

**2018 Master Plan Revisions
Housing Element
Fair Share Plan
Spending Plan
Township of Upper
Cape May County, New Jersey**

Adopted after a public hearing of the
Upper Township Planning Board on August 8, 2018 by Resolution 2-2018

Endorsed by the Governing Body on August 13, 2018 by Resolution No. 233-2018

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MAYOR

Richard Palombo

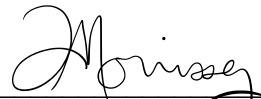
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EXECUTIVE SUMMARY

The Township had prepared and adopted a Round Three Housing Element and Fair Share Plan on December 18, 2008, which was subsequently deemed complete by the Council on Affordable Housing (COAH). The Supreme Court invalidated the most recent version of the regulations adopted by the New Jersey Council on Affordable Housing (“COAH”) on September 26, 2013 in In re Adoption of N.J.A.C. 5:96 & 5:97 by NJ Council on Affordable Housing, 215 N.J. 578 (2013), this Affordable Housing Plan comports with COAH’s rules at N.J.A.C. 5:91 et seq. and N.J.A.C. 5:93 et seq., and subsequent applicable laws and regulations such as amendments to the FHA. As a result of the foregoing, the Township’s 2008 Housing Plan and Fair Share Plan was not certified by COAH.

The Township filed a Declaratory Judgment action in July of 2015 (the “DJ Action”) in accordance with the NJ Supreme Court’s March 10, 2015 decision commonly referred to as “Mount Laurel IV”. The DJ Action sought Court approval of a HEFSP and the imposition of a Judgment of Compliance and Repose (“JOR”). This plan has been prepared to address the Township’s current affordable housing obligation pursuant to the DJ Action, including the prior round and the prospective need through 2025.

This Housing Element and Fair Share Plan has been prepared for the Township of Upper, Cape May County, in accordance with the N.J. Fair Housing Act (hereinafter the “FHA”) at N.J.S.A. 52:27D-301et. seq.

INTRODUCTION

Every municipality in New Jersey has a constitutional obligation to provide a “realistic opportunity” for the construction of its “fair share” of the regional need for low- and moderate-income housing. This obligation was established as a result of the two Supreme Court decisions in 1975 and 1983 commonly referred to as the Mount Laurel I decision (1975) and the Mount Laurel II decision (1983) and the subsequently adopted of the Fair Housing Act of 1985. In accordance with the Municipal Land Use Law, a municipality may not adopt a zoning ordinance unless it has adopted a Housing Element. (N.J.S.A. 40:55D-1 et. seq.). A Fair Share Plan addressing how the municipality will provide for affordable housing is an essential component of the Housing Element. Pursuant to N.J.S.A. 52:27D-310 the Housing Element is required to include the following:

- An inventory of the municipality’s housing stock by age, condition, purchase or rental value, occupancy characteristics, and type, including the number of units affordable to low and moderate income households and substandard housing capable of being rehabilitated;
- A projection of the municipality’s housing stock, including the probable future construction of low and moderate income housing, for the next ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development, and probable residential development trends;
- An analysis of the municipality’s demographic characteristics, including, but not necessarily limited to, household size, income level, and age;
- An analysis of the existing and probable future employment characteristics of the municipality;
- A determination of the municipality’s present and prospective fair share of low and moderate income housing and its capacity to accommodate its present and prospective housing needs, including its fair share of low and moderate income housing; and
- A consideration of the lands most appropriate for construction of low and moderate income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low and moderate income housing, including a consideration of lands of developers who have expressed a commitment to provide low and moderate income housing.

COAH’s regulations at N.J.A.C. 5:93-5.1 require the Township’s Housing Element to “include the municipality’s strategy for addressing its present and prospective housing needs,” and the following information and documentation must be submitted with the Housing Element and Fair Share Plan:

- The minimum requirements of the Fair Housing Act, N.J.S.A. 52:27D-310 (listed above);
- An inventory of the municipality’s housing stock by age, condition, purchase or rental value, occupancy characteristics and type, including the number of units affordable to low and moderate income households and substandard housing capable of being rehabilitated;

- A projection of the municipality's housing stock, including the probable future construction of low and moderate income housing, for the six years subsequent to the adoption of the housing element, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands;
- An analysis of the municipality's demographic characteristics, including, but not limited to, household size, income level and age;
- An analysis of the existing and probable future employment characteristics of the municipality;
- A determination of the municipality's present and prospective fair share 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;
- A consideration of the lands that are most appropriate for construction of low and moderate income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low and moderate income housing, including a consideration of lands of developers who have expressed a commitment to provide low and moderate income housing;
- A map of all sites designated by the municipality for the production of low and moderate income housing and a listing of each site that includes its owner, acreage, lot and block;
- The location and capacities of existing and proposed water and sewer lines and facilities relevant to the designated sites;
- Copies of necessary applications for amendments to, or consistency determinations regarding, applicable area wide water quality management plans (including wastewater management plans).
- A copy of the most recently adopted municipal master plan and where required, the immediately preceding, adopted master plan;
- For each designated site, a copy of the New Jersey Freshwater Wetlands maps where available. When such maps are not available, municipalities shall provide appropriate copies of the National Wetlands Inventory maps provided by the U.S. Fish and Wildlife Service;
- A copy of appropriate United States Geological Survey Topographic Quadrangles for designated sites; and
- Any other documentation pertaining to the review of the municipal housing element as may be required by the Council.

Pursuant to N.J.A.C. 5:93-5.15(c), if a municipality intends to collect development fees, it shall prepare a plan to spend development fees that includes the following:

- A projection of revenues anticipated from imposing fees on development, based on historic development activity;
- A description of the administrative mechanism that the municipality will use to collect and distribute revenues;
- A description of the anticipated use of all development fees;
- A schedule for the creation or rehabilitation of housing units;
- If the municipality envisions being responsible for public sector or non-profit construction of housing, a pro-forma statement of the anticipated costs and revenues associated with the development; and
- The manner through which the municipality will address any expected or unexpected shortfall if the anticipated.

HOUSING ELEMENT

Affordable housing is defined by the Fair Housing Act as a dwelling, either for sale or rent that is within the financial means of households of low or moderate income as income is measured within each housing region. The Township of Upper is in COAH's Region 6, which includes Atlantic, Cape May, Cumberland and Salem counties. Moderate-income households are those earning between 50% and 80% of the regional median income. Low-income households are those with annual incomes that are between 30% and 50% of the regional median income. As required by the amended FHA (Roberts bill), COAH has also included a very low-income category, which is defined as households earning 30% or less of the regional median income.

Through the Uniform Housing Affordability Controls (hereinafter "UHAC") at N.J.A.C. 5:80-26.3(d) and (e), COAH requires that the maximum rent for a qualified unit be affordable to households that earn no more than 60% of the median income for the region. The average rent must be affordable to households earning no more than 52% of the median income. The maximum sale prices for affordable units must be affordable to households that earn no more than 70% of the median income. The average sale price must be affordable to a household that earns no more than 55% of the median income.

The regional median income is defined by COAH using the federal Department of Housing and Urban Development ("HUD") income limits on an annual basis. In the spring of each year HUD releases updated regional income limits which COAH reallocates to its regions. It is from these income limits that the rents and sale prices for affordable units are derived. These figures are updated annually and are available from COAH.

DEMOGRAPHIC ANALYSIS

The Township of Upper is bordered to the west by Maurice River Township in Cumberland County; to the east by Ocean City and the Atlantic Ocean. The Township's southern border consists of the Dennis Township and the Borough of Woodbine. The northern border consists of Estell Manor, Corbin City and Egg Harbor Township, all in Atlantic County.

The Township is split between the jurisdiction of the Pinelands Comprehensive Management Plan (CMP) and New Jersey Department of Environmental Protection under the Coastal Area Facilities Review -Act (CAFRA). Thirty-three percent (33%) of the total land area in the Township is governed by the Pinelands CMP of which only five-percent (5%) is considered to be within an appropriate development area (i.e. sewer service area). More specifically one-percent (1%) of the Pinelands land area is within a Pinelands Town and four-percent (4%) is within a Pinelands Village.

Table 1				
Density Indicators				
	Densities(persons or units/sq. mi.)			
	Population		Housing	
	2000	2010	2000	2010
Upper Township	191.8	199.1	86.6	102.0
Cape May County	401.0	386.9	356.8	391.0
New Jersey	1,134.4	1,195.5	446.3	483.2
Source: Calculated by U.S. Census Bureau				

Population:

The following tables portray the population and housing change in the Township, Cape May County, and the State. Between 1990 and 2000, the Township's population increased by 13%. Since 2000, the Township and the County have seen a loss of population.

Table 2 Population Trends			
	Upper Township	Cape May County	New Jersey
1970	3,413	59,554	7,171,112
1980	6,713	82,266	7,365,011
1990	10,681	95,089	7,730,188
2000	12,115	102,326	8,414,350
2010	12,373	97,265	8,791,894
2014 (est)	12,231	96,286	8,874,374
1970 to 1980	96.7%	38.1%	2.7%
1980 to 1990	59.1%	15.6%	5.0%
1990 to 2000	13.4%	7.6%	8.9%
2000 to 2010	2.1%	-4.9%	4.5%
2010 to 2014 (est)	-1.1%	-1.0%	0.9%
Source: US Census Data and 2010-2014 American Community Survey 5-yr estimate			

Reflective of the overall population changes, the age cohorts depict a loss of population in all categories from 2000 through 2010. However, the largest segment of the population is in the 45-54 age-cohort, with 9.3% of the total population. This is reflective in the increasing median age for the Township, now at 41.7 years. The Township's population is evenly split between male and female. The ethnicity of the Township includes a higher percentage of Caucasians and less of other ethnic groups than the County and the State. (See Table 4)

Table 3 1990 - 2010 Population Profiles or Cohorts - Upper Township									
Age	Population								
	1990		2000		2010		Population Change		
							1990 to 2000	2000 to 2010	1990 to 2010
< 5	868	8.1%	736	6.1%	335	2.7%	-15.2%	-54.5%	-61.4%
5-9	872	8.2%	1,009	8.3%	367	3.0%	15.7%	-63.6%	-57.9%
10-14	879	8.2%	1,124	9.3%	425	3.4%	27.9%	-62.2%	0.0%
15-19	703	6.6%	853	7.0%	445	3.6%	21.3%	-47.8%	-36.7%
20-24	504	4.7%	474	3.9%	354	2.9%	-6.0%	-25.3%	-29.8%
25-34	1,645	15.4%	1,164	9.6%	599	4.8%	-29.2%	-48.5%	-63.6%
35-44	2,056	19.2%	2,193	18.1%	844	6.8%	6.7%	-61.5%	-58.9%
45-54	1,058	9.9%	2,051	16.9%	1,156	9.3%	93.9%	-43.6%	9.3%
55-59	393	3.7%	595	4.9%	436	3.5%	51.4%	-26.7%	10.9%
60-64	457	4.3%	444	3.7%	368	3.0%	-2.8%	-17.1%	-19.5%
65-74	776	7.3%	775	6.4%	517	4.2%	-0.1%	-33.3%	-33.4%
75-84	380	3.6%	567	4.7%	228	1.8%	49.2%	-59.8%	-40.0%
85+	90	0.8%	130	1.1%	73	0.6%	44.4%	-43.8%	-18.9%
18+	7,621	71.4%	8,648	71.4%	4,916	39.7%	13.5%	-43.2%	-35.5%
62+	1,542	14.4%	1,736	14.3%	1,037	8.4%	12.6%	-40.3%	-32.7%
65+	1,246	11.7%	1,472	12.2%	818	6.6%	18.1%	-44.4%	-34.3%
Median Age	34.4	n/a	38.4	n/a	41.7	n/a	11.6%	8.6%	21.2%
Source: US Census Data									

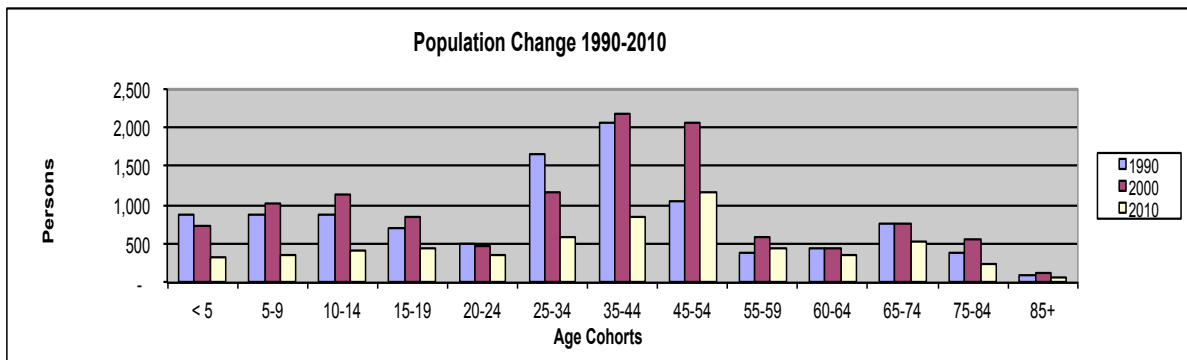


Table 4						
Population by Categories						
	Upper Township		Cape May County		New Jersey	
	Persons	%	Persons	%	Persons	%
Total	12,231	100%	96,286	100%	8,874,374	100%
Sex						
F	6,180	50.5%	49,329	51.2%	4,547,856	51.5%
M	6,051	49.5%	46,957	48.8%	4,326,518	48.5%
Race						
White	11,757	96.1%	87,495	90.9%	6,094,052	72.6%
Black or African American	140	1.1%	4,389	4.6%	1,201,339	13.6%
Asian	49	0.4%	1,072	1.1%	779,841	5.7%
American Indian and Alaska Native	101	0.8%	388	0.4%	18,921	5.6%
Native Hawaiian and Other Pacific Islander	-	0.0%	57	0.1%	2,671	5.6%
Other	24	0.2%	1,420	1.5%	557,107	2.5%
Two or More Races	160	1.3%	1,465	1.5%	220,443	2.5%
Hispanic or Latino	340	2.8%	6,504	6.8%	1,649,784	13.3%
Age						
25-64	6,363	52.0%	48,870	50.8%	4,803,357	53.9%
65+	2,027	16.6%	21,897	22.7%	1,249,264	13.2%
Median Age	44.1	n/a	48	n/a	39.3	n/a
Persons Per Household	2.71	n/a	2.32	n/a	2.68	n/a
Source: US Census Data and American Community Survey 5 Year Estimates 2010-2014						

Housing:

The primary unit in the Township is single-family detached at 74%. The Township contains a substantial number of mobile home units at 19% of its total units. There are a total of 4,250 owner occupied units and 361 rental units in the Township. The average household size is 2.71 persons per unit.

The total housing units in the Township as of the 2010 Census was 6,341, a 15.9% increase from 2000. This is an interesting factor given the decrease of population. The total housing growth is disproportional to the loss of population growth.

Table 5 Housing Trends			
	Housing Units		
	Upper Township	Cape May County	New Jersey
1990	5,285	85,537	3,075,310
2000	5,472	91,047	3,310,275
2010	6,341	98,309	3,553,562
1990 to 2010	20.0%	14.9%	15.6%
1990 to 2000	3.5%	6.4%	7.6%
2000 to 2010	15.9%	8.0%	7.3%
Source: US Census Data			

Table 6 Upper Township Housing Units by Tenant and Occupancy Status						
Year Round Housing Units			Owner-occupied		Rental	
Occupied	Vacant	Total	No.	%	No.	%
4,611	1751	6,362	4,250	92.2%	361	7.8%
Source: American Community Survey 5 Year Estimates 2010-2014						

Of the total occupied housing units in the Township, 76% are family households and 24% are non-family households. Of the total 1,631 family households, over 75% consist of married couples. The average number of persons per household is 2.81.

Table 7 Summary of Household Characteristics - Upper Township		
	No. of Persons	% of Total
Family Households	1,631	75.72%
Non-Family Households	523	24.28%
Non-Family Households		
Male	188	35.95%
Female	209	39.96%
Family Households		
Married Couple	1,236	75.78%
Single Male	144	8.83%
Single Female	251	15.39%
Total Households	2,154	100%
Persons Per Household	2.81	N/A
Source: 2010 US Census Data		

The bulk of the Township's housing stock was built during in the 1980's. A review of the 2009-2013 American Community Survey 5-Year Estimates indicated that the Township's housing stock is well maintained. *Less than one half-percent (0.5%) of all occupied units were lacking complete plumbing and/or kitchen facilities. Units that were reported with overcrowded conditions (1.01 persons or more per room) consisted of 0.9% of the total occupied housing stock.*

Table 8		
Housing Units by Number of Units in Structure, Upper Township		
Number of Units	Units	Percent of Total
1-unit, Detached	4,683	73.61%
1-unit, Attached	317	4.98%
2 units	73	1.15%
3 or 4 units	29	0.46%
5 to 9 units	37	0.58%
10 to 19 units	-	0.00%
20 or more units	-	0.00%
Mobile Home	1,200	18.86%
Other	23	0.36%
Total	6,362	
Source: American Community Survey 5 Year Estimates 2010-2014		

Table 9		
Upper Township - Housing Units by Age		
Year Built	Units	Percent of Total
2010 or later	33	0.52%
2000 to 2009	796	12.51%
1990 to 1999	849	13.34%
1980 to 1989	1,959	30.79%
1970 to 1979	1,483	23.31%
1960 to 1969	477	7.50%
1950 to 1959	377	5.93%
1940 to 1949	28	0.44%
1939 or earlier	360	5.66%
Total	6,362	
Source: American Community Survey 5 Year Estimates 2010-2014		

Table 10 presents a breakdown of the Township's housing stock by number of rooms. The Township housing stock has a median number of rooms at 6.2 per unit. Over 36% of the Township's housing stock consists of 3-bedroom homes.

Table 10 Occupied Housing Units by Number of Rooms - Upper Township		
Rooms	Housing Units	Percent of Total Housing Units
1	21	0.3%
2	115	1.8%
3	352	5.5%
4	1,048	16.5%
5	825	13.0%
6	1,191	18.7%
7	925	14.5%
8	772	12.1%
9+	1,113	17.5%
Total	6,362	100.0%
Median Rooms	6.2	
Source: American Community Survey 5 Year Estimates 2010-2014		

Table 11 Occupied Housing Units by Number of Bedrooms Upper Township		
Bedrooms	Housing Units	Percent of Total Housing Units
No Bedrooms	21	0.3%
1-Bedroom	334	5.2%
2-Bedrooms	1,867	29.3%
3- Bedrooms	2,350	36.9%
4-Bedrooms	1,552	24.4%
5 + Bedrooms	238	3.7%
Total	6,362	100.0%
Source: American Community Survey 5 Year Estimates 2010-2014		

The Township has a median gross rent of \$967, lower than Cape May County. The Township's median housing value of \$312,700 is consistent with the County. Forty-six percent (46%) of the housing stock is valued between \$300,000 and \$499,999.

Table 12		
Housing Value, Owner Occupied Units - Upper Township		
Value	Housing Units	Percent of Total Housing Units
Less than \$50,000	123	2.9%
\$50,000 to \$99,999	107	2.5%
\$100,000 to \$149,999	201	4.7%
\$150,000 to \$199,999	239	5.6%
\$200,000 to \$299,999	1,290	30.4%
\$300,000 to \$499,999	1,949	45.9%
\$500,000 to \$999,999	288	6.8%
\$1,000,000 or more	53	1.2%
Total	4,250	100.0%
Median Housing Value	\$312,700	
Source: American Community Survey 5 Year Estimates 2010-2014		

Table 13					
Selected Housing or Housing Related Characteristics					
	Median Value Housing (owner-occupied)	Median Gross Rent	Median Household Income	Value Income Ratio	Rental Vacancy Rate
Upper Township	\$312,700	\$967	\$77,198	4.05	10.9%
Cape May County	\$307,000	\$1,042	\$57,394	5.35	22.9%
Source: American Community Survey 5 Year Estimates 2010-2014					

Employment and Labor:

According to the 2010 Census, 63% of the Township's labor force is employed. Just under five-percent (4.67%) of the population age 16 and over are unemployed, or not considered part of the labor force. The majority of the employers in the Township are in the Educational Services, and Health Care and Social Assistance field or the Arts, Entertainment, and Recreation, and Accommodation and Food Services fields. Those whom are employed primarily have management, business science or arts as an occupation. According to the October 2015 report by the Casino Control Commission – License Division, an estimated 199 casino employees reside in the Township¹.

Table 14		
UPPER TOWNSHIP EMPLOYMENT STATUS		
	Total	Percent of Population 16 Years and Over
Population 16 years and Over	9,959	100%
In Labor Force	6,756	67.84%
Civilian Labor Force	6,756	67.84%
Employed	6291	63.17%
Unemployed	465	4.67%
Armed Forces	0	0.00%
Not In Labor Force	3,203	32.16%
Source: American Community Survey 5 Year Estimates 2010-2014		

¹ This figure includes employees by zip code. There are 82 employees in 08223 (Marmora); 68 employees in 08230 (Ocean View); 1 employee in 08248 (Strathmere); 2 employees in 08250 (Tuckahoe); and 46 employees in 08270 (Woodbine). There may be overlap between these municipalities.

Table 15		
Employment by Industry, Civilian Employed population 16 years and over		
Occupation	No. Persons	% Upper
Agriculture, Forestry, Fishing and Hunting, and Mining	50	0.79%
Construction	477	7.58%
Manufacturing	171	2.72%
Wholesale Trade	96	1.53%
Retail Trade	726	11.54%
Transportation and Warehousing, Utilities	262	4.16%
Information	113	1.80%
Finance and Insurance, and Real Estate and Rental and Leasing	507	8.06%
Professional, Scientific, and Management, and Administrative and Waste Management Services	492	7.82%
Educational Services, and Health Care and Social Assistance	1,694	26.93%
Arts, Entertainment, and Recreation, and Accommodation and Food Services	1,102	17.52%
Other Services, except Public Administration	293	4.66%
Public Administration	308	4.90%
Total	6,291	100%
Source: American Community Survey 5 Year Estimates 2010-2014		

Table 16		
Employment by Occupation Civilian Employed population 16 years and over		
Occupation	No. Persons	% Upper
Management, Business, Science, and Arts	2,334	37.10%
Service	1,319	20.97%
Sales and Office	1,811	28.79%
Natural Resources, Construction and Maintenance	548	8.71%
Production, Transportation & Material Moving	279	4.43%
Total	6,291	100%
Source: American Community Survey 5 Year Estimates 2010-2014		

Income:

The income statistics found in Tables 17 through 20 indicate that Upper Township has a higher median income than the County and the State of New Jersey. The Township has a median household income of \$77,198. Eighteen-percent (18%) of the total households in the Township have a household income in the range of \$50,000 to \$74,999. The Township also has a lower percentage of persons and households below the poverty level than the County and State.

Table 17 Income Levels			
	Upper Township		
	Households	Families	Non-Family
Median Income	\$77,198	\$87,260	\$35,949
Mean Income	\$92,796	\$103,659	\$48,149
Source: American Community Survey 5 Year Estimates 2010-2014			

Table 18 Median Income for Households and Families		
	Households	Families
Upper Township	\$77,198	\$87,260
Cape May County	\$57,394	\$75,370
New Jersey	\$72,062	\$87,999
Source: American Community Survey 5 Year Estimates 2010-2014		

Table 19		
Household Income - Percent of Total Households		
	Upper Township	Cape May County
Less than \$10,000	1.9%	5.5%
10,000 - 14,999	2.8%	4.6%
15,000 - 24,999	7.0%	9.7%
25,000 - 34,999	6.4%	9.8%
35,000 - 49,999	8.1%	13.8%
50,000 - 74,999	20.3%	17.8%
75,000 - 99,999	17.2%	12.9%
100,000 - 149,999	23.1%	15.1%
150,000 - 199,999	5.6%	5.8%
200,000 +	7.8%	5.0%
Source: American Community Survey 5 Year Estimates 2010-2014		

Table 20				
Percent Distribution Persons and Families below Poverty Level				
	All Persons Below Poverty Line	Persons Age 18+ Below the Poverty Line	Persons Age 65 + Below the Poverty Line	Families Below Poverty Line
Upper Township	4.7%	4.6%	4.9%	3.3%
Cape May County	11.1%	9.7%	7.5%	7.9%
Atlantic County	15.2%	13.0%	9.2%	11.9%
New Jersey	10.7%	9.3%	7.9%	8.1%
Source: American Community Survey 5 Year Estimates 2010-2014				

Council on Affordable Housing (COAH) regulations define low income households (those earning up to 50% of the moderate household income) and moderate income households (those earning from more than 50% to 80% of the moderate household income). The figures are adjusted for household size and the municipality's housing region.

Upper Township is part of Region Six, which includes Atlantic, Cape May, Cumberland and Salem Counties. The 2014 COAH Regional Income Limits for Region Six (based on household size) range from \$25,543 (one person) to \$48,166 (eight persons) for low income households. Income limits range from \$40,868 (one person) to \$77,066 (eight persons) for moderate income households. Median income for Region 6 in 2014 ranges from \$51,085 to \$96,332, the Township's median income in 2010 was reported at \$77,198.

Table 21					
2014 Affordable Housing Region 6 Income Limits					
	1 Person Household	2 Person Household	3 Person Household	4 Person Household	5 Person Household
Moderate Income(80% of Median)	\$ 40,868	\$ 46,707	\$ 52,545	\$ 58,383	\$ 63,054
Low Income (50% of Median)	\$ 25,543	\$ 29,192	\$ 32,841	\$ 36,490	\$ 39,409
Very Low Income (30% of Median)	\$ 15,326	\$ 17,515	\$ 19,704	\$ 21,894	\$ 23,645
Source:COAH 2014 Regional Income Limits					

FAIR SHARE PLAN

The Township adopted a Round 1 Housing Element and Fair Share Plan in 1989 and petitioned COAH for substantive certification. The petition was later withdrawn due to insufficient resources for the Township to implement the plan. On December 18, 2008, the Township Planning Board adopted a new Housing Element and Fair Share Plan (resolution SR03-08) consistent with the then-operative Round III growth share rules that became effective October 20, 2008. The Township then petitioned COAH for substantive certification on December 30, 2008. COAH deemed the application complete, approved the Township's development fee ordinance and later approved the Township's Spending Plan, but was unable to certify the Township before the regulations were later invalidated.

Consideration of Lands Appropriate for Affordable Housing

Consistent with smart growth principles, the Township has chosen to intersperse affordable housing throughout existing residential neighborhoods in the Township.

In crafting its plan, the Township has analyzed all available compliance techniques including whether inclusionary zoning and the development of 100% affordable housing sites would best serve the Township to address its fair share obligation. As discussed below the Township has determined that a combination of these types of development would be appropriate to satisfy the Township's fair share obligation. The Township has identified properties for affordable housing development with a balance of residential to non-residential land uses. The sites included in this plan were identified as those which provided for an appropriate balance and mix of land uses while meeting and exceeding the Township's current identified affordable housing obligation (including durational adjustments to that obligation).

Availability of Existing and Proposed Infrastructure

The Cape May County Wastewater Management Plan was approved in 2012 which included the Upper Township Town Centers build-out projections. To the degree necessary the Township will provide any additional capacity analysis to the County for the proposed amendments currently under consideration in order to effectuate the proposed units in this plan.

The Township is serviced by New Jersey American Water or private wells. The areas proposed for development have service through New Jersey American Water and there is adequate capacity for the proposed development centers.

Affordable Housing Obligation

Pursuant to a settlement agreement by and between the Township and Fair Share Housing Center, the Township's affordable housing obligation includes the following:

Rehabilitation Share (per Kinsey Report ²)	14
Prior Round Obligation (pursuant to N.J.A.C. 5:93)	317
Third Round (1999-2025) Prospective Need (per Kinsey Report, as adjusted through the settlement agreement) (including Gap Period)	233

Present Need - Rehabilitation Component

The Rehabilitation obligation is defined as the number of deficient housing units occupied by low and moderate income households within the Township. This figure is calculated using indices such as overcrowding of units constructed prior to 1950, incomplete kitchen and plumbing facilities and the estimated number of low and moderate income households in the municipality. For the Township of Upper COAH has calculated a rehabilitation obligation of 14 units.

Prior Round

The prior round obligation is the municipality's 1987 through 1999 affordable housing obligation. (N.J.A.C. 5:97-1.4). This period corresponds with the first and second round of affordable housing compliance. Pursuant to N.J.A.C. 5:93, the Township of Upper's prior round obligation is 317.

Prospective Need

The third round prospective need obligation is 233 pursuant to the settlement agreement between the Township and Fair Share Housing Center. The prospective need includes the Gap Period Present Need, which is a measure of households formed from 1999-2015 that need affordable housing, that was recognized by the Supreme Court in In re Declaratory Judgment Actions Filed By Various Municipalities, 227 N.J. 508 (2017).

² David N. Kinsey, PhD, PP, FAICP, NEW JERSEY LOW AND MODERATE INCOME HOUSING OBLIGATIONS FOR 1999-2025 CALCULATED USING THE NJ COAH PRIOR ROUND (1987-1999) METHODOLOGY, July 2015.

Durational Adjustment

The Township of Upper does not have public sewer infrastructure available. The Township has an approved wastewater management plan that permits the future construction of public sewer infrastructure or on-site package treatment plants within certain areas. In light of this the Township has divided the Fair Share Plan into two parts consistent with Prior Round regulations concerning adjustments to the fair share predicated upon a lack of sewer – known as a durational adjustment. The first addresses the existing/approved units that are able to utilize existing infrastructure and development approvals. This will provide for a total of 110 affordable housing credits.

The balance of the Township’s obligation (the “deferred portion”) (440 credits) will be deferred until adequate water and/or sewer capacity becomes available. The Township of Upper will endorse all applications to the New Jersey Department of Environmental Protection (DEP) for water and/or sewer capacity to permit the development as per the listed sites and areas below. These credits are provided for under Proposed Units below.

Affordable Housing Plan

Rehabilitation Obligation:

Since 2012, the Township has operated a rehabilitation program using monies from the Affordable Housing Trust fund. The program has been administered by Triad Associates. Through the rehabilitation program the Township has successfully rehabilitated 14 affordable housing units towards its Round III rehabilitation component. In addition, on December 2008, the Township adopted a resolution to fund any shortfall of funds required for implementing the Spending Plan (Resolution 304-2008). Should the Township’s obligation increase or should the Court require the Township to address its new rehab component going forward from 2015, the township will satisfy the remaining units through continuation of the rehab program.

Prior Round and Prospective Need:

The Township of Upper has a prior round (1987-1999) affordable housing obligation of 317 units

and a prospective need obligation of 233 for a total obligation of 550³. COAH has established rules that address rental requirements, age-restricted housing limitations and rental bonuses as housing credits. Accordingly the Township's housing obligation shall have a minimum of 138 rental units. The Township is also permitted to receive a rental bonus for rental units that meet the criteria under N.J.A.C. 5:93-5.15(d), up to a maximum of 138 bonus credits. The total affordable housing units shall be permitted to utilize a maximum of 137 age-restricted units. (N.J.A.C. 5:93-5.14(a)3)

Township of Upper Affordable Housing Obligation			
	Total Obligation	Prior Round	Prospective Need
Obligation	550	317	233
Less Prior Cycle Credits	0	0	0
Total Obligation	550	317	233
Rental Minimum – 25%	137	79	58
Age-Restricted Maximum – 25%	137	79	58
Maximum Rental Bonus – 25%	137	79	58

³ As per Settlement Agreement dated February 12, 2018.

Existing/Approved Credits

Development	Type	Tenure	Status	Units	Bonus	Credits
8 Foxborough Road	Group Home	Special Needs Rental	Complete	3	3	6
Habitat for Humanity (21 Ocean Ave. – B 628, L 13)	100% Affordable	Family Sale	Complete	1		1
Holly Berry (90 Route 50 – B 453, L 182.03)	100% Affordable	Family Rental	Complete	1	1	2
Heritage Acres Mobile Home Park (Block 639, Lots 15.01 and 15.02)	Inclusionary	Family Rental	Approved; awaiting final CAFRA approvals for on-site treatment plant	26	26	52
Osprey Cove/2058 South Shore Road LLC (Route 9 and Route 50)	Inclusionary	20 Family Rental	Approved and Under Construction	20	20	40
Additional Habitat for Humanity units	100% Affordable	Family For-Sale	Proposed	4		4
Additional Market to Affordable Unit – Contract w Triad	100% Affordable	Family For-Sale or For-Rent	1 completed 4 Proposed	5		5
Total				60	50	110

Prior Cycle Credits (1980-1986)

There are no existing affordable housing units in the Township that were occupied prior to 1986. Therefore there are no prior cycle credits to be taken at this time.

Existing Affordable Units

Supportive and Special Needs Housing –(6 credits)

In the Township there is one existing supportive and special needs unit. In 1996, ResCare of

New Jersey created a 3-bedroom group home for persons with disabilities, located at 8 Foxborough Road (Block 564, Lot 19). This units would yield an affordable housing credit of 6, including rental bonuses where the controls on affordability are in effect for at least 30 years (N.J.A.C. 5:93-5.8(d). (See group home documentation in the Appendix of the Fair Share Plan)

Habitat for Humanity –(1 credit)

In 1999 Habitat for Humanity constructed a residential unit at 21 Ocean Avenue, Block 628 Lots 13 to 28, occupied by an income qualified household. The total affordable housing credits for this property would be 1 Credit. (See documentation in the Appendix of the Fair Share Plan)

Holly Berry –(2 credits)

In 2008 the “Holly Berry” low-income apartment was created. This apartment is located at 90 Route 50, Block 453 Lot 182.03 and contains two-bedrooms. The total affordable housing credits for this property would be 2 Credits, including the 1 bonus credit as a rental unit. (See documentation in the Appendix of the Fair Share Plan)

Market to Affordable –(1 credit)

The Township has worked with Triad Associates to create a market to affordable unit located at 2140 Route 50. This unit is currently occupied by a qualifying household. (See documentation in the Appendix of the Fair Share Plan)

Approved Units

Heritage Acres –(52 credits)

Heritage Acres Mobile Home Park, LLC (John T. Shaw Farm) received preliminary site plan approval on April 21, 2013 (Resolution PB-01-13) for the development of a 133 age-restricted mobile home park on a 46.75 acre parcel of land on Tuckahoe Road (block 639 lots 15.01 and 15.02). The total number of units proposed is 133 with a 20% affordable rental component. The affordable units will not be age-restricted and will provide a total 26 affordable rental units. This project will be eligible for rental bonus credits.

Osprey Cove –(40 credits)

2058 South Shore Road LLC received preliminary site plan approval on April 19, 2012 (Resolution PB-02-12) and final site plan approval on January 21, 2016 for the development of a 10 unit age-restricted mobile home development on a 25-acre parcel of land with frontage on Route 9 and Route 50. The project includes a 20% affordable set aside, which will yield 28 affordable units, 7 of which will be rental. This project may be eligible for rental bonus credits. The final site plan approval included an “Affordable Housing Plan for 2058 South Shore Road, LLC” which provides for the creation of 28 family (non-age restricted) units that would be affordable to low and moderate income families. These units would be created off-site in accordance with the Township’s Affordable Housing Overlay Ordinance (Ordinance 20-14). The applicant stipulates in their “Affordable Housing Plan” that they have purchased ten (10) units under this program with the intention of converting them to affordable units. The applicant will continue to acquire parcels to satisfy the balance of their total affordable housing obligation. The specific parcels already acquired are as follows and will be family rental units:

- Nine (9) units along Harriet Lane (2, 4, 6, 8, 10, 12, 14, 16 & 18 Harriet Lane)
- One unit located at 1729 South Shore Road (Block 567, Lot 28)

In accordance with the Settlement Agreement and this Plan the developer of Osprey Cove is required to create 10 additional family rental units so that the total number of units is now 20 not 28. In accordance with the approved Affordable Housing Plan for 2058 South Shore Road, LLC as adopted and approved by the Planning Board, the units shall be offsite within existing structures. The development will yield 20 rental bonus credits for a total affordable housing credit of 40. (See Affordable Housing Plan for 2058 South Shore Road, LLC in the Appendix)

Habitat for Humanity –(4 credits)

The Township is continuing to work with Habitat for Humanity to create new affordable housing units. The Township will create four (4) more affordable housing units in cooperation/partnership with Habitat for Humanity.

Market to Affordable –(4 credits)

The Township will continue to work with Triad Associates to create additional market to affordable units throughout the community. A total of four (4) additional units are proposed.

Proposed Credits

The Township reviewed various available sites to provide opportunities to meet their affordable housing obligation. The Township has limited areas with the ability to provide public sewer or wastewater treatment plants and therefore the available parcels were restricted. The infrastructure capacity and availability limited the lands available for affordable housing development. The following table identifies properties that are within approved sewer service areas where the housing density and development can be reasonably accommodated.

Development	Type	Tenure	Status	Units	Bonus	Credits
Hidden Pond Rt. 9 S. Block 559, Lots 36.01, 37, 39	Inclusionary	Age- Restricted Project with Family Affordable	Received Use Variance approval	20		20
Heritage Links 1357 Rt. 9 S. Block 567, Lot 50.01	Inclusionary	Age- Restricted Project with Family Affordable	Received Use Variance approval	24		24
Stagecoach Road Senior Housing Block 549 Lots 87, 102, 103	100% Affordable	Age- Restricted Rental	Proposed	79	26	105
Marmora Town Center	Inclusionary	Family Rental/For- Sale	Zoning in place subject to modification as described below	295		295
Total				418	26	444

Hidden Pond – (20 credits)

Hidden Pond received a use variance approval from the Zoning Board by Resolution 09-05 for the creation of a 100-unit age-restricted townhouse development. The property is located at 3017 and 3023 Route 9 South in Seaville (Block 559, Lots 36.01 and 37). As a condition of approval the development was required to comply with the Township's affordable housing ordinances which require a 20% set-aside of units. The units are to be family units and may be on-site or off-site in existing residential structures. This will yield an anticipated 20 units of affordable housing. The project approval remains valid and requires wastewater management approval as well as site plan approval. (See Resolution of Approval in Appendix)

Heritage Links – (24 credits)

Heritage Links received a use variance approval from the Zoning Board by Resolution 25-04 for the creation of a 124-unit age-restricted development. The property is located at 1357023 Route 9 South in Palermo (Block 567, Lot 50.01). As a condition of approval the development was required to comply

with the Township's affordable housing ordinances which require a 20% set-aside of units. The units are to be family units and may be on-site or off-site in existing residential structures. This will yield an anticipated 24 units of affordable housing. The project approval remains valid and requires wastewater management approval as well as site plan approval. (See Resolution of Approval in Appendix)

Marmora Town Center – (295 credits)

The Township proposes to provide for inclusionary zoning within the Marmora Town Center, an approved CAFRA center under the State Regulations. This area is currently zoned for a variety of residential and commercial development. The Township proposes to provide for this housing in the Marmora Town Center District for all new development to have a set-aside of 20%. This would yield a maximum of 295 affordable housing units.

A new Marmora Town Center District should be created to provide for mixed-use development throughout the area as part of the implementation of the Housing Element and Fair Share Plan. The intent is to permit a residential density of up to 12 units per acre with a requirement to include non-residential land uses as part of every development proposal at a ratio that will permit up to 1,475 residential units. There is an intent to preserve and create a Route 9 streetscape which is walkable and incorporates the village and walking atmosphere of a downtown area. Therefore, no residential land uses shall be permitted on the first floor for any development with frontage along Route 9. All development along Route 9 should be focused on commercial with residential on the upper levels or rear of the site.

Stagecoach Road Senior Housing –(79 credits)

The Township owns property on Stagecoach Road on block 549, lots 70, 87, 102-104. The property contains 58.64 acres. The property does not have access to public sewer or a centralized system. The Township is requesting to designate this site aside under a durational adjustment for future affordable housing development.

The site is proposed to contain up to 79 age-restricted affordable housing units plus one 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. 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.

Bonus Provisions

In accordance with N.J.A.C. 5:93-5.15 the Township of Upper intends to take bonus credits for up to 25% the rental units in this plan at the time they are completed and occupied. The projected rental bonus would account for up to 79 credits.

Very Low Income Requirement

The Township will amend its affordable housing ordinance to require that thirteen (13%) of affordable units in future rental developments will be available to very-low-income families. Currently the units within the existing group home contributes to the satisfaction of this requirement. This requirement for future units will be included in the amended Fair Share Ordinance of the Township of Upper.

Affordable Housing Trust Fund

The Township of Upper adopted an affordable housing trust fund ordinance in accordance with COAH rules for the purposes of funding affordable housing activities which was approved by COAH on March 17, 2009. On May 17, 2012 COAH approved the Township's Spending Plan. The Township recognizes that they will need to amend the Spending Plan to implement projects within this Housing Element and Fair Share Plan. The approved Affordable Housing Trust Fund ordinance is attached as an Appendix to this report.

Cost Generation

The Township of Upper will provide for expediting the review of development applications containing affordable housing. Such expedition may consist of, but is not limited to, scheduling of pre-application conferences and special monthly public hearings for projects involving affordable housing. Furthermore, development applications containing affordable housing shall be reviewed for consistency with the Land Development Ordinance and Residential Site Improvement Standards (N.J.A.C. 5:21-1 et seq.) The Township shall comply with COAH's requirements for unnecessary cost generating requirements under N.J.A.C. 5:93-10.

Monitoring

The Township of Upper shall complete COAH's annual monitoring reports for the Township's Affordable Housing Trust Fund and of the affordable housing units and programs.

Fair Share Ordinance And Affirmative Marketing

The Township of Upper has prepared an Affirmative Marketing and Fair Share Ordinance in accordance with COAH's substantive rules, N.J.A.C. 5:93-9, and the UHAC at N.J.A.C. 5:80-26. The Township's Fair Share Ordinance will govern the administration of affordable units in the Township as well as regulating the occupancy of such units. The Fair Share Ordinance (see draft in Appendix) covers the phasing of affordable units, the low/moderate income split, bedroom distribution, occupancy standards, affordability controls, establishing rents and sales prices, affirmative marketing, income qualification and the like. The costs of advertising and affirmative marketing of the affordable units (including the contract with the Administrative Agent) shall be the responsibility of the developer, sponsor or owner, unless otherwise determined or agreed to by the Township.

The affirmative marketing plan is designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to the affordable units located in the Township. Additionally, the affirmative marketing plan is intended to target those potentially eligible persons who are least likely to apply for affordable units and who reside in Housing Region #6, consisting of Atlantic, Cape May, Cumberland and Salem counties.

The affirmative marketing plan includes regulations for qualification of income eligibility, price and rent restrictions, bedroom distribution, affordability control periods, and unit marketing in accordance with N.J.A.C. 5:80-26. All newly created affordable units will comply with the thirty-year affordability control required by UHAC, N.J.A.C. 5:80-26-5 and 5:80-26-11. This plan must be adhered to by all private, non-profit or municipal developers of affordable housing units and must cover the period of deed restriction or affordability controls on each affordable unit. The costs of implementing the affirmative marketing plan (i.e., the costs of advertising the availability of affordable units, contract with the Administrative Agent, etc.) are the responsibilities of the developers of the affordable units. This requirement will be included in the Township's fair share ordinances and shall be a condition of any municipal development approval.

SPENDING PLAN

On December 18, 2008, the Township Planning Board adopted a new Housing Element and Fair Share Plan (resolution SR03-08) consistent with the Round III growth share rules that became effective October 20, 2008. The Township then petitioned COAH for substantive certification on December 30, 2008. COAH deemed the application complete, approved the Township's development fee ordinance and later approved the Township's Spending Plan. This plan would replace the current Spending Plan in accordance with the approved Settlement Agreement with Fair Share Housing Center.

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. (This ordinance is no longer effective and additional funds are not anticipated.) The Township of Upper adopted an affordable housing trust fund ordinance for the purposes of funding affordable housing activities which was approved by COAH on March 17, 2009. On May 17, 2012 COAH approved the Township's Spending Plan. Funds collected under this ordinance have also been deposited into the affordable housing trust fund.

As of July 27, 2018, the Township of Upper had a balance of \$677,228 in the Housing Trust Fund. These funds shall be spent in accordance with N.J.A.C. 5:93-8.1-8.22 as described in the sections that follow.

Revenues for Certification Period

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

(a) Development fees:

1. Projects which have had development fees imposed upon them at the time of development approvals;
2. All projects currently before the planning and zoning boards for development approvals that may apply for certificates of occupancy; and
3. Future development that is likely to occur based on historical rates of development and/or projected development in accordance with COAH projections.

4. Revenues from the 2.5 non-residential, for all commercial development

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

(c) Projected interest: Interest on the projected revenue in the municipal affordable housing trust fund based upon the average amount earned on prior years.

<i>SOURCE OF FUNDS</i>	PROJECTED REVENUES-HOUSING TRUST FUND - 2018 THROUGH 2025								
	2018	2019	2020	2021	2022	2023	2024	2025	Total
(a) Projected Development fees:	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	1,040,000
(b) Payments in Lieu of Construction	0	0	0	0	0	0	0	0	0
(c) Other Funds	0	0	0	0	0	0	0	0	0
(d) Interest – 2% estimated	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	12,000
Total	131,500	131,500	131,500	131,500	131,500	131,500	131,500	131,500	1,052,000

The above projected revenues are based upon projected residential and commercial development growth rates from prior years. Upper Township projects a total of \$1.04 million in revenue to be collected between January 1, 2018 and December 31, 2025. All interest earned on the account shall accrue to the account to be used only for the purposes of affordable housing.

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 FHAA'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 FHAA-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.

Anticipated Use Of Affordable Housing Funds

Regulations permit the use of revenues generated by a development fee ordinance for activities that address the municipal fair share obligation including, but not limited to, rehabilitation, new construction, improvement to land, roads and infrastructure for affordable housing, assistance to render units more affordable, and administrative costs of housing plan implementation.

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

The Township of Upper will dedicate \$290,000 to new construction and rehabilitation programs (see detailed descriptions in Fair Share Plan) as follows:

New construction project(s): \$290,000

The Township of Upper has developed a market to affordable program, which would subsidize a minimum of \$25,000 per unit to make units affordable to moderate-income households and \$30,000 per unit to make units affordable to low-income households. Based upon the existing market to affordable unit it is anticipated that a total of \$290,000 will 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)

The Township commits to providing affordability assistance in accordance with the COAH requirements (N.J.A.C. 5:97-8.8). In accordance with the projections for new development prepared by COAH, the Township of Upper has prepared a table projecting the minimum affordability assistance requirement. The following table has been prepared solely to meet the requirements of N.J.A.C.5:97-8.8:

Development fees collected through July 2018		\$1,113,939
30 percent requirement	x 0.30 =	\$ 334,181
Development fees projected 1/2018-2025		\$1,052,000
30 percent requirement	x 0.30 =	\$ 315,600
PROJECTED MINIMUM Affordability Assistance Requirement through 12/31/2025	=	\$ 649,781
PROJECTED MINIMUM Very Low-Income Affordability Assistance Requirement through 12/31/2025	1/3 rd of Requirement	\$ 216,594

The Township of Upper will dedicate a minimum of \$649,781 from the Affordable Housing Trust Fund to render units more affordable, including a minimum of \$216,594 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 FHAA.

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

The Township of Upper projects that a maximum of \$433,197 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.

Development fees collected through July 2018		\$1,113,939
20 percent cap requirement	x 0.20 =	\$ 222,787
Development fees projected 1/2018-2025		\$1,052,000
20 percent cap requirement	x 0.20 =	\$ 210,400
Available for Administrative Expense through 12/31/2025	=	\$ 433,197

Expenditure Schedule

Upper Township intends to use affordable housing trust fund revenues for the creation and/or rehabilitation of housing units. The following summarizes the use of the funds existing in the Housing Trust Fund as of July 27, 2018 – as required under N.J.A.C.5:97-8.10(a)8:

AHTF Balance 7/27/2018		\$ 1,113,939
Projected Revenue 2018-2025	+	\$1,052,000
Total Anticipated Revenue	=	\$2,165,939
Expenditures		
New Construction Projects	-	\$1,082,961
Affordability Assistance	-	\$649,781
Administrative Expense	-	\$433,197
Total Projected Expenditures	=	\$2,165,939
Remaining Balance	=	\$0.00

Administrative Expenses: The Township of Upper will expend funds for administrative expenses through December 31, 2025 for the purposes of salaries and benefits of the municipal employees involved in the implementation and administration of the Township's Affordable Housing program, Housing Element and Fair Share Plan, and affirmative marketing program, as well as any other permitted program under N.J.A.C.5:97-8.9.

Affordability Assistance: The Township of Upper intends to spend funds for affordability assistance in accordance with N.J.A.C.5:97-8.8. One-third of the balance will be utilized for the affordability assistance to very low-income households.

Housing Programs: The Township of Upper intends to utilize the remaining Housing Trust Fund balance on the programs highlighted in the Fair Share Plan.

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 Fair Share Plan. 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 herein.

APPENDIX A – Settlement Agreement

APPENDIX B – ResCare Group Home Documentation

APPENDIX C – Habitat for Humanity Ocean Avenue Documentation

APPENDIX D – Holly Berry Documentation

APPENDIX E – Market to Affordable 2140 Route 50 Documentation

APPENDIX F – Heritage Acres Resolution

APPENDIX G – Affordable Housing Plan for 2058 South Shore Road, LLC

APPENDIX H – Hidden Pond Use Variance Resolution

APPENDIX I – Heritage Links Use Variance Resolution

APPENDIX J – Affordable Housing Trust Fund (Development Fee) Ordinance

APPENDIX K – Implementing Ordinances (Including Affirmative Marketing Plan)

APPENDIX L – Proposed Zoning Map August 2018

APPENDIX M – Township of Upper “Intent to Bond” Resolution

APPENDIX N – Fairness Hearing Order