe Village Center. These centers are the areas for future growth and development . In addition, along the Route 9 corridor, encompassing but not limited to the two centers is Planning Area 2, which is the focus of most growth in the Township.

CONTENT of FAIR SHARE PLAN

The following information is required by COAH as part of the Fair Share Plan (N.J.A.C. 5:97-3.2):

1. Description of existing credits intended to satisfy the obligation;
2. Description of any adjustments to any portion of the fair share obligation, which shall include all information and documentation required;
3. Description of mechanisms that will be used to meet the new total obligation;
4. Draft an implementation schedule that sets forth a detailed timetable for units to be provided:
   - Documentation for mechanisms to address the Prior Round obligation, rehabilitation share and growth share obligation up to the first plan review shall be submitted at the time of petition
   - Documentation for zoning for inclusionary development, accessory apartment program, or market to affordable program shall be submitted at the time of petition and implemented within 45 days of certification;
5. If seeking vacant land adjustment or household and employment growth projection adjustment shall submit all the information required, unless Municipality demonstrates that the mechanisms do not rely upon the availability of vacant land or municipality reserves scarce resources;
6. Include draft and/or adopted ordinances necessary for implementation;
7. Demonstrate that existing zoning or planned changes provide adequate capacity to accommodate affordable housing;
8. Demonstrate existing planned water/waste water treatment capacity is sufficient to accommodate all proposed mechanisms; and
9. Draft a spending plan if the municipality maintains or intends to establish an affordable housing trust fund, which includes:
   - Projection of revenues anticipated from development fees
   - Projection of revenues from other sources
   - Description of administrative mechanism that will be used to collect and distribute revenues
   - Description of use of all affordable housing trust funds
   - Schedule for expenditure of all housing trust funds
   - Schedule for creation or rehabilitation of housing units
   - If supporting or sponsoring public sector or non-profit construction of housing, a pro-forma statement of the anticipated costs and revenues associated with the development
   - Plan to spend trust fund balance as of date of its Third Round petition within four years of the council's approval of spending plan
   - Method through which the municipality will address any expected or unexpected shortfall if revenues aren't sufficient
   - Description of anticipated use of excess affordable housing trust funds.

In adopting its housing element, a municipality may provide for its fair share of low and moderate income housing by means of any technique or combination of techniques which provide a realistic opportunity for the provision of the fair share. The Township proposes to utilize the following techniques to address its fair share obligation:

1. Provide a Housing Rehabilitation Program
2. Credits For Post 1986 Affordable Housing Units Constructed Including
   - Habitat For Humanity Home
   - Group Home Facility
3. Municipal Sponsored 100 percent Affordable Housing, including:
   - Age restricted development
   - Community housing for the disabled persons
   - Scattered site infill housing on Township lands
   - Group home facility
   - Accessory Apartments
   - Market To Affordable Rental Units
   - Family rental development
   - Age restricted rental housing
4. Inclusionary Housing
   - Shore Acres Mobile Home Park Expansion
   - John T. Shaw Farm Mobile Home Park (new)
5. Affordability Assistance Program
6. Development Fee Ordinance
7. Inclusionary Residential Overlay Ordinance

The Upper Township Fair Share Plan describes these strategies.

FAIR SHARE PLAN

VI. FAIR SHARE OBLIGATION

REGIONAL INCOME LIMITS

Dwelling units are affordable to low and moderate-income households if the maximum sales price or rental cost is within their ability to pay such costs, based on a specific formula. COAH provides income limits based upon the median gross household income of the COAH housing region in which the household is located. A moderate-income household is one with a gross household income equal to or more than 50 percent, but less than 80 percent, of the median gross regional household income. A low-income household is one with a gross household income equal to 50 percent or less of the median gross regional household income. Upper Township is located in COAH Region 6, which includes Cape May, Cumberland and Salem Counties.

Using the 2008 weighted regional income limits adopted by COAH, a four-person Region median household income is estimated at $64,793. A moderate-income four-person household could earn a maximum of $51,834 (80 percent of regional median) and a four person low-income household could earn a maximum of $32,397 (50 percent of regional median). Income levels for one to five person households as of 2008 are given below.

2008 REGIONAL INCOME LIMITS FOR REGION 6 MUNICIPALITIES

	1 person	2 person	3 person	4 person	5 person
Median	$45,355	$51,834	$58,314	$64,793	$69,976
Moderate	$36,284	$41,468	$46,651	$51,834	$55,981
Low	$22,678	$25,917	$29,157	$32,397	$34,988

Source: COAH, 2008 Regional Incomes Limits www.state.nj.us/dca/coah/incomelimits.pdf

COAH REQUIREMENTS

COAH has specific requirements on unit size distribution, affordable unit sales price and rental costs, and bedroom mix, among other regulations, which are provided in N.J.A.C. 5:80-26.1 et. seq. In each affordable development, at least 50 percent of the restricted units within each bedroom distribution must be low income and the remainder moderate income. For affordable developments that are not age-restricted, not more than 20 percent of the units may be efficiency or one-bedroom units, at least 30 percent shall be two-bedroom units, and at least 20 percent shall be three-bedroom units. Age-restricted affordable units can provide a modified bedroom distribution.

The monthly cost of owner occupied units, which includes mortgage (principal and interest), taxes, insurance and homeowner's or condominium association fees, may not exceed 28 percent of gross monthly household income. In addition, moderate-income sales units must be available for at least three different prices and low-income sales units available for at least two different prices for each bedroom type.

Under COAH regulations, rents may not exceed 30 percent of the eligible monthly income of the appropriate household size. There must be rents established for each bedroom type having both low and moderate income units provided that 13 percent must be affordable to very low income families earning no more than 30 percent of median income and the average rents must not exceed 52 percent of the median household income of the region.

FAIR SHARE OBLIGATIONS

Upper's Fair Share Plan describes the projects, strategies and funding sources with which the Township proposes to address its affordable housing obligation, as it has been set by COAH. The Township's Third Round Housing Element and Fair Share Plan addresses a fair share obligation of 531 units. The three components that must be addressed by this plan are:

- Rehabilitation Share:
  14 Units
- Prior Round Obligation (Cumulative 1987-1999):
  317 Units
- Third Round (2004-2018):
  62 Units; Adjusted to 200 Units

REHABILITATION SHARE

COAH has determined the Township share for rehabilitation units is 14. This number is calculated by COAH utilizing 2000 Census reported characteristics, including over-crowded units, older housing units built before 1949, and units with incomplete plumbing facilities and incomplete kitchen facilities.

PRIOR ROUND OBLIGATION

The Township has a Prior Round obligation of 317 units to address in its Third Round Plan. The Prior Round includes the period between 1987 and 1999. Additionally, there are minimum and maximum requirements regarding the development of rentals and age-restricted units for the Prior Round obligation (PRO), which are listed below:

- Minimum Rental Requirement:
  25 percent (PRO) = .25 (317) = 80
- Maximum Age-Restricted:
  25 percent (PRO) = .25 (317) = 79
- Maximum Age-Restricted Rental Requirement:
  50 percent (Max. Age-Restricted Units) = .5(79) = 39 Units
- Maximum Bonus Credits:
  79 Credits
- Maximum Bonus Age-Restricted Credits:
  0.33/Age Restricted Rental Unit or .33(39) = 12 Credits

THIRD ROUND GROWTH SHARE OBLIGATION

Based upon planned and approved developments already in process and developments constructed between 2004 to 2007, Upper has determined that their growth share obligation exceeds the COAH estimate of 62 housing units. COAH Worksheet B is located in the Appendix which documents the projected growth adjustment increase to address both current and forecast development efforts.

Upper must plan for a growth share obligation of 200 units, lacking any adjustments and not including credits. COAH's Rules require that 50 percent of the growth share obligation (GSO) for Upper be family housing units, which are non-restricted units. These units cannot include age restricted housing, group homes, or other client directed units. Additionally, there are other requirements, which are listed below:

- Minimum Family Unit Requirement
  50 percent (GSO) = 0.5(200) = 100
- Minimum Rental Requirement
  25 percent (GSO) = 0.25(200) = 50
- Maximum Age-Restricted Requirement
  25 percent (GSO) = 0.25(200) = 50
- Maximum Age-Restricted Rental Requirement
  12.5 percent (GSO) = 0.125(200) = 25
- Maximum Bonus Credits
  25 percent (GSO) after meeting minimum rental threshold requirements = 0.25(200) = 50
  - 1 for 1 credit for family rental housing
  - 1 for 1 for permanent supportive housing
  - 1 for 1 for very low income (VLI) units above minimum 13 percent threshold of 0.13(26)
  - 0.25 for each bedroom in group housing (supportive and special needs housing that is not considered permanent supportive housing)
  - 0.33 for each unit in transit oriented development or redevelopment area with limitations

VII. EXISTING CREDITS

SUPPORTIVE AND SPECIAL NEEDS HOUSING CREDITS (GROUP HOMES)

One group home, managed by Employability Unlimited, at 8 Foxborough Road is in operation. This home serves adult residents which includes three bedrooms. As a rental facility, the bedroom units are the determinant. Also as a rental facility, it is eligible for bonus rental credits under the Prior Round Plan rules. *Documentation will be provided as required to COAH.*

HABITAT FOR HUMANITY HOMES

Habitat for Humanity has constructed an affordable residence on 21 Ocean Avenue in Marmora. The Township contends that this home qualifies for affordable housing credit as an affordable home.

Documentation will be provided as required to COAH.

VIII. PROPOSED MECHANISMS TO ADDRESS THE FAIR SHARE OBLIGATION

REHABILITATION PROGRAM

COAH has established a 14 unit rehabilitation obligation for Upper. The Township plans to meet its rehabilitation obligation through the development of a local housing rehabilitation program in accordance with COAH standards. The Township expects to fund this program through grants which will be pursued through the New Jersey Balanced Housing Program or other funding sources as available. The Township may also funding through it development fee trust funds if all necessary funds are not available through other means. Upper Township will adopt a resolution as required by COAH indicating intent to bond in the event of a project funding shortfall.

MUNICIPAL SPONSORED 100 PERCENT AFFORDABLE HOUSING DEVELOPMENTS

Upper Township will sponsor a 100 percent affordable program to meet its growth share obligation. The Township expects that this program will involve a number of strategies, as discussed below. The Township will fund this program utilizing developer fees through its Affordable Housing Trust Fund and will also seek other funding sources available through the State of New Jersey. Upper Township will adopt a resolution as required by COAH indicating intent to bond in the event of a project funding shortfall.

The Township plans to utilize Township owned properties and possibly other available and suitable lands as affordable housing sites. The Township expects to contract to develop these Township owned properties or other suitable properties for 100 percent affordable units. The Township will develop this program in accordance with its implementation agenda and will provide the necessary documentation to COAH prior the commencement in accordance with COAH regulations. The following housing mechanisms are considered under this program:

1. Stagecoach Road Senior Housing
2. Petersburg Disability Center
3. Scattered Site Duplex Housing

4. Group Home Facility
5. Accessory Apartment Program
6. Market to Affordable Program
7. Family Rental Housing
8. Age-Restricted Housing

Site #1 - Township Owned Stagecoach Road Senior Housing

Upper Township owns this 58.64 acres site (Block 549, Lots 70, 87, 102-104) and proposes to develop a senior rental apartment on this site. The development will include a minimum 79 rental age-restricted affordable units plus 1 manager's apartment. The site has direct access through Lot 87 to Stagecoach Road, which connects to US Route 9. Lot 87 abuts a developed single-family residential area along Linda Lane and Evergreen Drive.

Lot 87 of the tract is currently located in the R Moderate Density Residential Zone District, which requires residential uses to have a minimum of 40,000 square feet of lot area. The rear lots are currently within the AR Agriculture & Low Density Residential Zone District, which requires lots to have a minimum of 3 acres. The site is being proposed as the ASH-1 Affordable Senior Housing Zone, which will require a zoning amendment to permit senior housing.

The tract is located in PA2 Suburban Planning Area on the 2001 State Development and Redevelopment Plan Policy Map. It is outside of the Seaville Town Center. Sites within PA2 are considered suitable locations for affordable housing. Development of this site will be subject to NJDEP permitting.

The property is located within the proposed Seaville3 Sewer Service Area in the Township 2006 Master Plan, which would allow for wastewater treatment facilities through a community package treatment plan with a proposed amendment to the Wastewater Management Plan. Public water through New Jersey American Water is available along Stagecoach Road and could be extended to serve this site.

Approximately 32 acres to the rear of the site are constrained by wetlands, C-1 waters or flood-prone areas as regulated by the NJDEP and are subject to on-site wetlands delineation to determine developable upland areas, leaving approximately 26 developable acres. An NJDEP wetlands letter of interpretation/line verification letter ("LOI") will be provided as part of the site development process. There are no other known site constraints.

The Township will select an Administrative Entity to develop and manage the site through an open RFP process. All residents will qualify as low or moderate income age restricted units. The units will be marketed through approved COAH standards and under UHAC. Upper Township will adopt this resolution of intent to bond in the effect of a funding shortfall as required by COAH.

It is expected that this project will be implemented beginning in 2009. The site will be rezoned to permit 100% affordable age restricted housing. A Draft Zoning Ordinance has been prepared. The Township will first undertake a wetlands analysis to establish the wetlands boundary, buffer requirements and uplands development area. The Township will then issue an RFP and select a qualified developer. The developer will seek funding and develop plans for the project. Once funding is obtained, the site plans will be finalized and approved. It is expected that from the start of construction, occupancy should take between 12-18 months. Details are provided in the Implementation Schedule.

A site location map is included in the Appendix. Additional documentation as required will be provided to COAH.

Site #2 - Petersburg Disability Center

Upper Township owned this 21.2-acre, rectangular shaped parcel, comprised of Lot 1 of Block 453 and is located along Dennisville-Petersburg Rd (County Route 610). The site is bordered to the southwest by the Woodbine Township municipal boundary. The site adjoins a commercially developed property in Woodbine Township which is an approved Pinelands Town Center. Further to the north of the site is a mining operation.

The site is proposed for a 24 bedroom /apartment units with common facilities as a 'group home' for adults of very low income (30% below the median) and/or people with disabilities. The site is currently located in the M Mining Zone District, which does not permit residential uses. Rezoning is proposed to permit this use as a group home facility.

The site is currently designated in the PA5 Environmentally Sensitive Planning Area on the 2001 State Development and Redevelopment Plan Policy Map and is proposed to remain in the PA5 Environmentally Sensitive Planning Area on the 2004 Preliminary State Plan Policy Map. The site adjoins the Woodbine Town Center.

The site is not within an existing or proposed sewer service area and would require an onsite septic system and a private well. Soil types according to the Soil Conservation Service mapping indicated primarily Fort Mott Sand soil classification which is not a hydric soil.

Approximately 5 acres at the rear of the site appears constrained by wetlands, C-1 waters or flood-prone areas as regulated by the NJDEP and is subject to on-site wetlands delineation to determine developable areas. The majority of the site and along the CR610 frontage appears unconstrained. An NJDEP wetlands letter of interpretation/line verification letter ("LOI") will be provided as part of the site development process.

The site is designated by CAFRA to the Coastal Environmentally Sensitive Planning Area. The site is located outside on known Natural Heritage Priority Sites according to NJDEP records and the Township NRI. There are no other known site constraints.

The Township expects to initiate this project in 2009; the Administrative entity is not known at this time. The Township will go out with an RFP to select a developer to construct and administer this project. All residents will be qualified as low or moderate income households. The project will be developed consistent with COAH regulations. See Implementation Schedule for timeframe for construction.

A site location map is included in the Appendix. Additional documentation as required will be provided to COAH.

Scattered Site Family Housing

Upper Township has identified four Township owned properties that would be suitable for duplex family housing . These sites are described below. The Township expects to work with not-for-profit groups such as Habitat for Humanity or others to develop these sites.

Documentation as required will be provided to COAH in accordance with the implementation schedule.

Affordable Housing Site #3

The Township owned property is a 40,373 square foot, rectangular-shaped parcel, comprised of Lots 16-20 & 25-39 of Block 509 and is located along Oceanwoods (Ocean) Avenue between Mistletoe (Holly) Avenue and Oakland Avenue. The site is not constrained by wetlands, C-1 waters or flood-prone areas as regulated by the NJDEP. The site has direct access to several local roads that connect to County Route 631. The site is currently located in the R2 Moderate Density Residential Zone District, which requires residential uses to have a minimum of 40,000 square feet of lot area.

The site currently in the PA2 Suburban Planning Area on the 2001 State Development and Redevelopment Plan Policy Map and is proposed for the PA2 Suburban Planning Area on the 2004 Preliminary State Plan Policy Map. It is not in an existing or proposed sewer service area and would require an on-site septic system and a private well.

A site location map is included in the Appendix. Additional documentation as required will be provided to COAH.

Affordable Housing Site #4

The Township owned property is a 40,002 square foot, rectangular-shaped parcel, comprised of Lots 12-31 of Block 527 and is located along Oceanwoods (Ocean) Avenue between Magnolia Avenue and Redwood (Cedar) Avenue. The site is not constrained by wetlands, C-1 waters or flood-prone areas as regulated by the NJDEP. The site has direct access to several local roads that connect to County Route 631. The site is currently located in the R2 Moderate Density Residential Zone District, which requires residential uses to have a minimum of 40,000 square feet of lot area.

The site currently in the PA2 Suburban Planning Area on the 2001 State Development and Redevelopment Plan Policy Map and is proposed for the PA2 Suburban Planning Area on the 2004 Preliminary State Plan Policy Map. The site is under management by CAFRA, is not in an existing or proposed sewer service area and would require an onsite septic system and a private well.

A site location map is included in the Appendix. Additional documentation as required will be provided to COAH.

Affordable Housing Site #5

The Township owned site is a 42,279 square foot, rectangular-shaped parcel, comprised of Lots 1-8 & 31-38 of Block 630 and is located along Cape May Avenue between Ocean Avenue and Atlantic Avenue. The site is not constrained by wetlands, C-1 waters or flood-prone areas as regulated by the NJDEP. The site has direct access to Ocean Avenue, which connect to US Route 9. The site is currently located in the R Center Residential Zone District which permits single family residential uses on 40,000 square foot lots.

The site currently in the PA2 Suburban Planning Area on the 2001 State Development and Redevelopment Plan Policy Map and is proposed for the PA2 Suburban Planning Area on the 2004 Preliminary State Plan Policy Map. The site is within the adopted Marmora-Palermo-Beesley's Point Town Center. It is under management by CAFRA, is not in an existing or proposed sewer service area and would require an on-site septic system and a private well.

A site location map is included in the Appendix. Additional documentation as required will be provided to COAH.

Affordable Housing Site #6

The Township owned site is a 40,653 square foot, rectangular-shaped parcel, comprised of Lots 1-8 & 33-40 of Block 585 and is located along Seaview Avenue between Ocean Avenue and Pacific Avenue. The site is not constrained by wetlands, C-1 waters or flood-prone areas as regulated by the NJDEP. The site has direct access to Pacific Avenue, which connect to US Route 9. The site is currently located in the R Center Residential Zone District which permits single family residential uses on 40,000 square foot lots.

The site currently in the PA2 Suburban Planning Area on the 2001 State Development and Redevelopment Plan Policy Map and is proposed for the PA2 Suburban Planning Area on the 2004 Preliminary State Plan Policy Map. The site is within the adopted Marmora-Palermo-Beesley's Point Town Center. It is under management by CAFRA, is not in an existing or proposed sewer service area and would require an on-site septic system and a private well.

A site location map is included in the Appendix. Additional documentation as required will be provided to COAH.

Group Home Facility Site #7

The Township owned property is a 3.78-acre, rectangular-shaped parcel, comprised of Lot 1 of Block 246 and is located on Washington Avenue along the Upper Township and Dennis Township municipal boundary. The site is not constrained by wetlands, C-1waters or flood-prone areas as regulated by the NJDEP. The site has direct access to County Route 557.

The site is currently located in the F25 Low Density Forestry Zone District, which requires residential uses to have a minimum of 25 acres of lot area. Development would require "C" Bulk variance relief from the Board of Adjustments for site plan approval. The Township proposes to deed restrict other Township owned lands within the Pinelands Management Area which will offset the lot size deficiency.

The site is in the PMA2 Forest & Preservation Pinelands Management Area. It is not in an existing or proposed sewer service area and would require an on-site septic system and a private well.

A site location map is included in the Appendix. Additional documentation as required will be provided to COAH.

Accessory Apartment Program

The Township will utilize development fees collected to institute an Accessory Apartment program. The Township will adopt an Accessory Apartment Zoning Ordinance to permit accessory apartments either within existing single family structures, within separate accessory structures or as part of a commercial development. These units would be marketed solely to moderate income households in accordance with COAH regulations. A total of 10 accessory apartments are initially projected under this program. Depending upon the success of this program, the accessory apartment program may be expanded. The Township has properties that are suitable for accessory apartments including large homes and within accessory structures that can accommodate this use. The Township also expects that existing 'illegal' accessory apartments may be accommodated within this program.

The Township will develop this program, beginning in 2009, in accordance with its implementation program and will provide the necessary documentation to COAH, in accordance with COAH regulations. The Township will provide funds utilizing development fees in the Township's Affordable Housing Trust Fund to subsidize these unit based upon COAH standards of $20,000 for moderate income rents. A 30-year deed restriction would be placed on the property. The units would be marketed in accordance with COAH's Uniform Housing Affordability Control ("UHAC") standards.

Documentation as required will be provided to COAH in accordance with the implementation schedule.

Market to Affordable Program

The Township may utilize development fees collected for a Market to Affordable program through either purchasing and/or subsidizing rental costs for up to 13 rental units. Depending upon the success of this program, the market to affordable program may be expanded. The Township will develop this program, beginning in 2011, in accordance with its implementation program and provide the necessary documentation to COAH, in accordance with COAH regulations.

Documentation as required will be provided to COAH in accordance with the implementation schedule.

Family Rental Housing

The Township will identify property or properties suitable for 100% affordable family rental housing. This program is expected to be developed and implemented during the later phases of the Third Round, beginning in 2014. Fifty (50) affordable units are planned to meet the Township's prior round obligation. It is expected that an estimated 50 or more units total will be developed; this will be subject to reevaluation depending upon the actual growth share obligation accrued between 2008 and 2018. The Township will develop this program, in accordance with its implementation program and provide the necessary documentation to COAH, in accordance with COAH regulations.

Documentation as required will be provided to COAH in accordance with the implementation schedule.

Age Restricted Housing

The Township will identify property or properties suitable for a 100% affordable age restricted rental housing. This program is expected to be developed and implemented during the later phases of this round. It is expected that an estimated 50 age-restricted units total will be developed to address the projected third round obligation. This will be subject to reevaluation depending upon the actual growth share obligation accrued between 2008 and 2018. The Township expects to develop this program beginning six years from the date of certification in accordance with its implementation program and provide the necessary documentation to COAH at least two years prior the commencement of this phase, in accordance with COAH regulations.

Documentation as required will be provided to COAH in accordance with the implementation schedule.

INCLUSIONARY HOUSING

Site #8 - Shore Acres Mobile Home Park Expansion

The site is an 81.92-acre irregularly shaped parcel, comprised of Lot 37 with Lots 45.10, 45.11 & 45.18 of Block 567, located along US Route 9 and abutting the Garden State Parkway. Currently Shore Acres Mobile Home Park has 200 trailers on 30.87 acres. About 33.65 acres are vacant and privately owned with an additional 4.98 acres under Township ownership.

The site would meet COAH site suitability standards. The property owner has issued a letter of commitment to development the property as proposed. Access is available to Route 9 and would be coordinated with the existing mobile home park circulation network.

The site is located within PA2 Suburban Planning Area and is within the adopted Seaville Town Center. Being within a Town Center is considered by COAH as the appropriate location for affordable housing

The property is located within the proposed Seaville2 Sewer Service Area as identified in the 2006 Township Land Use Plan which would allow for alternative wastewater treatment facilities such as community package treatment plant to serve the site. An amendment would be required to the

Wastewater Management Plan. Public water is available through New Jersey American Water along U.S. Route 9.

The site has approximately 39 acres of uplands suitable for development. Approximately 16 acres in the rear of the site (along the Garden State Parkway) is constrained by wetlands, C-1 waters or flood-prone areas as regulated by the NJDEP and is subject to on-site wetlands delineation to determine developable areas. Lot 45.01, which is owned by Upper Township, will be utilized for drainage, open space and utility infrastructure.

The site is currently located in the R Center Density Residential Zone District, which requires residential uses to have a minimum of 40,000 square feet of lot area. The site is proposed to be rezoned as MH Mobile Home Zone District, which would allow for mobile homes at a density of 7 units per acre with a 20 percent affordable rental unit requirement (as recommended in the 2006 adopted Housing Element and Fair Share Plan). Up to 150 mobile home housing units total are planned for this site. Of these units, 30 units will be developed as rental family units which will be marketed under COAH requirements to low and moderate income households.

A site location map is included in the Appendix. Additional documentation as required will be provided to COAH.

Site #9 - John T. Shaw Farm Mobile Home Park

The site is a 46-acre irregularly shaped parcel, comprised of Lots 15.01 & 15.02 of Block 639, is located along Tuckahoe Road (County Route 631). Approximately 16 acres in the rear of the site is constrained by wetlands, C-1 waters or flood-prone areas, as regulated by the NJDEP, and is subject to on-site wetlands delineation to determine developable areas. About 30 acres are identified as developable uplands.

The site would meet COAH site suitability standards. The property owner has issued a letter of commitment to develop the property as proposed. Access is available to County Route 631, a collector road. The site currently in the PA2 Suburban Planning Area on the 2001 State Development and Redevelopment Plan Policy Map and is proposed for the PA2 Suburban Planning Area on the 2004 Preliminary State Plan Policy Map. The site is within the adopted Marmora-Palermo-Beesley's Point Town Center. It is located within the proposed Marmora Sewer Service Area, which would allow for alternative wastewater treatment facilities to the site. An amendment would be required to the Wastewater Management Plan. Public water is available along Stagecoach Road through the New Jersey American Water and could be extended to serve this site.

The site is currently located in the Mobile Home Zone District, which is an adopted (2007) zone that permits mobile homes at a density of 7 units per acre with a 20 percent affordable rental unit requirement. Up to 108 units total are planned for this site. Of these units, 22 units will be developed as rental family units which will be marketed under COAH requirements to low and moderate income households.

A site location map is included in the Appendix. Additional documentation as required will be provided to COAH.

AFFORDABILITY ASSISTANCE PROGRAM

The Township will set up a local affordability assistance program which will designate funds from its affordable housing trust fund to provide affordability assistance for both rental and for-sale units. At least 30% of the housing trust funds will be utilized for affordability assistance with at least 13% of the funds directed for very low income households.

The Upper Township affordability assistance program will be administered by an experience housing agent to be contracted with by the Township. A program manual will be developed and adopted by the Township to establish the procedures for managing this program. The households will be qualified in keeping with COAH rules and Uniform Housing Affordability Controls. The program will be noticed and marketed based upon an established program procedure.

The affordability assistance for renters will include but not necessarily be limited to assistance on security deposits which will be repaid into a revolving loan fund, rental assistance to supplement rents for qualified households including addressing rental needs especially for very low income households which will not be repaid back into the fund.

Affordability assistance will also be provided for sale units in the Township. This program will be directed at income eligible households and include but not be limited to the following programs: a down payment loan program which would be payable back to the Township when the Buyer resells, borrows or refinances the properties; a homeowners assistance loan program, which may help address for a limited time frame condominium or homeowner association fees; and a homeowners assistance loan program to provide payments of mortgage arrears for qualified residents.

Documentation will be provided to COAH as required through the Spending Plan and implementation schedule.

DEVELOPMENT FEE ORDINANCE

A Draft Development Fee Ordinance is provided in the Appendix, which proposes to collect development fees in accordance with the current COAH regulations.

ZONING FOR INCLUSIONARY DEVELOPMENT

A growth based affordability ordinance was adopted by the Township on December 11, 2006. It is recommended that this Ordinance be replaced by an Inclusionary Residential Overlay Ordinance to reflect current COAH standards. This inclusionary overlay ordinance is expected to provide for affordable housing to meet at least 25 percent or more of the Township's future growth share obligation for new residential development.

In keeping with COAH guidance, it will assume that properties that can be developed with four or more residential units will be obligated to provide affordable housing to meet the Township's obligation. A density bonus will be provided to address this affordable obligation. In addition, more flexible design standards including permitting within single family zones alternative housing options such as single family semi-attached housing will be permitted together with relaxed yard and coverage standards to accommodate affordable units.

COAH standards establish a minimum presumptive density of 6 du/acre with a maximum 25 percent affordability requirement permitted within PA2 and centers that are sewered; 4 du/acre with 20% affordability requirement permitted within PA2 in areas that are not sewered; and for non sewered areas within PA3, PA4 and PA5 and within the Pinelands Management Area permitting a 40 percent density increase with a 20 percent affordability requirement is proposed. As per COAH, the base density must be considered to establish the lower threshold upon which the density bonus is provided.

A draft Inclusionary Residential Overlay Ordinance to address the Township's future affordable housing obligation is included in the Appendix.

OTHER TOWNSHIP ACTIONS TO ADDRESS AFFORDABLE HOUSING

With the adoption of the 2006 Upper Township Housing Element and Fair Share Plan, the Township adopted a number of zoning changes to meet its obligation. They are as follows:

Age Restricted Housing

Zoning amendments were adopted in 2007, to provide for Age Restricted Developments with a maximum 6 d.u./ac. density and 20% affordable set-aside within the town centers.

Assisted Living Facilities

Zoning amendments were adopted in 2007 to permit Assisted Living facilities within the town centers with a maximum 6 units per acre density and a 25% affordability set-aside. It is recommended that this zoning be amended to now include additional standards to meet COAH's requirements including a 30 year deed restriction and establishment of a Memorandum of Understanding with the Township and the HMFA to certify low and moderate income residents.

Non-Contiguous Residential Cluster

The 2007 adopted Township Ordinance permits the cluster or transfer of units outside of the centers into the Town Center and Town Center Core Districts. This transfer provides a density bonus of 25 percent, limited to a maximum density of 6 du/acre and requires an affordable housing obligation.

IX. SUMMARY OF FAIR SHARE PLAN

EXISTING & PROPOSED CREDITS & BONUSES THAT ADDRESS THE PRIOR ROUND OBLIGATION			
COAH Allocated Obligation		**=**	**317**
Existing Credits	Habitat for Humanity Homes	-	1
	Group Home (Bedrooms)	-	3
	Group Home Bonus Credits	-	3
Proposed Credits	Shore Acres Mobile Home Park Expansion (Rentals)	-	30
	John T. Shaw Farm Mobile Home Park (Rentals)	-	22
	Petersburg Disability Center	-	24
	Growth Share Apartments (Lucky 13 & Hollyberry)	-	2
	Age-Restricted Housing	-	79
	Group Home Facility	-	4
	100% Affordable Family Rental Project	-	50
	Accessory Apartments	-	10
	Market to Affordable Rental Units	-	13
	Rental Bonus Credits	-	52
	Disability Center Bonus Credits	-	24
Balance		**=**	**0**

PROPOSED CREDITS/BONUSES/ADJUSTMENTS THAT ADDRESS THE GROWTH SHARE OBLIGATION			
COAH's Allocated Growth Share Obligation:		=	62
Adjusted Growth Share Obligation:		**=**	**200**
Proposed Credits	100% Affordable Family Rentals	-	65
	Age-Restricted Housing (Rentals)	-	50
	Scattered Site Housing (Rentals)	-	8
	Inclusionary Developments (Growth Share Ordinance)	-	30
	Rental Bonus Credits	-	47
Balance		**=**	**0**

X. SPENDING PLAN

The Spending Plan has been prepared to reflect the forecast development activity between 2004 and 2018. There is $151,249 in the Upper Housing Trust Fund as of July 16, 2008. It is expected that about $1,239,515 in additional funds will collected by 2018. These funds will be monitored by the Township and COAH on a biennial basis of this Third Round Cycle. The Spending Plan details how the funds will be used to support affordable housing programs in the Township. The Spending Plan is included in the Appendix.

XI. IMPLEMENTATION SCHEDULE

The Township anticipates that the proposed mechanisms will be implemented in accordance with the following schedule:

Upper Township Third Round Plan - Implementation Schedule											
	'08	'09	'10	'11	'12	'13	'14	'15	'16	'17	'18
Stagecoach Road Senior Housing		■	■	■							
Petersburg Disability Center		■	■								
Scattered Site Family Housing					■			■		■	■
Group Home Facility						■					
Accessory Apartment Program		■	■	■	■	■	■	■	■	■	■
Market to Affordable Program				■	■	■	■	■	■	■	■
Family Rental Housing							■	■	■	■	
Age Restricted Housing								■	■	■	
Shore Acres Mobile Home Park									■	■	■
John T. Shaw Farm Mobile Home Park			■	■	■	■					

APPENDIX

1) COAH Workbook B
2) Draft Spending Plan
3) Draft Development Fee Ordinance
4) Draft Inclusionary Residential Overlay Zone Ordinance.
5) Draft Zoning ASH-1 Affordable Senior Housing Ordinance
6) Draft Amended Assisted Living Facilities Use Ordinance
7) Accessory Apartment Ordinance
8) Affordable Housing Sites Location Maps

COAH WORKBOOK B

Workbook B:
Summary of Growth Share Determination Using Municipal Projections

Municipality Name: **Township of Upper**

(Note: Municipalities seeking a lower growth projection based on the lack of available land may not use Workbook B. Rather, these municipalities must use Workbook C.)

CLICK HERE to go to Workbook C

This workbook contains two separate worksheets to be used for determining the projected Municipal Growth Share Obligation. Worksheet A must be completed by all municipalities. Worksheet A is the tool that allows the user to enter COAH-generated Growth Projections included in Appendix F(2) of the revised Third Round Rules to determine the Growth Share Obligation after applying exclusions permitted by N.J.A.C. 5:97-2.4. Municipalities that accept the COAH-generated Growth projections need only use Worksheet A.
Click Here to complete Worksheet A

Municipalities anticipating that growth through 2018 is likely to exceed the growth through 2018 that has been projected by COAH should complete Worksheet A and Worksheet B. Worksheet A establishes a projected Growth Share Obligation based on COAH-generated growth projections against which the municipally determined Growth Share Obligation will be compared. Municipal alternative growth projections that exceed COAH projections would be used if the municipality anticipates growth higher than what COAH has projected and seeks to plan accordingly.

Click Here to complete Worksheet B

Summary Of Worksheet Comparison

COAH Projected Growth Share	**COAH Projected Growth Share** (From Worksheet A)	**Municipally Projected Growth Share** (From Worksheet B)
Residential Growth	109	944
Residential Exclusions	260	260
Net Residential Growth	-151	684
Residential Growth Share	0.00	149.40*
Non-Residential Growth	643	810^
Non-Residential Exclusions	0	0
Net Non- Residential Growth	643	810^
Non-Residential Growth Share	40.19	50.60^
Total Growth Share	40	200*^

The Municipal growth share projection exceeds the COAH projection. Please file Workbook B and use a Residential Growth share of 149.4* units plus a Non-residential growth share of 50.6 units for a total growth share obligation of 200* affordable units.**

Notes:
** Adjusted Manually to reflect errors in Workbook Formulas. N.J.A.C 5:97-2.5(a)2 requires Actual Growth to be divided by 4 whereas the Workbook divides by 5.*
^ Adjusted manually to reflect changes resulting from utilizing 0.25 jobs instead of 1.0 jobs per 1,000 square feet of storage space (see details on Worksheet B).

Worksheet B

Growth Share Determination Using Municipal Projections

Municipality Name: **Township of Upper**

Actual Growth 01/01/04 to Present

Residential COs Issued	252				
Non-residential CO's by Use Group		Square Feet Added (COs Issued)	Square Feet Lost Demolition Permits Issued)	Jobs/1,000 SF	Total Jobs
B		17,306		2.8	48.46
M		9,391	4,033	1.7	9.11
F		120		1.2	0.14
S		78,315	10,640	0.25^	16.92^
H				1.6	0.00
A1				1.6	0.00
A2		212		3.2	0.68
A3		336		1.6	0.54
E				0.0	0.00
I		5,641		2.6	14.67
R1				1.7	0.00
Total		**111,321**	**14,673**		**90.52^**

Projected Growth through 12/31/18 not included in actual above

Pending Residential Approvals	102
Known Residential Development Applications	258
Additional Projected Residential Growth through 2018	332

Pending, Known and Anticipated Non-Residential Growth by Use Group		Square Feet Projected to be built	Square Feet Projected to be Demolished	Jobs/1,000 SF	Total Jobs
B		75,625		2.8	211.75
M		294,277		1.7	500.27
F				1.2	0.00
S		31,120		0.25^	7.78^
H				1.6	0.00
A1				1.6	0.00
A2				3.2	0.00
A3				1.6	0.00
E				0.0	0.00
I				2.6	0.00
R1				1.7	0.00
Total		**401,022**	**0**		**719.8^**

	Residential	**Non-Residential**
Total Municipal Projections From Above	**944**	**810.3** ^

Notes:

*** Adjusted manually to reflect changes resulting from utilizing 0.25 jobs instead of 1.0 jobs per 1,000 square feet of storage space (see details on Worksheet B).*

Subtract the following Residential Exclusions pursuant to 5:97-2.4(a) from Worksheet A	If you have not yet completed Worksheet A, Please click here to do so before continuing with Worksheet B.	
COs for prior round affordable units built or projected to be built post 1/1/04		
Inclusionary Development	54	
Alternative Living Arrangements	0	
Accessory Apartments	0	
Municipally Sponsored or 100% Affordable	0	
Assisted Living	0	
Other	0	
Market Units in Prior Round Inclusionary development built post 1/1/04	206	
Non-Residential Exclusions Pursuant to 5:97-2.4(b)		
Affordable units	0	
Associated Jobs		0
Net Growth Projection	684	810
Projected Growth Share Divide Residential Growth by 5 and Jobs by 16	**149.40* Affordable Units**	**50.60^ Affordable Units**

Total Projected Growth Share Obligation **200.00*^ Affordable Units**

Click Here to return to Workbook B Summary sheet

Notes:
** Adjusted Manually to reflect errors in Workbook Formulas. N.J.A.C 5:97-2.5(a)2 requires Actual Growth to be divided by 4 whereas the Workbook divides by 5.*
^ Adjusted manually to reflect changes resulting from utilizing 0.25 jobs instead of 1.0 jobs per 1,000 square feet of storage space (see details on Worksheet B).

Worksheet A: Growth Share Determination Using Published Data

(From Appendix F(2), *Allocating Growth To Municipalities)*

COAH Growth Projections
Must be used in all submissions

Municipality Name: **Township of Upper**

Enter the COAH generated growth projections form Appendix F(2) found at the back of N.J.A.C. 5:97-1 et seq. on Line 1 of this worksheet. Use the Tab at the bottom of this page or the links within the page to toggle to the exclusions portion of this worksheet. After entering all relevant exclusions, toggle back to this page to view the growth share obligation that has been calculated based on COAH's growth projections.

Line		Residential		Non-Residential	
1	**Enter Growth Projections From Appendix F(2)***	**109**		**643**	
2	**Subtract the following Residential Exclusions pursuant to 5:97-2.4(a) from "Exclusions" tab**	Click Here to enter Prior Round Exclusions			
	COs for prior round affordable units built or projected to be built post 1/1/04				
	Inclusionary Development	54			
	Supportive/Special Needs	0			
	Accessory Apartments	0			
	Municipally Sponsored or 100% Affordable	0			
	Assisted Living	0			
	Other	0			
	Market Units in Prior Round Inclusionary development built post 1/1/04	206			
	Subtract the following Non-Residential Exclusions Pursuant to 5:97-2.4(b)				
	Affordable units	0			
	Associated Jobs			0	
3	**Net Growth Projection**	**-151**		**643**	
4	**Projected Growth Share** (Conversion to Affordable Units Divide HH by 5 and Jobs by 16)	**0.00**	**Affordable Units**	**40.19**	**Affordable Units**

5 **Total Projected Growth Share Obligation** **40** **Affordable Units**

Click Here to return to Workbook B Summary

* Use Appendix F(2), Figure A.1, Housing Units by Municipality for Residential growth and Appendix F(2), Figure A.2, Employment by Municipality for Non-residential growth.

Affordable and Market-Rate Units Excluded from Growth

Municipality Name: Township of Upper

Prior Round Affordable Units NOT included in Inclusionary Developments Built post 1/1/04

Development Type	Number of COs Issued and/or Projected
Supportive/Special Needs Housing	
Accessory Apartments	
Municipally Sponsored and 100% Affordable	
Assisted Living	
Other	
Total	**0**

Market and Affordable Units in Prior Round Inclusionary Development Built post 1/1/04 N.J.A.C. 5:97-2.4(a)

(Enter Y for yes in Rental column if rental units resulted from N.J.A.C. 5:93-5.15(c)5 incentives)

Development Name	Rental? Y/N	Total Units	Market Units	Affordable Units	Market Units Excluded
Lucky 13	Y	1		1	0
Holly Berry	Y	1		1	0
Shore Acres MHP	Y	150	120	30	120
Shaw Farm MHP	Y	108	86	22	86
		0			0
Total		**260**	**206**	**54**	**206**

Jobs and Affordable Units Built as a result of post 1/1/04 Non-Residential Development N.J.A.C. 5:97-2.4(b)

Development Name		Affordable Units Provided	Permitted Jobs Exclusion
			0
			0
			0
			0
Total		**0**	0

When finished, click here to return to Worksheet A

DRAFT SPENDING PLAN

DRAFT Affordable Housing Trust Fund Spending Plan

INTRODUCTION

The Township of Upper, Cape May County has prepared a Housing Element and Fair Share Plan ("HEFSP") 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-301) and the regulations of the Council on Affordable Housing ("COAH") (N.J.A.C. 5:97-1 et seq. and N.J.A.C. 5:96-1 et seq.).

Pursuant to Developer's Agreements, the Township has collected payments-in-lieu of construction of low and moderate income housing, as required by the Upper Township Growth Share Ordinance, adopted on November 16, 2006. The collected funds have been deposited into the affordable housing trust fund. A development fee ordinance creating a dedicated revenue source for affordable housing will be endorsed concurrently with the HEFSP by the Township governing body to support the proposed mechanisms. The ordinance establishes the Township of Upper affordable housing trust fund for which this spending plan is prepared.

As of July 17, 2008, the Township of Upper has collected $150,464, expended $0 and received $785 interest, resulting in a balance of $151,249. All development fees, payments in lieu of constructing affordable units on site, funds from the sale of units with extinguished controls, and interest generated by the fees are deposited in a separate interest-bearing affordable housing trust fund in the approved municipal banking institution for the purposes of affordable housing. These funds shall be spent in accordance with N.J.A.C. 5:97-8.7-8.9 as described in the sections that follow.

1. REVENUES FOR CERTIFICATION PERIOD

To calculate a projection of revenue anticipated during the period of third round substantive certification, the Township of Upper considered the following:

(a) Development fees:

1. Residential and nonresidential projects which 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; and
3. Future development that is likely to occur based on historical rates of development. The Township estimates that 50% of the projected future development will be subject to the Growth Share Ordinance, requiring affordable housing to be constructed, and 50% will be subject to the Development Fee Ordinance, requiring development fees to be paid into the Affordable Housing Trust Fund.

(b) Payment in lieu (PIL): The Township has collected $150,464 for PIL.

(c) Other funding sources: No other funds have been or are anticipated to be collected.

(d) Projected interest: Interest on the projected revenue in the municipal affordable housing trust fund at the current average interest rate, estimated at 1.94 percent from the latest trust fund statement.

TOWNSHIP OF UPPER

DRAFT Affordable Housing Trust Fund Spending Plan

SOURCE OF FUNDS	Projected Revenues-Housing Trust Fund - 2008 THROUGH 2018											
	7/18/08 Through 12/31/08	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Total
(a) Development fees:	$65,243	$39,000	$86,925	$104,325	$115,200	$126,075	$130,425	$132,600	$130,425	$141,300	$145,650	$1,217,168
1. Approved Development	$54,368	$6,000	$20,550	$16,200	$8,700	$0	$4,350	$4,350	$4,350	$4,350	$4,350	$127,568
2. Anticipated Development	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
3. Projected Development	$10,875	$33,000	$66,375	$88,125	$106,500	$126,075	$126,075	$128,250	$126,075	$136,950	$141,300	$1,089,600
(b) Payments in Lieu of Construction	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
(c) Other Funds	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
(d) Interest	$0	$757	$1,686	$2,024	$2,235	$2,446	$2,530	$2,572	$2,530	$2,741	$2,826	$22,347
Total	$65,243	$39,757	$88,611	$106,349	$117,435	$128,521	$132,955	$135,172	$132,955	$144,041	$148,476	$1,239,515

The Township of Upper projects a total of $1,239,515 in revenue to be collected between July 18, 2008 and December 31, 2018. No funds have been collected from July 17, 2008 to date. All interest earned on the account shall accrue to the account to be used only for the purposes of affordable housing.

2. ADMINISTRATIVE MECHANISM TO COLLECT AND DISTRIBUTE FUNDS

The following procedural sequence for the collection and distribution of development fee revenues shall be followed by the Township of Upper:

(a) Collection of development fee revenues:

Collection of development fee revenues shall be consistent with the Township of Upper's development fee ordinance for both residential and non-residential developments in accordance with COAH's rules and P.L.2008, c.46, sections 8 (C. 52:27D-329.2) and 32-38 (C. 40:55D-8.1 through 8.7).

(b) Distribution of development fee revenues:

The Township of Upper Housing Liaison recommends to the governing body the expenditure of development fee revenues as set forth in this spending plan. The governing body reviews the request for consistency with the spending plan and adopts the recommendation by resolution.

The release of funds requires the adoption of the governing body resolution in accordance with the COAH-approved spending plan. 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

(a) **Rehabilitation and new construction programs and projects (N.J.A.C. 5:97-8.7)**

The Township of Upper will dedicate $695,000 to new construction and rehabilitation programs (see detailed descriptions in Fair Share Plan) as follows:

New construction project(s): $555,000

The Township of Upper plans to develop a market to affordable program, which would subsidize a minimum of $25,000 per unit to make 7 units affordable to moderate-income households and $30,000 per unit to make 6 units affordable to low-income households, for a total of $355,000 to be expended from the Affordable Housing Trust Fund. Additional funding may be provided through the Affordability Assistance program to designate these units for very low income households.

The Township of Upper plans to develop an accessory apartment program, which would subsidize a minimum of $20,000 per unit to construct 10 accessory apartments affordable to moderate-income households, for a total of $200,000 to be expended from the Affordable Housing Trust Fund. Additional funding may be provided through the Affordability Assistance program to designate these units for very low income households.

Rehabilitation Program: $140,000

The Township of Upper plans to develop a rehabilitation program, which would subsidize a minimum of $10,000 per unit to rehabilitate 14 units, for a total of $130,000 to be expended from the Affordable Housing Trust Fund. Additional funding may be provided through the Affordability Assistance program to designate these units for very low income households.

(b) **Affordability Assistance (N.J.A.C. 5:97-8.8)**
Projected minimum affordability assistance requirement:

Actual development fees through 7/17/2008	$	150,464
Actual interest earned through 7/17/2008	+ $	785
Development fees projected* 2008-2018	+ $	1,217,168
Interest projected* 2008-2018	+ $	22,347
Less housing activity expenditures through 6/2/2008	- $	-
Total	= $	1,390,764
PROJECTED MINIMUM Affordability Assistance Requirement 1/1/2005 through 12/31/2018	x 0.30 = $	417,229
PROJECTED MINIMUM Very Low-Income Affordability Assistance Requirement 1/1/2005 through 12/31/2018	÷ 3 = $	139,076

* Note: The 2008 portion of this projection reflects 2008 subsequent to July 17 as the remainder of 2008 is included in the actual figure reported above.

The Township of Upper will dedicate a minimum of $417,229 from the Affordable Housing Trust Fund to render units more affordable, including a minimum of $139,076 to render units more affordable to households earning 30 percent or less of median income by region. Affordability assistance programs will include down-payment assistance, rental assistance, and the conversion of low-income units to very-low-income units (including the accessory apartments) and other programs approved by COAH.

As required by COAH, the entire balance as of July 17, 2008 will be expended or committed within four years. More specifically, the spending plan projects a total of $517,000 will be expended by the end of 2012, whereas the July 17, 2008 trust fund balance was $151,249.

(c) **Administrative Expenses (N.J.A.C. 5:97-8.9)**

The Township of Upper projects that a maximum of $278,152 will be available from the affordable housing trust fund to be used for administrative purposes. Projected administrative expenditures, subject to the 20 percent cap, are as follows:

The fee will be utilized for administrative purposes such as salaries and benefits for municipal employees or consultant fees necessary to develop or implement municipal housing programs such as rehabilitation, accessory apartments, new construction, housing elements and/or affirmative marketing programs. Administrative funds may be used to income qualify households and monitor implementation. Development fees may be used to defray the costs of staff or consultants that are preparing or implementing a Fair Share Plan.

4. EXPENDITURE SCHEDULE

The Township of Upper intends to use affordable housing trust fund revenues for the creation and/or rehabilitation of housing units. Where applicable, the creation/rehabilitation funding schedule below parallels the implementation schedule set forth in the Housing Element and Fair Share Plan and is summarized as follows.

Program	Funds Expended and/or Dedicated	Projected Expenditure Schedule											
	2005 - 7/17/08	7/18/08 – 12/31/08	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Total
Rehabilitation Program			$10,000	$10,000	$20,000	$20,000	$20,000	$20,000	$10,000	$10,000	$10,000	$10,000	$140,000
Market to Affordable Program					$30,000	$55,000	$55,000	$55,000	$55,000	$55,000	$25,000	$25,000	$355,000
Accessory Apartment Program			$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000	$200,000
Total Programs	$0	$0	$30,000	$30,000	$70,000	$95,000	$95,000	$95,000	$85,000	$85,000	$55,000	$55,000	$695,000
Affordability Assistance			$43,000	$43,000	$43,000	$43,000	$43,000	$43,000	$43,000	$43,000	$43,000	$30,230	$417,230
Administration		$30,000	$30,000	$30,000	$30,000	$30,000	$25,000	$25,000	$20,000	$20,000	$20,000	$18,152	$278,152
Total Expenditures	$0	$30,000	$103,000	$103,000	$143,000	$168,000	$163,000	$163,000	$148,000	$148,000	$118,000	$103,382	$1,390,382
Projected Funds	$151,249	$65,243	$39,757	$88,611	$106,349	$117,435	$128,521	$132,955	$135,172	$132,955	$144,041	$148,476	$1,390,764
Accumulated Funds	$151,249	$216,492	$256,248	$344,859	$451,208	$568,643	$697,164	$830,119	$965,292	$1,098,247	$1,242,288	$1,390,764	
Remaining Balance	$151,249	$186,492	$153,248	$241,859	$308,208	$400,643	$534,164	$667,119	$817,292	$950,247	$1,124,288	$1,287,382	$382

5. EXCESS OR SHORTFALL OF FUNDS

Pursuant to the Housing Element and Fair Share Plan, the governing body of The Township of Upper has adopted a resolution agreeing to fund any shortfall of funds required for implementing the accessory apartment program, rehabilitation program or affordability assistance program. In the event that a shortfall of anticipated revenues occurs, the Township of Upper intends to bond to cover the additional costs. A copy of the adopted resolution is provided. In the event of excess funds, any remaining funds above the amount necessary to satisfy the municipal affordable housing obligation will be used to supplement the affordability assistance program or the municipally sponsored 100% affordable program.

SUMMARY

The Township of Upper intends to spend affordable housing trust fund revenues pursuant to N.J.A.C. 5:97-8.7 through 8.9 and consistent with the housing programs outlined in the Township of Upper Housing Element and Fair Share Plan dated November 2008.

The Township of Upper has a Trust Fund balance of $151,249 as of July 17, 2008 and anticipates an additional $1,239,515 in revenues before the expiration of substantive certification for a total of $1,390,764. The municipality will dedicate $140,000 towards the rehabilitation program, $355,000 to the market to affordable program, $200,000 to the accessory apartment program, a minimum of $417,229 to render units more affordable, and a maximum of $278,152 to administrative costs. Any shortfall of funds will be offset by bonds. The municipality will dedicate any excess funds toward the affordability assistance program.

SPENDING PLAN SUMMARY		
Balance as of July 17, 2008		$ 151,249
Projected REVENUE July 18, 2008-2018	+	$1,239,515
Development fees		$1,217,168
Interest		$ 22,347
TOTAL REVENUE	=	$1,390,764
EXPENDITURES		
Funds used for Rehabilitation	-	$ 140,000
Funds used for New Construction	-	$ 555,000
Market to Affordable Program		$ 355,000
Accessory Apartment Program		$ 200,000
Minimum Affordability Assistance	-	$ 417,229
Maximum Administration	-	$ 278,152
TOTAL PROJECTED EXPENDITURES	=	$1,390,381
REMAINING BALANCE	=	$ 383

DRAFT DEVELOPMENT FEE ORDINANCE

Upper Township
Development Fee Ordinance
12/08/08

1. Purpose

a) 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's) adoption of rules.

b) Pursuant to P.L.2008, c.46 section 8 (C. 52:27D-329.2) and the Statewide Non-Residential Development Fee Act (C. 40:55D-8.1 through 8.7), COAH is authorized to adopt and promulgate regulations necessary for the establishment, implementation, review, monitoring and enforcement of municipal affordable housing trust funds and corresponding spending plans. Municipalities that are under the jurisdiction of the Council or court of competent jurisdiction and have a COAH-approved spending plan may retain fees collected from non-residential development.

c) This ordinance establishes standards for the collection, maintenance, and expenditure of development fees pursuant to COAH's regulations and in accordance 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 COAH's rules on development fees, codified at N.J.A.C. 5:97-8.

2. Basic requirements

a) This ordinance shall not be effective until approved by COAH pursuant to N.J.A.C. 5:96-5.1.

b) Upper Township shall not spend development fees until COAH has approved a plan for spending such fees in conformance with N.J.A.C. 5:97-8.10 and N.J.A.C. 5:96-5.3.

3. Definitions

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

i. "**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.

ii. "**COAH**" or the "**Council**" means the New Jersey Council on Affordable Housing established under the Act which has primary jurisdiction for the administration of housing obligations in accordance with sound regional planning consideration in the State.

iii. "**Development fee**" means money paid by a developer for the improvement of property as permitted in N.J.A.C. 5:97-8.3.

iv. "**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.

v. "**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 (C.54:1-35a through C.54:1-35c).

vi. "**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.

4. Residential Development fees

a) Imposed fees

i. Within all residential zone districts, Town Center (TC) and Town Center Core (TCC) zone districts, and other zone districts which permit residential uses, residential developers, except for developers of the types of development specifically exempted below, shall pay a fee of one and a half percent of the equalized assessed value for residential development provided no increased density is permitted.

ii. 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 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.

Example: If an approval allows four units to be constructed on a site that was zoned for two units, the fees could equal one and a half percent of the equalized assessed value on the first two units; and the specified higher percentage up to six percent of the equalized assessed value for the two additional units, provided zoning on the site has not changed during the two-year period preceding the filing of such a variance application.

b) Eligible exactions, ineligible exactions and exemptions for residential development

i. Affordable housing developments and developments where the developer has made a payment in lieu of on-site construction of affordable units shall be exempt from development fees.

ii. 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 or the approval required compliance with future municipal COAH ordinances and regulations. 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.

5. Non-residential Development fees

a) Imposed fees

i. 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 (2.5) percent of the equalized assessed value of the land and improvements, for all new non-residential construction on an unimproved lot or lots.

ii. Non-residential developers, except for developers of the types of development specifically exempted, shall also pay a fee equal to two and one-half (2.5) percent of the increase in equalized assessed value resulting from any additions to existing structures to be used for non-residential purposes.

iii. 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 improvement, 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.

b) Eligible exactions, inéligible exactions and exemptions for non-residential development

i. The non-residential portion of a mixed-use inclusionary or market rate development shall be subject to the two and a half (2.5) percent development fee, unless otherwise exempted below.

ii. The 2.5 percent fee shall not apply to an increase in equalized assessed value resulting from alterations, change in use within existing footprint, reconstruction, renovations and repairs.

iii. 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.

iv. 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.

v. 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 45 days of the termination of the property tax exemption. Unpaid non-residential development fees under these circumstances may be enforceable by Upper Township as a lien against the real property of the owner.

6. Collection procedures

a) 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.

b) 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.

c) 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.

d) Within 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.

e) 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.

f) Within 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.

g) Should the Township of Upper fail to determine or notify the developer of the amount of the development fee within 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 (C.40:55D-8.6).

h) Fifty percent of the development fee shall be collected at the time of issuance of the building permit which shall be nonrefundable. 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.

i) Appeal of development fees

1) 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 of Upper. 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, R.S.54:48-1 et seq., within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.

2) 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 45 days of receipt of the challenge, collected fees shall be placed in an interest bearing escrow account by Township of Upper. 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, R.S.54:48-1 et seq., within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.

7. Affordable Housing trust fund

a) There is hereby created a separate, interest-bearing 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.

b) The following additional funds shall be deposited in the Affordable Housing Trust Fund and shall at all times be identifiable by source and amount:

1. payments in lieu of on-site construction of affordable units;
2. developer contributed funds to make ten percent (10%) of the adaptable entrances in a townhouse or other multistory attached development accessible;
3. rental income from municipally operated units;
4. repayments from affordable housing program loans;
5. recapture funds;
6. proceeds from the sale of affordable units; and

7. any other funds collected in connection with [insert municipal name]'s affordable housing program.

c) Within seven days from the opening of the trust fund account, the Township of Upper shall provide COAH with written authorization, in the form of a three-party escrow agreement between the municipality, the approved municipal banking institution and COAH to permit COAH to direct the disbursement of the funds as provided for in <u>N.J.A.C</u>. 5:97-8.13(b).

d) All interest accrued in the housing trust fund shall only be used on eligible affordable housing activities approved by COAH.

8 Use of funds

a) The expenditure of all funds shall conform to a spending plan approved by COAH. Funds deposited in the housing trust fund may be used for any activity approved by COAH to address the Township of Upper'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. 5:97-8.7 through 8.9 and specified in the approved spending plan.

b) Funds shall not be expended to reimburse Upper Township for past housing activities.

c) At least 30 percent 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 of the affordability assistance portion of development fees collected shall be used to provide affordability assistance to those households earning 30 percent or less of median income by region.

i. 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.

ii. Affordability assistance to households earning 30 percent or less of median income may include buying down the cost 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. The use of development fees in this manner may entitle the Township of Upper to bonus credits pursuant to N.J.A.C. 5:97-3.7.

iii. 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.

d) Township of Upper 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, in accordance with N.J.A.C. 5:96-18.

e) No more than 20 percent 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 20 percent 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 COAH's monitoring requirements. Legal or other fees related to litigation opposing affordable housing sites or objecting to the Council's regulations and/or action are not eligible uses of the affordable housing trust fund.

9. Monitoring

a) The Township of Upper shall complete and return to COAH all monitoring forms included in monitoring requirements related to 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 Township of Upper's housing program, as well as to the expenditure of revenues and implementation of the plan certified by COAH. All monitoring reports shall be completed on forms designed by COAH.

10. Ongoing collection of fees

a) The ability for Township of Upper to impose, collect and expend development fees shall expire with its substantive certification unless the Township of Upper has filed an adopted Housing Element and Fair Share Plan with COAH, has petitioned for substantive certification, and has received COAH's approval of its development fee ordinance. If Township of Upper fails to renew its ability to impose and collect development fees prior to the expiration of substantive certification, 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 (C.52:27D-320). Township of Upper shall not impose a residential development fee on a development that receives preliminary or final site plan approval after the expiration of its substantive certification or judgment of compliance, nor shall Township of Upper retroactively impose a development fee on such a development. The Township of Upper shall not expend development fees after the expiration of its substantive certification or judgment of compliance.

DRAFT INCLUSIONARY RESIDENTIAL OVERLAY ZONE ORDINANCE.

TOWNSHIP OF UPPER
COUNTY OF CAPE MAY
STATE OF NEW JERSEY

ORDINANCE NO. ________

ORDINANCE AMENDING AND SUPPLEMENTING CHAPTER 20 OF ORDINANCES OF THE TOWNSHIP OF UPPER

Explanation: Revised Ordinance Standards updated to comply with September 22, 2008 COAH rules concerning inclusionary development. This Ordinance replaces Ord. #020-2006.

PURPOSE

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 affordable housing; and

WHEREAS, the New Jersey Council on Affordable Housing ("COAH") is the State administrative agency created pursuant to the FHA vested with primary jurisdiction for the administration of affordable housing obligations in accordance with sound regional planning considerations in New Jersey; and

WHEREAS, COAH's Third Round Substantive Rules (NJ.A.C. 5:94-1 et seq.) implement a "growth share" approach to affordable housing production which requires affordable housing to be produced in conjunction with market-priced residential and nonresidential growth and development within the Township of Upper; and

WHEREAS, the Township of Upper intends to implement the "growth share" policies promulgated by COAH in its Third Round Substantive Rules in an effort to foster the production of affordable housing opportunities for qualified low and moderate income households through COAH's third round, which extends from 2004 to 2018.

NOW, THEREFORE, BE IT ORDAINED AND ESTABLISHED by the Township Committee of the Township of Upper that the Zoning Chapter XX of the Township of Upper be and is hereby amended as follows:

The following Section 20 -14 entitled " Inclusionary Affordable Housing Overlay " is hereby added to replace the existing Section 20-14 to the Township of Upper's Zoning Ordinance, to read as follows:

20- 14.1 Applicability

a. This subsection of the land use regulations of the Township of Upper sets forth mechanisms by which developers shall provide for a fair share of affordable housing based on growth that is associated with residential development taking place within the Township of Upper.

b. Except as exempted in §20-14.2, all residential development that results in the construction of new market-priced dwelling units in accordance with N.J.A.C. 5:94-1 et seq., shall be subject to the “inclusionary affordable housing ” provisions of this ordinance.

§ 20-14.2 Exemptions

The following are exempted from the provisions of this Chapter:

a. Developments that received preliminary or final subdivision approval from the Planning Board and/or Zoning Board of Adjustment, as applicable, prior to the effective date of this ordinance except as required by conditions of approval.

b. Residential developments that have been zoned to produce an affordable housing set-aside greater than the affordable housing requirements of this Article or that are intended to include only low and moderate income housing units.

c. Residential development that results in less than four market-priced dwelling units; with the provision that any future subdivision of this development which results in four or greater units including units previously subdivided shall be subject retroactively to this inclusionary affordable housing ordinance.

d. As to exemptions c. above, these types of development shall be subject to the developer fee ordinance.

e. Public facilities and public schools.

f. Not-for-profit facilities including churches and private universities.

§ 20-14.3 Inclusionary Affordable Housing Overlay Provisions

a. All residential development which results in the construction of four or more new market-priced dwelling units shall provide non-age restricted affordable housing units at a ratio of one affordable unit for every four market-priced units constructed on-site.

b. For developments that result in a number of market-priced residential units not evenly divisible by four, the developer may construct the additional affordable unit on-site or alternatively, the developer may make a payment in lieu of constructing the additional affordable unit. If the developer selects the latter option, the amount of said payment shall be established by subtracting any whole multiples of four from the total number of market-priced residential units being created, dividing any remaining number of units by four and multiplying the resulting fraction by the established affordable unit cost to construct one affordable residential unit as established by region in N.J.A.C. 5:97G.4(c)3. as revised periodically by COAH.

c. As an alternative to fulfilling the affordable housing requirements set forth in a through b. above, developers of residential units may elect to provide affordable housing units off-site, but within the Township of Upper in accordance with §20-14.4 and §20-14.5. If the developer elects to provide the affordable unit off-site but within the Township of Upper, each on-site unit otherwise required to be affordable to a low or moderate income household may be converted to a market-priced unit, but the developer's inclusionary housing \obligation shall be increased accordingly and reflected in the number of units being constructed off-site but within the Township.

d. All residential development subject to the provisions of a. through c. above shall be provided with a density increase as mandated by current New Jersey Council of Affordable Housing substantive rules under 5:97-6.4 which established the minimum presumptive density and affordable housing obligation for municipalities.

e. All residential development not subject to the provisions of a. through c. above shall be subject to the provisions of development fees as set forth in the Development Fee Ordinance.

f. The inclusionary affordable housing overlay ordinance shall provide standards described below depending upon the existing density and the availability of public sewer to accommodate density as proposed.

1. For residential zones within sewered areas in PA2 and Centers, the residential density shall be increased to a maximum of six (6) dwelling units per acre. The minimum yard requirements shall be reduced by up to 20% of the minimum required dimensions to accommodate the additional density with the single family attached buildings. The maximum building coverage and maximum impervious coverage shall be increased by 20% over the base coverage requirements to accommodate the additional density on an individual lot basis.

2. For residential zones outside of sewered areas in PA2 and Centers, the residential density shall be increased to a maximum of four (4) dwelling units per acre. The minimum yard requirements shall be reduced by up to 20% of the minimum required dimensions to accommodate the additional density with the single-family attached buildings. The maximum building coverage and maximum impervious coverage shall be increased by 20% over the base coverage requirements to accommodate the additional density on an individual lot basis.

3. For residential zones within non-sewered areas in PA3, PA4, and PA5, the residential density shall be increased by 40% over the maximum density permitted in the zone. The minimum yard requirements shall be reduced by up to 20% of the minimum required dimension to accommodate the additional density with the single family attached buildings. The maximum building coverage and maximum impervious coverage shall be increased by 20% over the base coverage requirements to accommodate the additional density on an individual lot basis.

4. For residential zones within non-sewered areas in the Pinelands Management Area, the residential density shall be increased by 40% over the maximum density permitted in the zone. The minimum yard requirements shall be reduced by up to 20% of the minimum required dimension to accommodate the additional density with the single family attached buildings. The maximum building coverage and maximum impervious coverage shall be increased by 20% over the base coverage requirements to accommodate the additional density on an individual lot basis.

5. In the Town Center and Town Center Core zone districts with sewer service, residential development shall provide one affordable housing unit on-site for every four market-priced units. A maximum residential density of 6 dwelling units per acre will be permitted. Housing type shall permit multifamily residential units and attached housing units.

§ 20-14.4 General Provisions for Constructing Affordable Units

a. Affordable housing units being constructed on-site or off-site shall meet the requirements of the Township of Upper's affordable housing ordinance, and shall be in conformance with COAH's third round rules at N.J.A.C. 5:94-1 et seq. and the Uniform Housing Affordability Controls at N.J.A.C. 5:80-26.1 et seq., including, but not limited to, requirements regarding phasing schedule, controls on affordability, low/moderate income split, heating source, maximum rent and/or sales prices, affordability average, bedroom distribution, and affirmative marketing.

b. Developers electing to create affordable housing units elsewhere within the Township may do so within existing buildings, whether converted, reconstructed or purchased for buy down or rental subsidy assistance in any zone of the Township of Upper as set forth and regulated in this article.

c. The renovation or conversion of any existing dwelling in which all such dwelling units are deed restricted for affordability to and occupancy by low and moderate income households shall be permitted as of right, subject to meeting all other requirements of this Section 20-14 not withstanding any other provision of this Ordinance to the contrary.

d. To the greatest extent possible, affordable housing units being provided within inclusionary developments shall be disbursed throughout inclusionary developments and shall be located within buildings designed to be architecturally indistinguishable from the market-priced units otherwise being constructed within the development.

e. Residential structures in the form of two-family side-by-side or over-and-under unit buildings shall be deemed to be permitted uses in the underlying zone when created for the purpose of meeting the growth share obligation on site. These units shall be constructed within the development. The remaining portion of the project that is not considered to be an affordable unit shall conform to the requirements of the underlying zone.

§20-14.5 Payment in Lieu Provisions

a. Payments in lieu of the construction of affordable housing. The payment in lieu of construction of affordable units shall be based on N.J.A.C. 5:97-6.4 (c) 3. which is established under the COAH substantive rules and shall be revised by the Council periodically.

b. Regarding of the mechanism selected by the developer for satisfying the required number of affordable housing units, any development or portion thereof that generates a fraction of an affordable housing unit (because the development contains fewer than or more than a number of units that is evenly divisible by four) shall be required to make a payment in lieu of construction for that fraction of a units based upon the pro-rated cost of constructing an affordable housing unit in the Township of Upper.

c. All payments in lieu of constructing affordable housing shall be deposited by the Township of Upper into an affordable housing trust fund to be established by the Township of Upper in conformance with regulations established by COAH and shall at all times be identifiable from development fees. These funds shall be used in accordance with regulations established by COAH to create new affordable housing opportunities within the physical boundaries of the Township of Upper.

§20-14.6 Other Requirements

a. A proposed affordable housing plan shall be submitted to the Board at the time application is made for any development requiring affordable housing pursuant to this Section. The Plan shall be a condition of "completeness" determination. All Plans shall be the subject of review by the Township Affordable Housing Liaison or appointee for consistency with COAH's Rules and with the

Town's third round Housing Element and Fair Share Plan. Compliance with all of the terms of COAH's Rules and with the approved plan shall be a condition of development plan approval and may be covered by appropriate performance and maintenance guarantees as with any other required improvement.

b. Where an odd number of low and moderate income housing units are required to be provided, the majority of the units shall be low income units. Where there are an insufficient number of affordable units provided to meet the bedroom distribution requirements of COAH's Rules, the first unit shall be a two bedroom unit, the second unit shall be a one-bedroom unit and third unit shall be a three bedroom unit. Otherwise, the bedroom distribution shall be in strict accordance with COAH's Rules.

c. It shall be the developer's responsibility, at its sole cost and expense, to pay the per unit cost of the initial advertising and ongoing administration of the controls on affordability pursuant to the contract between the Township and the experienced administrative entity. The designated administrative entity shall file with the Township Affordable Housing Liaison or designee such certification, reports and or monitoring forms as may be required by COAH.

d. Moreover, developments covered by this Article shall be exempt from the payment of Development Fees under the adopted Development Fee Ordinance.

e. The use of any of the foregoing mechanisms for providing affordable housing within the Township of Upper shall be limited to the provision of non-age restricted affordable housing units in compliance with all of the COAH's Rules set forth at N.J.A.C. 5:97-1 et seq., unless specifically waived by the Township.

<u>REPEAL OF CONFLICTING ORDINANCES</u>

Any ordinances of the Township of Upper that are in conflict with this Ordinance are hereby repealed to the extent of such conflict.

<u>SEVERABILITY</u>

If any part of this Ordinance shall be deemed invalid, such parts shall be severed and the invalidity thereof shall not affect the remaining parts of this Ordinance.

<u>EFFECTIVE DATE</u>

This Ordinance shall take effect upon passage and publication as required by law.

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DRAFT ZONING ASH-1 AFFORDABLE SENIOR HOUSING ORDINANCE & DRAFT AMENDED ASSISTED LIVING FACILITIES USE ORDINANCE

DRAFT UPPER TOWNSHIP ZONING ORDINANCE AMENDMENTS
12/6/08

Add the following to S**ection 20-4 DISTRICT REGULATIONS:**

20-4.19 Affordable Senior Housing - 1 (ASH-1)

a. *Purpose*. This use has been established in recognition of the need to provide affordable housing to meet the unique requirements of senior citizens with respect to design and proximity to open space, recreation and shopping areas. It is intended that this zone provide for the development of affordable age-restricted apartments to address the Township's housing obligation as established by the New Jersey Council of Affordable Housing.

b. *Special Requirements for Affordable Senior Housing.* Affordable senior residential facilities hall be permitted on Block 549, Lots 70,87,102-104 which is property owned by the Township of Upper and which will be made available for affordable senior housing as described in the 2006 Upper Township Master Plan, Housing Element and Fair Share Plan as amended in the 2008 Housing Element and Fair Share Plan. The affordable senior residential facilities shall be in accordance with the following requirements

c. *Principal permitted uses*
1. Multifamily dwellings as part of an affordable age restricted development

d. *Permitted accessory uses.* The following accessory uses shall be permitted in conjunction with the affordable senior residence:
1. Linen service facilities
2. Housekeeping services
3. Beautician services
4. Meeting and social rooms
5. Snack bars/ice cream parlors
6. Medical offices for visiting doctors
7. Indoor and outdoor recreation facilities
8. Health care administrative and management facilities
9. Other uses as a customarily associated with and subordinate to the principal permitted use; however, all support facilities, functions and services s shall be designed and available only for the use and benefit of resident users of the senior apartments and their guests.
10. Alternative wastewater treatment facilities.

e. *Yard and Bulk Requirements*

Minimum lot area	8 acres
Minimum lot width	250 feet
Minimum lot frontage	250 feet
Minimum lot depth	250 feet

Maximum impervious coverage	60%
Maximum building coverage	35%
Maximum building height	45 feet
Minimum building setbacks to tract boundary	75 feet
Maximum density	8 dwelling units per acre
Affordable housing units	100% of the housing units shall be affordable to low and moderate income households; a minimum of 13% shall be affordable to very low income households or be consistent with current COAH regulations.
Minimum open space:	25% percent.
Minimum parking setback from tract boundary	50 feet
Minimum landscape buffer	50 feet

f. *Age Restrictions.* All dwelling units within the affordable senior residence shall be deed restricted for occupancy by households with at least one (1) person fifty-five (55) years of age or older and with no person less than nineteen (19) years of age, provided that visitors less than nineteen (19) years of age are permitted for no more than eight (8) weeks during any twelve (12) month time period. One (1) temporary resident who provides necessary health care to a permanent resident of the dwelling units may be twenty-one (21) years of age or older, provided that such an individual may not be accompanied by any person(s) intending to reside at the premises of the unit temporarily or otherwise. One manager unit shall be permitted and shall be excluded from these age restrictions.

g. *Other Requirements.*
1. The tract has access to either an arterial or collector road.
2. The tract must be located within either an existing sewer service area or area proposed for community wastewater treatment facility. The sewage and water capacity provided shall be sufficient to accommodate the uses as approved by the Planning Board.
3. Parking Requirements.
    (a) A minimum of one (1) space per each apartment plus one (1) space per employee for each shift.
    (b) No parking or standing shall be permitted in the required front yard except for emergency vehicles, drop-off/pick- up areas and visitor parking spaces.
    (c) Required parking spaces may be provided by any combination of enclosed or open spaces but in no event shall the parking facilities be more than 150 feet from the building that they are intended to serve.
    (d) The arrangement and location of internal roads, garages and parking areas shall be subject to the approval of the Planning Board and shall be designed to insure safe and adequate circulation for senior citizen residents and their guests.
4. Design Standards.

(a) An all-season evergreen buffer shall be provided around the perimeter of the site where the site abuts residential uses, designed in accordance with the standards set forth in §20-5.8a of this chapter. Existing vegetation shall be considered and can replace the evergreen buffer upon determination of the Township Engineer and approval of the governing board. The required buffer and landscape planting may be located within the tract boundary setback.
(b) The development shall have an architectural theme designed to be attractive and compatible with surrounding land uses. All buildings shall not be designed with flat roofs. Architectural elevations and typical floor plans shall be submitted to the Planning Board for its review and approval as part of a submitted site plan application.
(c) Architectural standards for the affordable senior residence must be consistent with the ultimate purpose of achieving independent, self-reliant and pleasant living arrangements for senior citizens and should take into account the desires and needs of older persons for privacy and participation in social and community activities. Provisions should be made to accommodate the limitations that sometimes accompany advanced years and disabilities so the independent living can be sustained. Such provisions shall include but not be limited to the following:
(1) Ramps shall be provided leading to all structures.
(2) Grab bars shall be provided besides toilets, and bathtubs or shower stalls.
(3) Dwelling units shall be designed and constructed so as to be free of architectural barriers, which should prohibit or limit access to or utilization of the dwelling units by physically handicapped or disabled individuals.
(4) The use of stairways shall be minimized.

5. Trash and recycling facilities shall be provided in accordance with Chapter 24 of the Township Revised General Ordinances.
6. The Planning Board shall have the power to grant such exceptions from the above improvement requirements as may be reasonable if the literal enforcement of one (1) or more provisions is impracticable or will exact undue hardship because of peculiar conditions pertaining to the land in question.
7. Affordable Housing Requirements. The affordable senior residence shall comply with all of the requirements of Upper Township's Affordable Housing Fair Share Plan (as adopted) and current Council of Affordable Housing standards.

Amend Section 20-6.4. Conditional Uses, 20-6.4.l. *Assisted Living Residence as follows:*

6. *Affordable Housing Requirements.*
(a) Any assisted living residence shall comply with all of the requirements of Upper Township's Affordable Housing Fair Share Plan (as amended)

(b) Any assisted living residence shall comply with all current Council of Affordable Housing standards as amended including but not limited to the following:

(1) File a 30 year deed restriction on low and moderate income units the language shall be subject to the approval of the Township Attorney and COAH.

(2) Execute a Memorandum of Understanding (MOU) between Upper Township, the Assisted Living Facility and the New Jersey Mortgage Finance Agency to monitor and certify affordable units on an annual basis. This MOU shall be subject to COAH approval.

ACCESSORY APARTMENT ORDINANCE

renters, setting rents and annual rental increases, maintaining a waiting list, distributing the subsidy, securing certificates of occupancy, qualifying properties, handling application forms, filing deed restrictions and monitoring reports, and affirmatively marketing the "Affordable Accessory Apartment" program;

ii. The administrative entity shall only deny an application for an accessory apartment if the project is not in conformance with COAH's requirements and/or the provisions of this Ordinance. All denials shall be in writing with the reasons clearly stated; and

iii. In accordance with COAH requirements, the Township shall provide at least $20,000 to subsidize the physical creation of an "Affordable Accessory Apartment" conforming to the requirements of this Ordinance section and COAH requirements.

iv. Prior to the grant of such subsidy, the property owner shall enter into a written agreement with the Township insuring that the apartment shall meet the requirements of this Ordinance and COAH regulations.

g. Application Procedures

a. Each application for the creation of an "Affordable Accessory Apartment" shall submit the following information to the designated administrative entity:

i. A sketch of floor plan(s) showing the location, size and relationship of both the "Affordable Accessory Apartment" and the primary dwelling within the building or in another structure;

ii. Rough elevations showing the modification of any exterior building facade to which changes are proposed; and

iii. A site development sketch showing the location of the existing dwelling and other existing buildings; all property lines; proposed addition if any, along with the minimum building setback lines; the required parking spaces for both dwelling units and any natural or man-made conditions which might affect construction.

AFFORDABLE HOUSING SITES LOCATION MAPS

DRAFT AFFORDABLE ACCESSORY APARTMENT ORDINANCE

Township of Upper

12/19/08

Section 20-XXX Affordable Accessory Apartments

a. *Where Permitted* "Affordable Accessory Apartments" shall be permitted in the all Zoning Districts.

b. Definition. An **AFFORDABLE ACCESSORY APARTMENT** shall be a self-contained residential dwelling unit with a kitchen, bathroom, sleeping quarters and a private entrance which is created to be occupied by a "moderate" income household in accordance with the applicable provisions of the "Substantive Rules" of the New Jersey Council on Affordable Housing (COAH) at N.J.A.C. 5:97-6.8.

c. Additional Conditions.

   1. The "Affordable Accessory Apartment" shall be rented only to a "moderate" income household at the time of initial occupancy of the unit.
   2. The "Affordable Accessory Apartment" shall, for a period of thirty (30) years from the date of the issuance of a Certificate of Occupancy, be rented only to "moderate" income households.
   3. Rents of "Affordable Accessory Apartments" shall be affordable to moderate income households in accordance with the applicable provisions of N.J.A.C. 5:97-9, and shall specifically include an allowance for utilities in accordance with Uniform Housing Affordability Controls set forth in N.J.A.C. 5:80-26.1 et. seq.
   4. There shall be a recorded deed or declaration of covenants and restrictions applied to the property upon which the "Affordable Accessory Apartment" is located running with the land and limiting its subsequent rental or sale.
   5. No more than ______ units of the Township's Third Round Affordable Housing Obligation to produce "Affordable Accessory Apartments" shall be permitted.
   6. The "Affordable Accessory Apartment" program shall be affirmatively marketed to the Housing Region 6 consisting of Atlantic, Cape May, Cumberland and Salem counties in accordance with the "Affirmative Marketing Plan" provisions in _________ of this Ordinance.

d. At the end of the 30 year deed restriction, the Township may negotiate with the owner to extend affordability controls subject to COAH's expiration of affordability controls procedures.

e. At the termination of the deed restriction, the affordable accessory apartment will be permitted to be marketed to the general public without affordability controls.

f. Administration of the "Affordable Accessory Apartment" Program

   a. The Township Committee of Upper Township shall designate an "administrative entity" to administer the "Affordable Accessory Apartment" program in accordance with the following:

      i. The administrative entity shall administer the "Affordable Accessory Apartment" program including advertising, income qualifying prospective renters, setting rents and annual rental increases, maintaining a waiting list, distributing the subsidy, securing certificates of occupancy, qualifying properties, handling application forms, filing deed restrictions and monitoring reports, and affirmatively marketing the "Affordable Accessory Apartment" program;

ii. The administrative entity shall only deny an application for an accessory apartment if the project is not in conformance with COAH's requirements and/or the provisions of this Ordinance. All denials shall be in writing with the reasons clearly stated; and

iii. In accordance with COAH requirements, the Township shall provide at least $20,000 to subsidize the physical creation of an "Affordable Accessory Apartment" conforming to the requirements of this Ordinance section and COAH requirements.

iv. Prior to the grant of such subsidy, the property owner shall enter into a written agreement with the Township insuring that the apartment shall meet the requirements of this Ordinance and COAH regulations.

g. Application Procedures

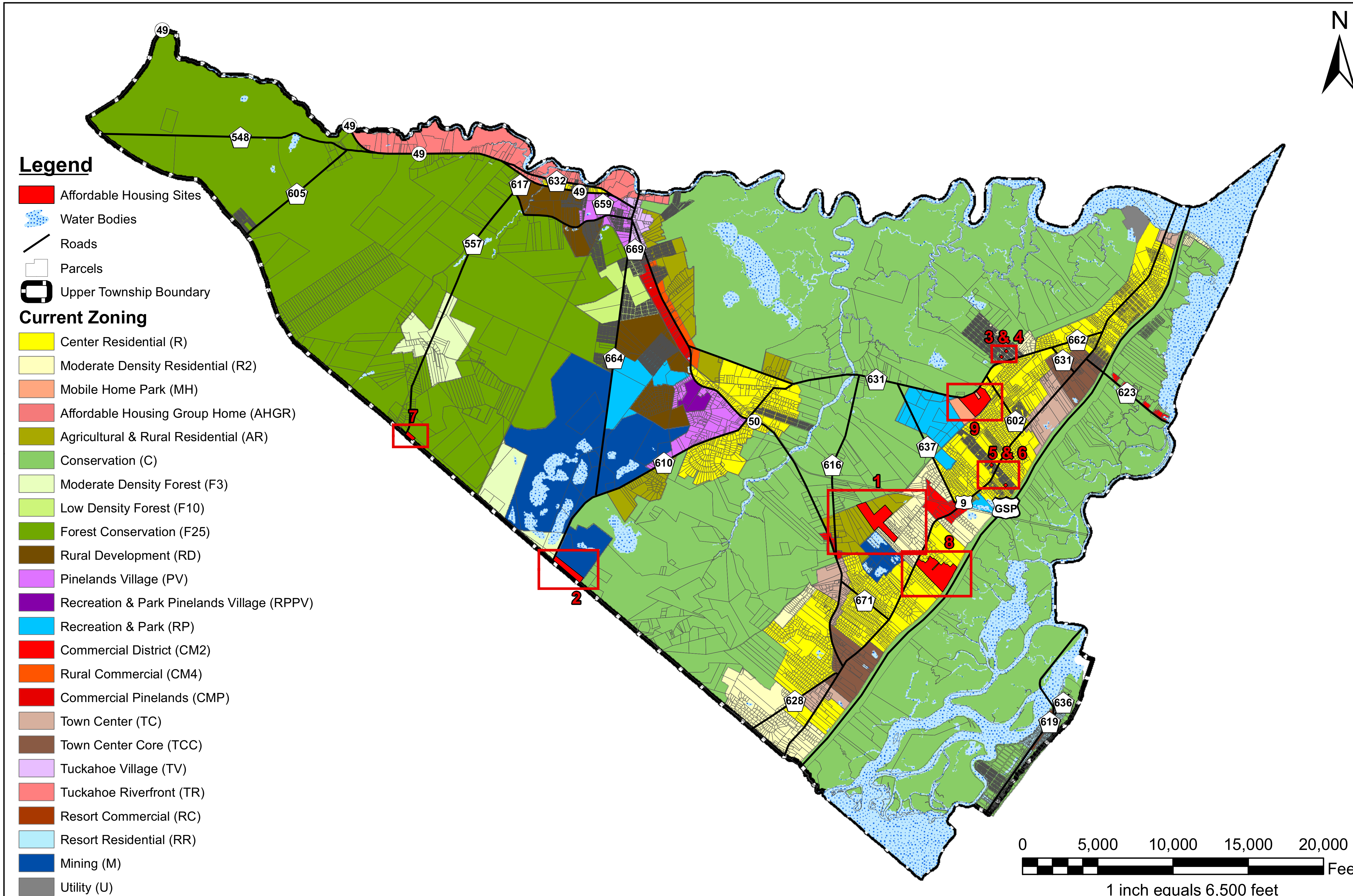
a. Each application for the creation of an "Affordable Accessory Apartment" shall submit the following information to the designated administrative entity:

i. A sketch of floor plan(s) showing the location, size and relationship of both the "Affordable Accessory Apartment" and the primary dwelling within the building or in another structure;

ii. Rough elevations showing the modification of any exterior building facade to which changes are proposed; and

iii. A site development sketch showing the location of the existing dwelling and other existing buildings; all property lines; proposed addition if any, along with the minimum building setback lines; the required parking spaces for both dwelling units and any natural or man-made conditions which might affect construction.

Upper Township Affordable Housing Sites Map 1



December 5, 2008

THESE MAPS WERE DEVELOPED USING NJDEP, CAPE MAY COUNTY & UPPER TOWNSHIP GIS DIGITAL DATA.
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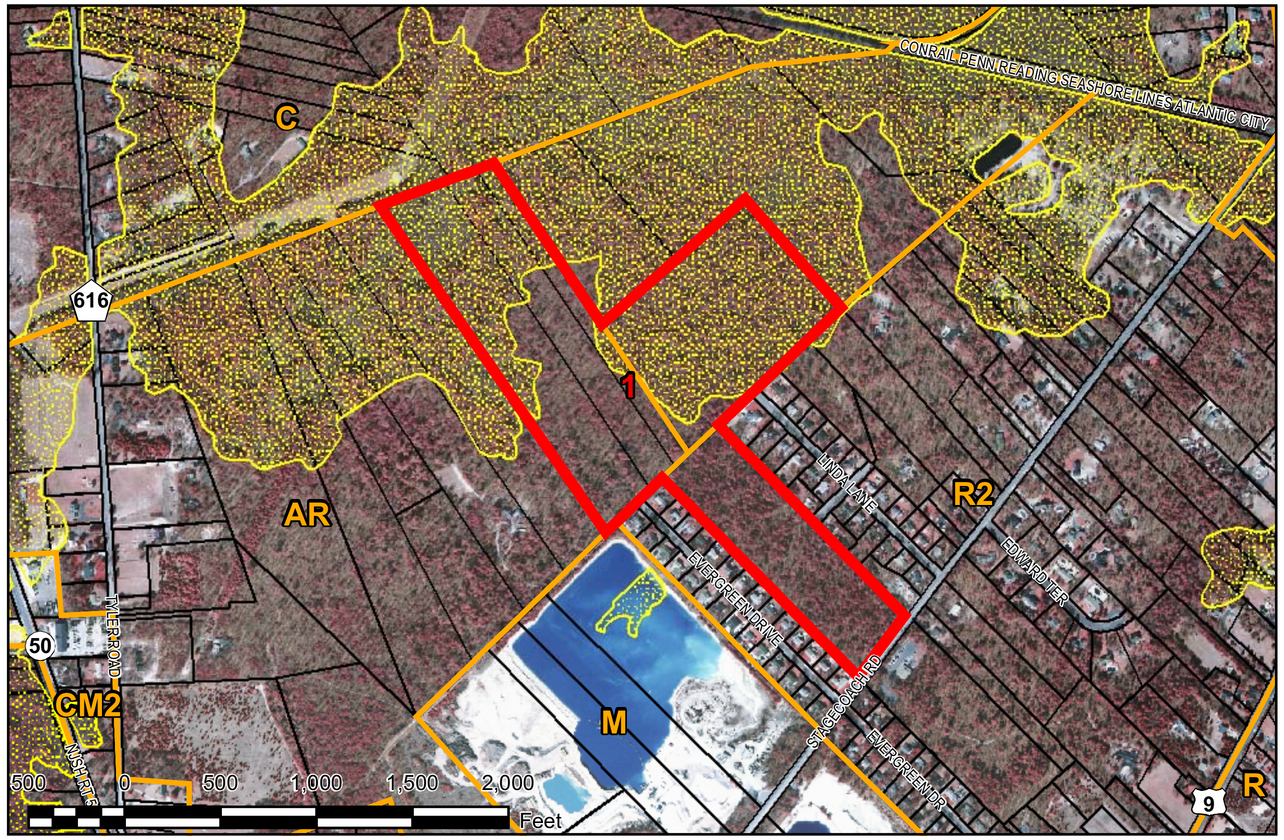
UPPER TOWNSHIP
AFFORDABLE HOUSING SITES MAP 2



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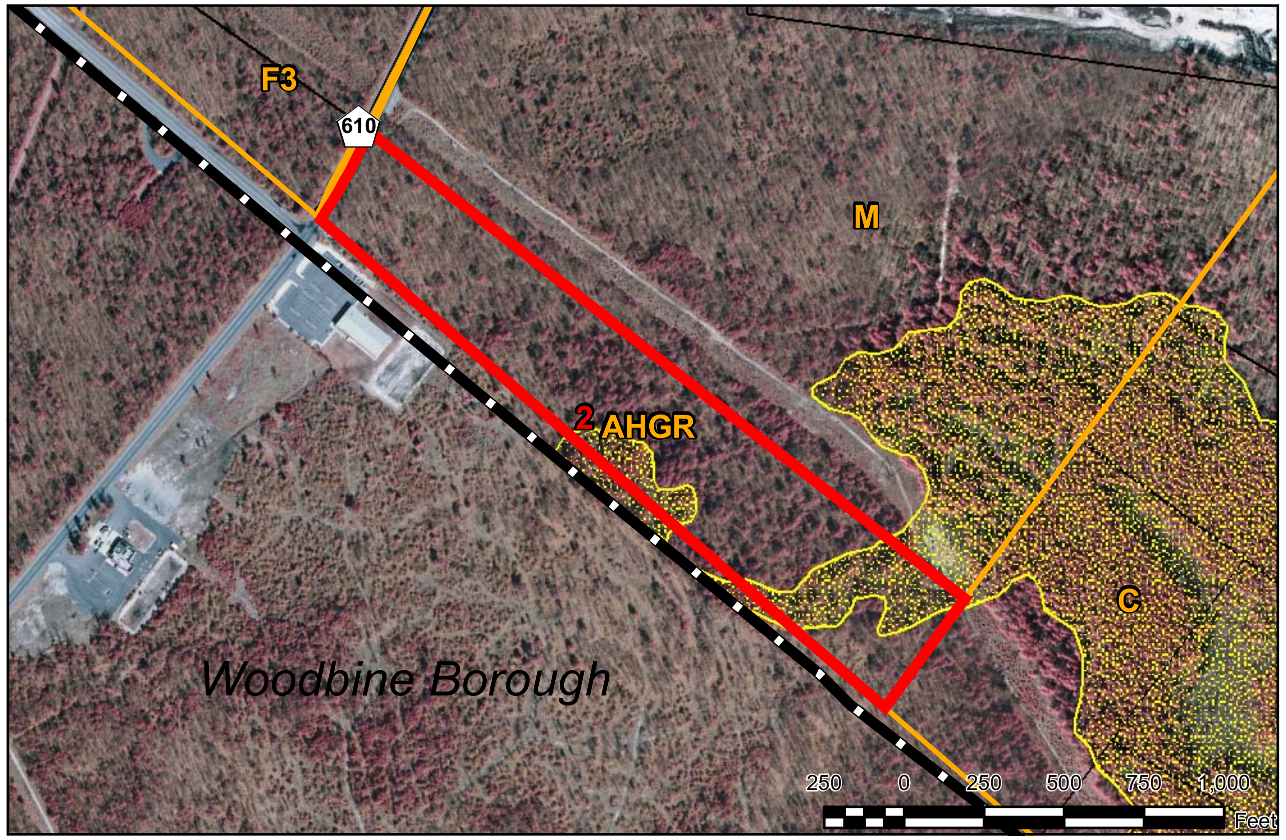

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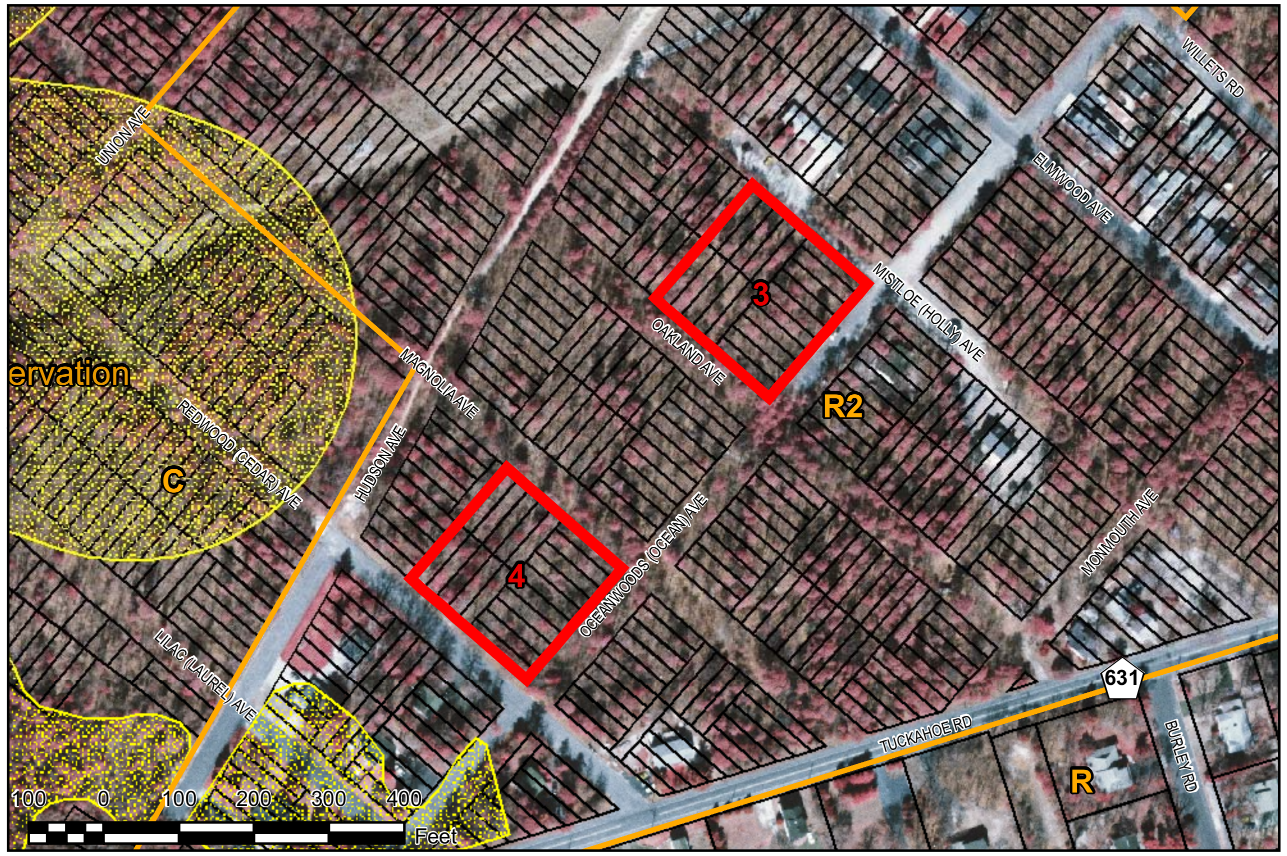
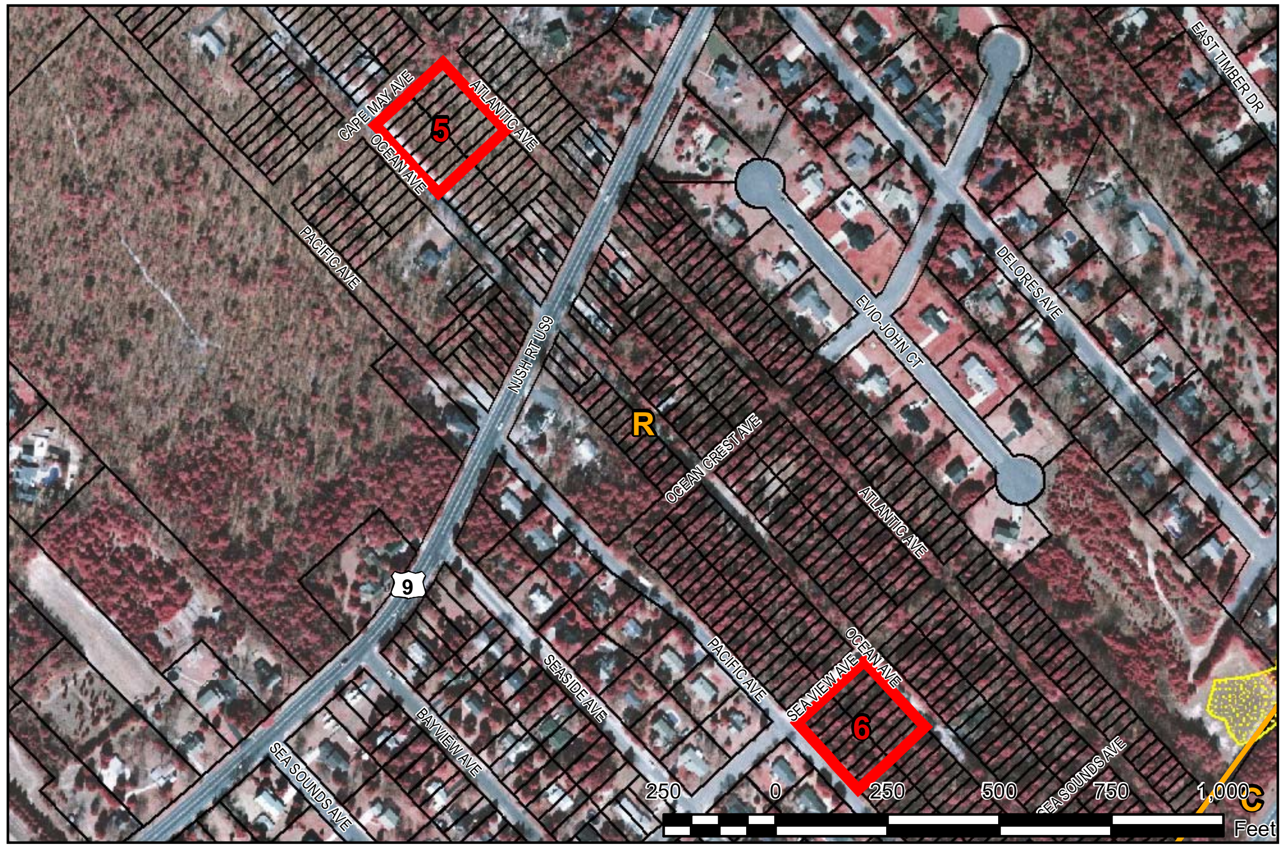


Sites #3 & 4



Sites #5 & 6

Parcels | Zone Boundaries | Affordable Housing Sites | Wetlands & 300' C-1 Waters Buffer

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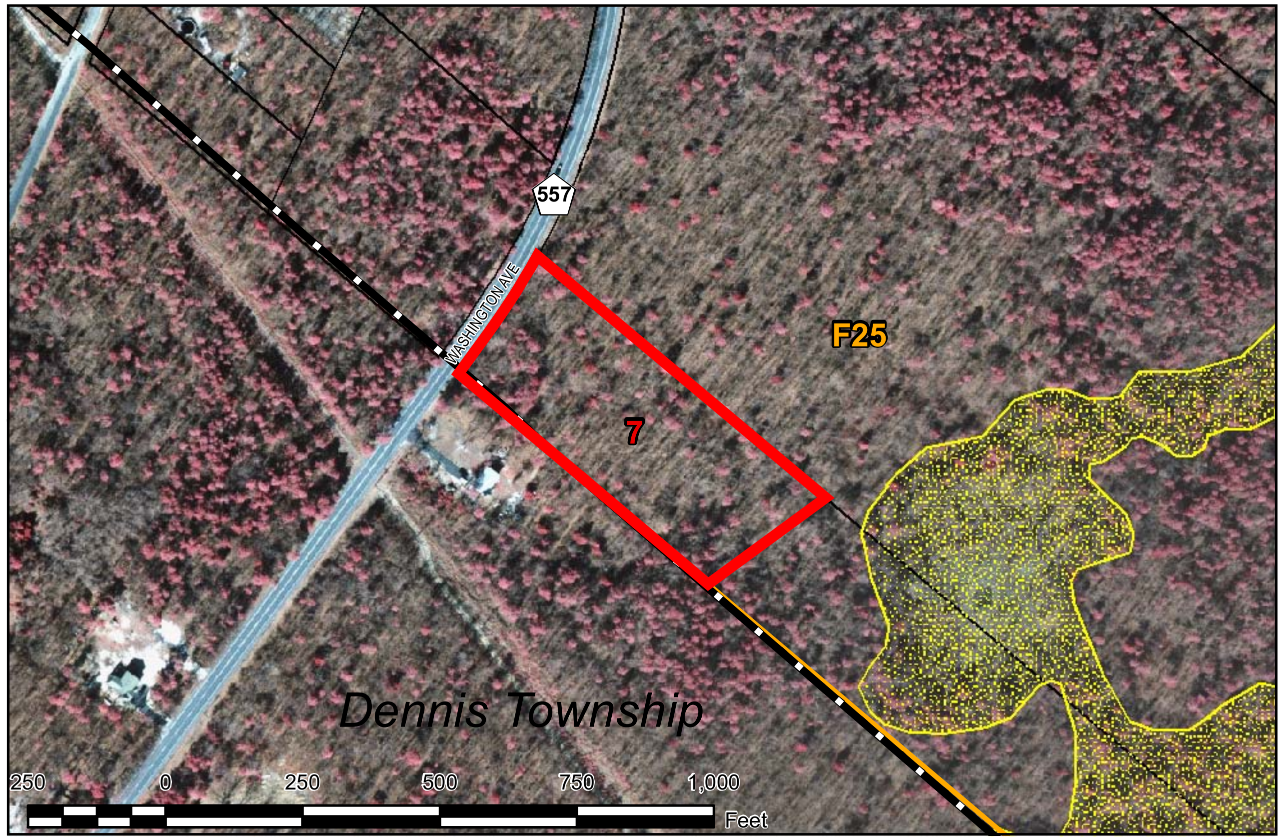
Upper Township
Affordable Housing Sites Map 3



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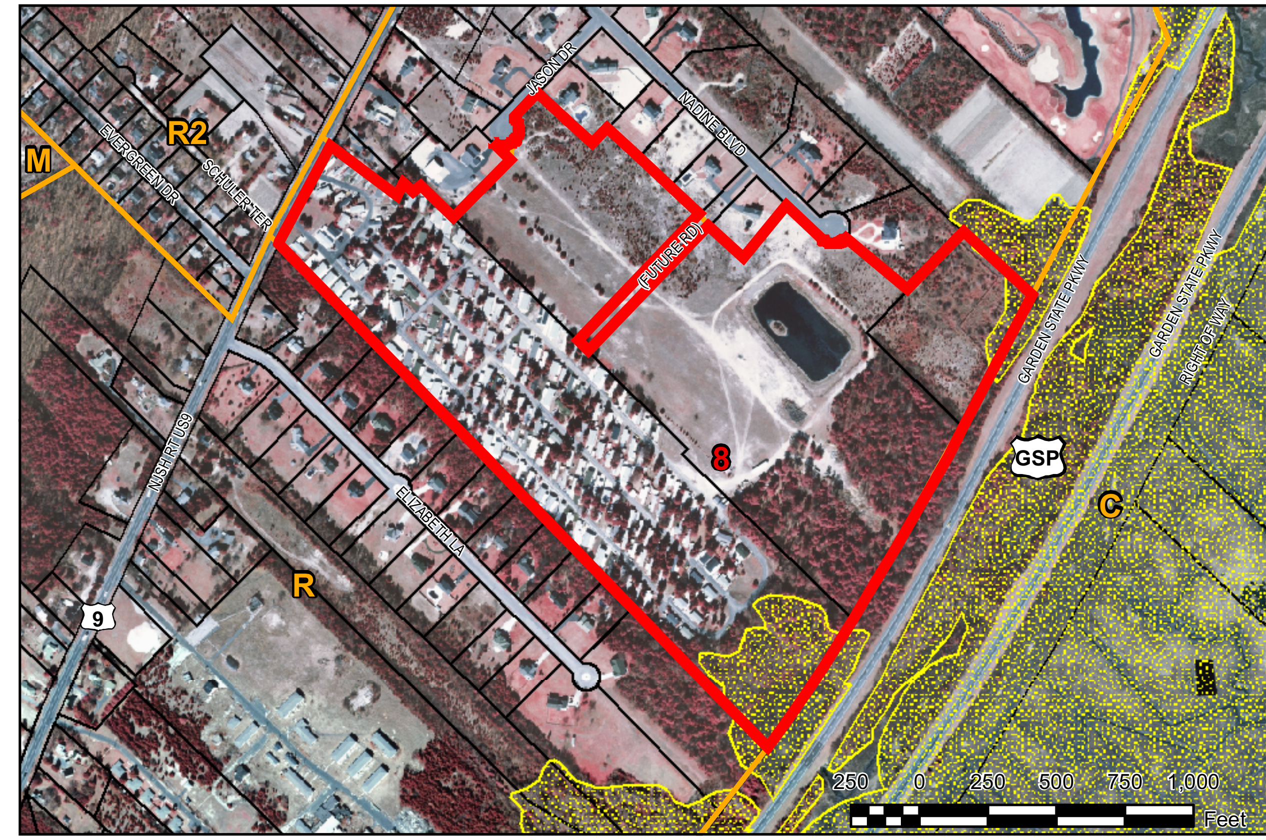

Site #8

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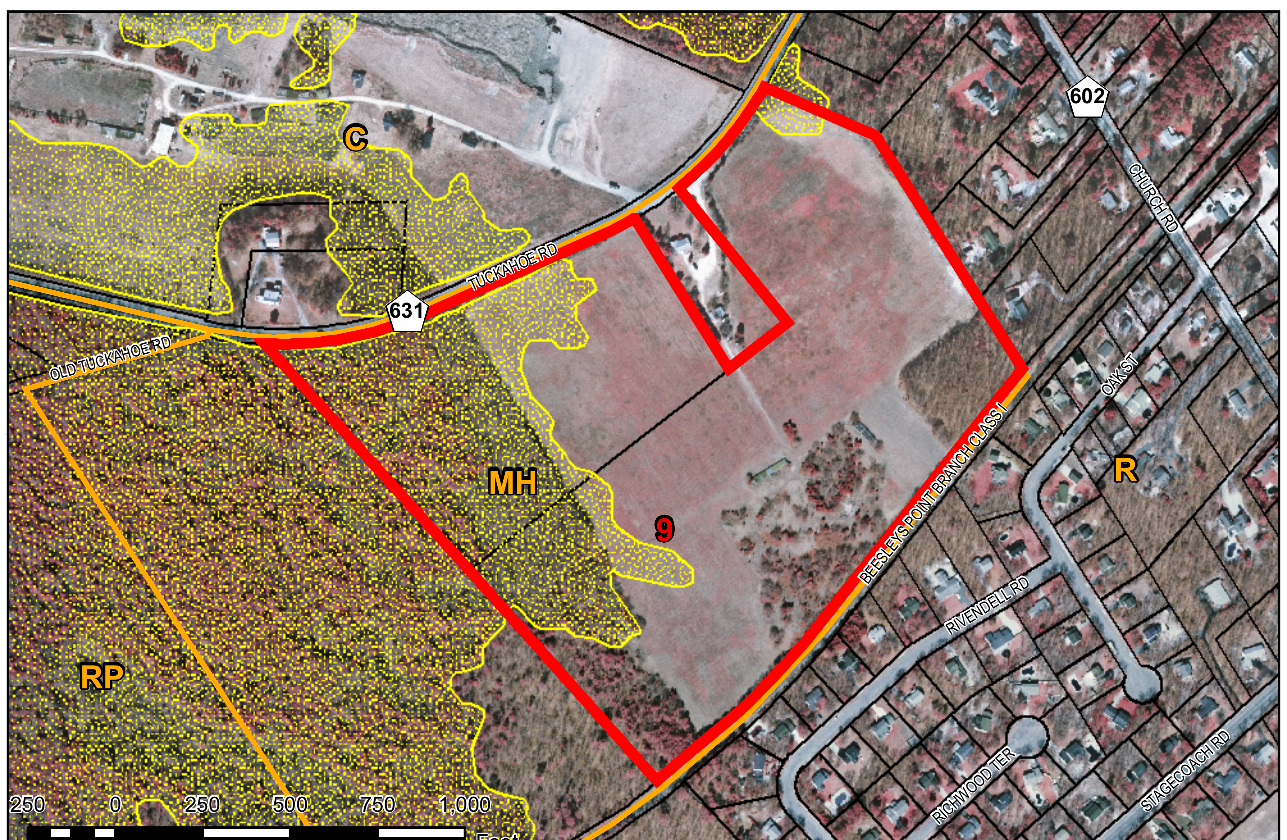

Site #9

Parcels Zone Boundaries Affordable Housing Sites Wetlands & 300' C-1 Waters Buffer

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