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Amended Third Round Housing Element & Fair Share Plan

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Adopted by the Planning Board December 18, 2008

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EXECUTIVE SUMMARY

This is the Housing Element and Fair Share Plan of the Borough of Oceanport, Monmouth County, New Jersey. This plan follows the requirements of Section 310 of the New Jersey Fair Housing Act (FHA), *N.J.S.A. 52:27D-310*, and the relevant provisions of the regulations adopted by the New Jersey Council On Affordable Housing (COAH) at *N.J.A.C. 5:97-2.3* (“Content of a Housing Element”) and *N.J.A.C. 5:97-3.2* (“Content of a Fair Share Plan”).

Oceanport Borough is in the central eastern part of Monmouth County. The Borough is small in size, consisting of 3.2 square miles of land or 3.9 square miles in total. A substantial portion, 419 acres, of the Borough is within the Fort Monmouth base. This base is located in not only Oceanport but also the neighboring communities of Eatontown and Tinton Falls. In November 2005 the Federal government announced the closure of Fort Monmouth; it is anticipated that the closure will be complete by September 2011.

The closure has a tremendous impact on the Borough, in terms of local finance, municipal planning and affordable housing, among other issues. It also presents an opportunity for infill and redevelopment at a scale not seen in the Borough for decades. Outside of the Fort Monmouth base, the Borough is nearly built-out; the majority of undeveloped land is encumbered with environmental constraints, such as but not limited to, wetlands. Within the boundaries of the base, a substantial amount of land remains developable.

The development potential presented by the closure of the base is largely unknown. The Fort Monmouth Reuse and Redevelopment Plan was adopted in September 2008, but does not contain adequate detail to determine the affordable housing obligation that will be generated on the site. However, it is currently anticipated that the affordable housing obligation will be addressed by the Fort Monmouth Economic Revitalization Planning Authority (hereinafter “FMERPA”), or its successor, which will be detailed in a Memorandum of Understanding currently being finalized between COAH and FMERPA. Nevertheless, as the Borough is committed to providing its fair share of affordable housing.

There are three components to a municipality’s affordable housing obligation; the rehabilitation share, the prior round obligation and the third round obligation. COAH has calculated the following for the Borough of Oceanport:

- Rehabilitation Share: 0 units
- Prior Round Obligation: 149 units
- Third Round Obligation: 41 units

The Borough is the defendant in a builder's remedy lawsuit filed by Oceanport Holdings (hereinafter referred to as the "plaintiff"). The plaintiff filed a builder's remedy lawsuit on May 26, 2005, seeking a builder's remedy on Block 1, Lots 18.01 and 18.02 and Block 61, 16 and 16.01. Most recently, the Borough has been in confidential settlement discussions with the plaintiff, through the assistance of a court-appointed special master. However, the plaintiff's original proposal for the construction of 60 units on the property is clearly not appropriate, given various site constraints and the character of the surrounding area. The Borough will continue to discuss options with the plaintiff and will amend this Housing Element and Fair Share Plan should the parties reach an agreement.

The Borough will fully satisfy the 149 prior round obligation using affordable housing units from a 100% age-restricted affordable project known as Oceanport Gardens, 2 special needs facilities (Checkmate Inc. and 39 Elizabeth Drive), a family and age-restricted inclusionary project known as Barker's Circle, a family inclusionary project known as Oceanport Village and a 100% affordable housing project known as Oceanport Manor. The 41 unit third round obligation will be satisfied with the Barker's Circle inclusionary project, the 100% affordable project known as Oceanport Manor and a municipally sponsored construction project.

AFFORDABLE HOUSING IN NEW JERSEY

Introduction to COAH

In its landmark 1975 decision referred to now as “*Mount Laurel I*”, the New Jersey Supreme Court ruled that developing municipalities have a constitutional obligation to provide a realistic opportunity for the construction of low and moderate income housing.¹ In its 1983 “*Mount Laurel II*” decision, the Supreme Court extended the obligation to all municipalities, designated the State Development Guide Plan or any successor State Plan as a critical touchstone to guide the implementation of this obligation and created an incentive for private developers to enforce the “*Mount Laurel* doctrine” by suing municipalities which are not in compliance.²

In 1985, the Fair Housing Act (hereinafter “FHA”) (N.J.S.A. 52:27D-310) was adopted as the legislative response to the *Mt. Laurel* court decisions. The FHA created the Council on Affordable Housing as the administrative alternative to the Courts. COAH is responsible for establishing housing regions, estimating low and moderate income housing needs, setting criteria and guidelines for municipalities to determine and address their fair share numbers, and reviewing and approving housing elements and fair share plans.

Municipalities have the option of filing their adopted and endorsed housing elements and fair share plans with COAH and petitioning for COAH’s approval, known as “substantive certification”. Similarly, under the FHA, a municipality can apply to the Superior Court for a Final Judgment of Compliance and Repose, which is the judicial equivalent of COAH’s grant of substantive certification. Municipalities that opt to participate in the COAH or Court process are granted a measure of legal protection against exclusionary zoning litigation. By petitioning COAH or requesting a judgment of repose from the Court, a municipality is able to maximize control of its planning and zoning options in addressing its affordable housing obligation.

Under the Municipal Land Use Law (hereinafter “MLUL”), a municipal Planning Board must adopt the housing element as part of the Master Plan. COAH’s process also requires the governing body to endorse the housing element by resolution. In addition, the governing body’s resolution requests that COAH review the housing element and fair share plan along with supporting documents for substantive certification action.

¹ Southern Burlington NAACP v. Borough of Mt. Laurel, 67 NJ 151 (1975)

² Southern Burlington NAACP v. Borough of Mt. Laurel, 92 NJ 158 (1983)

Once the municipality's housing element and fair share plan have been granted substantive certification by COAH or a Judgment of Compliance and Order of Repose from Superior Court, the municipality's zoning ordinance enjoys a presumption of validity against any lawsuits challenging it. Oceanport Borough is currently under Court's jurisdiction and is protected from any additional Mount Laurel lawsuits pursuant to an immunity order granted by the Superior Court, Law Division.

First and Second Round Methodology

The FHA empowered COAH to create criteria and guidelines for municipalities to determine and address their respective fair share numbers. In response, COAH established a formula for determining municipal affordable housing obligations for the 6 year period between 1987 and 1993 (*N.J.A.C. 5:92-1 et seq.*), which became known as the "first round." That formula was superseded by the 1994 COAH regulations (*N.J.A.C. 5:93-1.1 et seq.*) which recalculated a portion of the 1987-1993 affordable housing obligation for each municipality and computed the additional municipal affordable housing need from 1993 to 1999; this 12 year cumulative period from 1987 through 1999 is known as the "second round."

Third Round Methodology

On December 20, 2004, COAH's first version of the third round rules became effective. At that time the third round was defined as the time period from 1999 to 2014 condensed into an affordable housing delivery period from January 1, 2004 through January 1, 2014. The third round rules marked a significant departure from the methodology utilized in COAH's 2 prior rounds. Previously, COAH assigned an affordable housing obligation as an absolute number to each municipality. These third round rules implemented a "growth share" approach that linked the production of affordable housing with future residential and non-residential development within a municipality. Each municipality was required to project the amount of residential and nonresidential growth that would occur during the period 2004 through 2014. Then municipalities were required to provide one affordable unit for every 8 market rate housing units developed and one affordable unit for every 25 jobs created (expressed as non-residential building square footage).

However, in a unanimous decision in January 2007, the New Jersey Appellate Court invalidated key aspects of COAH's third round rules which govern the size of each municipality's fair share obligation and the manner in which the obligation can be

satisfied. The Court ordered COAH to propose and adopt amendments to its rules to address the deficiencies identified by the Court. COAH's revised rules, effective on June 2, 2008 as well as a further rule revision, adopted September 22, 2008 and effective on October 20, 2008, provide residential development and job projections for the third round (which was expanded to encompass the years 2004 through 2018). Additionally, COAH revised its ratios to require one affordable housing unit for every 4 market rate housing units developed and one affordable housing unit for every 16 jobs created, still expressed as non-residential building square footage. Municipalities must set forth in the Housing Element and Fair Share Plan how they intend to accommodate the affordable housing obligation generated by COAH's revised third round growth projections. However, COAH's substantive rules also require that a municipality provide a realistic opportunity for affordable housing in proportion to its actual growth during the third round as expressed in certificates of occupancy issued for residential and nonresidential development.

In addition, on July 17, 2008 Governor Corzine signed P.L. 2008, c.46 (also known as the "Roberts Bill" after NJ Assembly Speaker Joseph Roberts), which amended the Fair Housing Act in a number of ways. Key provisions of the bill include the following:

- Establishing a statewide 2.5% nonresidential development fee instead of a nonresidential growth share delivery for affordable housing;
- Elimination of regional contribution agreements; and
- Requirement for 13% of affordable housing units and 13% of all units funded by the Balanced Housing Program and the Statewide Affordable Housing Trust Fund to be restricted to very low income households (30% or less of median income).

COAH has not yet promulgated rules to effectuate the "Roberts Bill". It is anticipated that COAH will propose revised regulations, consistent with P.L. 2008, c.46, in early 2009.

A municipality's third round fair share plan must address (1) its rehabilitation share, (2) the prior round obligation and (3) COAH-projected third round obligation. The rehabilitation share is the estimated number of existing substandard housing units in a municipality that are occupied by low or moderate income households, as determined by COAH (Appendix B. to *N.J.A.C. 5:97*). The prior round obligation is a municipality's adjusted second round new construction component brought forward to the third round (Appendix C. to *N.J.A.C. 5:97*). Third round housing plans must document how existing or proposed affordable housing units satisfy this prior round obligation.

As stated above, the third round obligation is based on household and job projections developed by COAH (Appendix F. to *N.J.A.C. 5:97*). To determine the third round obligation, the following ratios must be applied to the projections:

- For residential development, the affordable housing ratio is 1 affordable unit for every 4 market rate residential units. Thus COAH initially requires a municipality to divide its total housing projection by 5;
- For non-residential development, the affordable housing ratio is 1 affordable unit for every 16 new jobs created as expressed in new square footage of non-residential space issued a certificate of occupancy from January 1, 2004 through December 31, 2018. See Table 1, *Non-residential Growth Share Calculation*, for additional detail.

Table 1. Non-residential Growth Share Calculation

| Use Group | Description | Square Feet Generating One Affordable Unit | Jobs Per 1,000 Square Feet |
|-----------|--|--|----------------------------|
| B | Office buildings | 5,714 | 2.8 |
| M | Mercantile uses | 9,412 | 1.7 |
| F | Factories where people make, process, or assemble products | 13,333 | 1.2 |
| S | Storage uses, excluding parking garages | 16,000 | 1.0 |
| H | High hazard manufacturing, processing, generation and storage uses | 10,000 | 1.6 |
| A1 | Assembly uses, including concert halls and TV studios | 10,000 | 1.6 |
| A2 | Assembly uses, including casinos, night clubs, restaurants and taverns | 5,000 | 3.2 |
| A3 | Assembly uses, including libraries, lecture halls, arcades, galleries, bowling alleys, funeral parlors, gymnasiums and museums but excluding houses of worship | 10,000 | 1.6 |
| A4 | Assembly uses, including arenas, skating rinks and pools | 4,706 | 3.4 |

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| Use Group | Description | Square Feet Generating One Affordable Unit | Jobs Per 1,000 Square Feet |
|-----------|--|--|----------------------------|
| A5 | Assembly uses, including bleachers, grandstands, amusement park structures and stadiums | 6,154 | 2.6 |
| E | Schools K – 12 | Exclude | Exclude |
| I | Institutional uses such as hospitals, nursing homes, assisted living facilities and jails. I group includes I1, I2, I3 and I4. | 6,154 | 2.6 |
| R1 | Hotels and motels; continuing care facilities classified as R2 | 9,412 | 1.7 |
| U | Miscellaneous uses, including fences tanks, barns, agricultural buildings, sheds, greenhouses, etc. | Exclude | Exclude |

*In its Comment and Response document published as part of the October 20, 2008 COAH rule adoption, COAH states that it will allow municipalities to present actual job count information for non-residential use groups if there is at least a 10% difference between actual jobs and the number of jobs determined through Appendix D of N.J.A.C. 5:97. COAH will be providing more guidance on this concept prior to the Borough's first required plan evaluation whereby actual job growth is tallied and compared to actual affordable housing production.

Pursuant to N.J.A.C. 5:96-10, the actual growth of housing units and jobs (measured by the issuance of residential and nonresidential certificates of occupancy) will be monitored every 2 years and will be compared to the actual provision of affordable housing. If upon any biennial review the difference between the number of affordable units constructed or provided in a municipality and the number of units required pursuant to N.J.A.C. 5:97-2.4 results in a pro-rated production shortage of 10 percent or greater COAH may require the municipality to amend its plan to address the higher affordable housing obligation. As such, it is important that the Borough track the growth that occurs between January 1, 2004 and December 31, 2018.

Affordability Requirements

Affordable housing is defined under New Jersey's 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. Oceanport is in COAH's Region 4, which includes Mercer, Monmouth and Ocean 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 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 (hereinafter "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 which the rents and sale prices for affordable units are derived. See Tables 2 through 4 for additional information. These figures are updated annually and are available from COAH. The sample rents and sale prices are gross figures and do not account for the specified utility allowance.

Table 2. 2008 Income Limits for Region 4

| Household Income Levels | 1 Person Household | 2 Person Household | 3 Person Household | 4 Person household | 5 Person Household |
|-------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Moderate Income | \$47,357 | \$54,122 | \$60,888 | \$67,653 | \$73,065 |
| Low Income | \$29,598 | \$33,826 | \$38,055 | \$42,283 | \$45,666 |
| Very Low Income | \$17,759 | \$20,296 | \$22,833 | \$25,370 | \$27,399 |

Source: COAH 2008 Regional Income Limits

Table 3. Sample 2008 Affordable Rents for Region 4

| Household Income Levels | 1 Bedroom Unit Rent | 2 Bedroom Unit Rent | 3 Bedroom Unit Rent |
|-------------------------|---------------------|---------------------|---------------------|
| Moderate Income at 60% | \$951 | \$1,142 | \$1,319 |
| Low Income at 46% | \$729 | \$875 | \$1,011 |
| Very Low Income at 30% | \$476 | \$571 | \$660 |

Source: COAH Illustrative 2008 Low and Moderate Income Rents for New Construction and/or Reconstruction

Table 4. Sample 2008 Affordable Sale Prices for Region 4

| Household Income Levels | 1 Bedroom Unit Price | 2 Bedroom Unit Price | 3 Bedroom Unit Price |
|-------------------------|----------------------|----------------------|----------------------|
| Moderate Income at 70% | \$99,894 | \$119,872 | \$138,520 |
| Low Income at 40% | \$57,083 | \$68,498 | \$79,154 |
| Very Low Income at 30% | \$42,812 | \$51,374 | \$59,366 |

Source: COAH Illustrative 2008 Low & Moderate Income Sales Prices for New Construction

Housing Element/Fair Share Plan Requirements

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

- 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.

In addition, pursuant to COAH regulations (*N.J.A.C. 5:97-2.3*), the housing element and fair share plan must address the entire third round cumulative (1987-2018) affordable housing obligation consisting of the rehabilitation share, any remaining balance of the prior round obligation and the COAH-projected third round obligation. COAH's regulations require the following documentation to be submitted with the housing element and fair share plan:

- The minimum requirements of the Fair Housing Act, *NJSA 52:27D-310* (listed above);
- Household and employment projections created by COAH;
- Municipal rehabilitation, prior round and third round obligation;
- Descriptions of any credits intended to address any portion of the fair share obligation, including all information required by *N.J.A.C. 5:97-4*;
- Descriptions of any adjustments to any portion of the fair share obligation, including all information required by *N.J.A.C. 5:97-5*;
- Descriptions of any mechanisms intended to address the prior round obligation, the rehabilitation share and the third round obligation;
- An implementation schedule with a detailed timetable that demonstrates a "realistic opportunity" for the construction of affordable housing, as defined by *N.J.A.C. 5:97-1.4*.

- Draft and/or adopted ordinances necessary for the implementation of the mechanisms designed to satisfy the fair share obligation;
- A demonstration that existing zoning or planned changes in zoning provide adequate capacity to accommodate any proposed inclusionary developments, pursuant to *N.J.A.C. 5:97-6.4*;
- A demonstration of existing or planned water and sewer capacity sufficient to accommodate all proposed mechanisms;
- A spending plan, pursuant to *N.J.A.C. 5:97-8.10*;
- A map of all sites designated by the municipality for the production of low and moderate income housing;
- A copy of the most recently adopted Master Plan and, where required, the immediately preceding adopted Master Plan;
- A copy of the most recently adopted zoning ordinance;
- A copy of the most up-to-date tax maps; and
- Any other information required by *N.J.A.C. 5:97* or requested by COAH.

BOROUGH OF OCEANPORT AFFORDABLE HOUSING HISTORY

On May 26, 2005, Oceanport Holdings filed an exclusionary zoning lawsuit against the Borough. The plaintiff sought to construct 60 units on Block 1, Lot 18 and Block 61, Lot 6. Pursuant to a dispositive motion filed by the Borough, the plaintiff's complaint was dismissed by the trial judge.

On December 7, 2007, the Appellate Division reversed the trial judge's dismissal in a reported opinion entitled Oceanport Holding, L.L.C. v. Borough of Oceanport, 396 N.J.Super. 622 (App. Div. 2007). In its decision, the Appellate Division scrupulously avoided reversing the trial court's decision on substantive grounds. Rather, the Appellate Division ruled – as a procedural matter – the trial court should have first decided whether the plaintiff had demonstrated a cause of action, before deciding plaintiff's entitlement to the remedy it sought.

The Planning Board adopted a third round housing element and fair share plan in October 2005 and submitted it to Superior Court as part of a request for a Judgment of Compliance and an Order of Repose. However, this Housing Element has not yet been fully reviewed by the court.

HOUSING STOCK AND DEMOGRAPHIC ANALYSIS

Housing Stock Inventory

In 2,000, there were 2,114 housing units in Oceanport, of which 71 or 3.4% were vacant. Of the 2,043 occupied units, 88.2% were owner occupied and 11.8% were rented. Table 5, *Housing Units by Occupancy Status*, illustrates the occupancy status in 2000.

Table 5. Housing Units by Occupancy Status, 2000.

| | Housing Units | Owner Occupied | Renter Occupied |
|--------------|---------------|----------------|-----------------|
| Occupied | 2,041 | 1,802 | 239 |
| Vacant | 71 | | |
| Total | 2,112 | 1,802 | 239 |

Source: 2000 US Census

Single-family detached housing units dominate the housing stock in Oceanport Borough, comprising 84.6% of all housing units. Of the owner occupied units, 91.8% are single family detached units. Single-family attached (townhouses) and units with 2 units make up 7.2% of the total housing stock. Structures with 5-9 units make up 1.2% of the housing stock and structures with 50 or more units make up 6.6%. See Table 6, *Housing Units by Number of Units in Structure*, for a detailed explanation of the housing units in 2000.

Table 6. Housing Units by Number of Units in Structure, 2000.

| Number of Units | Owner Occupied | Rental | Vacant | Total |
|-----------------|----------------|--------|--------|-------|
| 1, Detached | 1,655 | 102 | 29 | 1,786 |
| 1, Attached | 124 | 11 | 0 | 135 |
| 2 | 0 | 10 | 7 | 17 |
| 3 or 4 | 0 | 0 | 0 | 0 |
| 5 to 9 | 14 | 11 | 0 | 25 |
| 10 to 19 | 0 | 0 | 0 | 0 |
| 20 to 49 | 0 | 0 | 0 | 0 |
| 50 or more | 0 | 105 | 35 | 140 |

| Number of Units | Owner Occupied | Rental | Vacant | Total |
|-----------------|----------------|------------|-----------|--------------|
| Mobile Home | 9 | 0 | 0 | 0 |
| Other | 0 | 0 | 0 | 0 |
| Total | 1,802 | 239 | 71 | 2,112 |

Source: 2000 US Census

Table 7, *Housing Units by Age*, below illustrates the aging of the Borough's housing stock. The largest period of housing construction in Oceanport occurred between 1980 and 1989, and resulted in the creation of 393 new units or 18.6% of the total housing stock. The median year of construction for housing units in Oceanport is 1966; however, 15.7% of the total units predate World War II.

Table 7. Housing Units by Age, 2000.

| Year Built | Total Units | Percent | Owner Occupied | Renter Occupied | Vacant |
|--------------------------|--------------|---------------|----------------|-----------------|-----------|
| 1999- March 2000 | 16 | .86% | 16 | 0 | |
| 1995-1998 | 58 | 2.7% | 58 | 0 | |
| 1990-1994 | 95 | 4.5% | 95 | 0 | |
| 1980-1989 | 393 | 18.6% | 330 | 63 | |
| 1970-1979 | 299 | 14.2% | 246 | 53 | |
| 1960-1969 | 356 | 16.9% | 310 | 46 | |
| 1950-1959 | 367 | 17.4% | 335 | 32 | |
| 1940-1949 | 98 | 4.6% | 87 | 11 | |
| 1939 or Before | 359 | 15.7% | 325 | 34 | |
| Total | 2,112 | 100.0% | 1,802 | 239 | 71 |
| Median Year Built | 1966 | | 1965 | 1969 | |

Source: 2000 US Census

The housing stock in Oceanport Borough is diverse in terms of its size. While only 11.4% of the units have less than four rooms, a sizable portion of the remaining structures 36.4% have 6, 7, 8, or 9 or more rooms. See Table 8, *Housing Units by Number of Rooms*, for additional information.

Table 8. Housing Units by Number of Rooms, 2000.

| Rooms | Number of Units | Percent |
|--------------|-----------------|---------------|
| 1 | 0 | 0.0% |
| 2 | 42 | 2.0% |
| 3 | 104 | 4.9% |
| 4 | 96 | 4.5% |
| 5 | 244 | 11.6% |
| 6 | 497 | 23.5% |
| 7 | 388 | 18.4% |
| 8 | 434 | 20.5% |
| 9+ | 307 | 14.5% |
| Total | 2,112 | 100.0% |

Source: 2000 US Census

In 2000, the median housing value in Oceanport Borough was \$230,400, up by 19.5% from the 1990 median of \$180,200. This growth in home values exceeded that of Monmouth County, which experienced a 12.7% increase in the median home value between 1990 and 2000. Oceanport's median home value also was \$27,300 more than the County's 2000 median of \$203,100. See Tables 9 and 10, *Housing Values*, for additional information.

Table 9. Housing Values, Owner Occupied, 1990.

| Value | Housing Units | Percent |
|---------------------|---------------|---------|
| Less than \$50,000 | 52 | 3.1% |
| \$50,000-\$99,999 | 47 | 2.8% |
| \$100,000-\$149,999 | 232 | 13.9% |
| \$150,000-\$199,999 | 537 | 32.1% |
| \$200,000-\$249,000 | 299 | 17.9% |
| \$250,000-\$299,999 | 186 | 11.1% |
| \$300,000-\$399,999 | 134 | 8.0% |
| \$400,000-\$499,999 | 44 | 2.6% |

| | | |
|--------------------------|----------------|---------------|
| \$500,000 or more | 42 | 2.5% |
| Total | 1670 | 100.0% |
| 1990 Median Value | 180,200 | |

Source: 1990 US Census

Table 10. Housing Values, Owner Occupied, 2000.

| Value | Housing Units | Percent |
|--------------------------|----------------|---------------|
| Less than \$50,000 | 7 | 0.4% |
| \$50,000-\$99,999 | 24 | 1.3% |
| \$100,000-\$149,999 | 202 | 11.2% |
| \$150,000-\$199,999 | 452 | 25.0% |
| \$200,000-\$249,000 | 355 | 19.7% |
| \$250,000-\$299,999 | 311 | 17.2% |
| \$300,000-\$399,999 | 239 | 13.3% |
| \$400,000-\$499,999 | 129 | 7.0% |
| \$500,000 or more | 86 | 4.8% |
| Total | 1,802 | 100.0% |
| 2000 Median Value | 230,400 | |

Source: 2000 US Census

Lower value units under \$150,000, of particular concern for affordable housing, made up less than 12.9% of the total number of housing units in Oceanport Borough. This data from the 2000 Census is a self-reported value. Past studies have noted that this value tends to be under reported because of the respondent's uncertainty about how the data will be used.

Table 11, *Comparison of Oceanport and Monmouth County Gross Monthly Rental Cost*, tabulates the differences in the gross costs of rental housing between Oceanport Borough and Monmouth County. In 2000, Oceanport's median gross monthly rental cost was \$672, \$87 less than the County median of \$759.

**Table 11. Comparison of Oceanport and Monmouth County,
Gross Monthly Rental Cost***

| Monthly Rent | Number in Oceanport | Percent in Oceanport | Number in Monmouth | Percent in Monmouth |
|--------------------|---------------------|----------------------|--------------------|---------------------|
| \$0-\$99 | 0 | 0.0% | 382 | 0.7% |
| \$100-\$149 | 0 | 0.0% | 601 | 1.1% |
| \$150-\$199 | 10 | 4.4% | 1,348 | 2.5% |
| \$200-\$249 | 11 | 4.8% | 1,232 | 2.3% |
| \$250-\$299 | 41 | 17.9% | 935 | 1.7% |
| \$300-\$349 | 21 | 9.2% | 1,049 | 1.9% |
| \$350-\$399 | 0 | 0.0% | 778 | 1.4% |
| \$400-\$449 | 11 | 4.8% | 969 | 1.8% |
| \$450-\$499 | 0 | 0.0% | 1,475 | 2.7% |
| \$500-\$549 | 11 | 4.8% | 1,722 | 3.2% |
| \$550-\$599 | 0 | 0.0% | 2,320 | 4.3% |
| \$600-\$649 | 0 | 0.0% | 4,009 | 7.4% |
| \$650-\$699 | 22 | 9.6% | 4,614 | 8.6% |
| \$700-\$749 | 0 | 0.0% | 4,690 | 8.7% |
| \$750-\$799 | 11 | 4.8% | 4,458 | 8.3% |
| \$800-\$899 | 10 | 4.4% | 6,939 | 12.9% |
| \$900-\$999 | 0 | 0.0% | 4,813 | 8.9% |
| \$1000-\$1249 | 33 | 14.4% | 6,096 | 11.3% |
| \$1,250-\$1,499 | 25 | 10.9% | 2,797 | 5.2% |
| \$1,500-\$1,999 | 12 | 5.2% | 2,078 | 3.9% |
| \$2,000 + | 11 | 4.8% | 533 | 1.0% |
| Total | 229 | 100.0% | 53,838 | 100.0% |
| Median Rent | \$672 | | \$759 | |

*Includes only those units with cash rents.

Source: 2000 US Census

In the year 2000, Oceanport had zero housing units that lacked complete plumbing facilities and 5 units that were overcrowded (defined as having 1.01 or more persons per room). It should be noted that overcrowding is often associated with substandard housing due to overuse of facilities. Overcrowded housing is often occupied by lower income households who share space to save on housing costs. These households may not be able to afford to maintain the home, leading to deteriorated conditions. See Table 12, *Selected Quality Indicators*.

Table 12. Selected Quality Indicators, Occupied Housing Stock, 2000.

| | Overcrowded | Lacking Complete Plumbing | Combined Overcrowded and Lacking Complete Plumbing |
|-------|-------------|---------------------------|--|
| Units | 5 | 0 | 0 |

Source: 2000 US Census

General Population Characteristics

The population of Oceanport increased between 1970 and 1990 and declined between 1990 and 2000, with the Borough experiencing the greatest rate of growth between 1970 and 1980 when its population grew by 17.7% from 5,007 to 5,888 residents. Following that period, the population growth rate rapidly declined in Oceanport Borough, slowing to 4.3% between 1980 and 1990. Between 1990 and 2000 the actual population declined -5.5% from 6,146 to 5,807 persons. After 1990 Monmouth County grew much more rapidly than Oceanport. Between 1990 and 2000, the county added 9.9% to its population where Oceanport only added 4.3%. The largest disparity was between 1990 and 2000 in which Ocean port lost 5.5 % of its population while the county grew by 11.2%. See Table 13, *Population Growth*, for additional detail.

Table 13. Population Growth 1990-2000.

| | 1980 | Percent Change | 1990 | Percent Change | 2000 | Percent Change |
|-------------------|---------|----------------|---------|----------------|---------|----------------|
| Oceanport Borough | 5,888 | 17.5% | 6,146 | 4.3% | 5,807 | -5.5% |
| Monmouth County | 503,173 | 8.9% | 553,124 | 9.9% | 615,301 | 11.2% |

Source: 1970, 1980, 1990, 2000 US Census

Oceanport lost population between the years of 1990-2000. Generally the reduction accrued from the loss of young people, those under the age of 44. This age group decreased by 9.2 %. The only exception was in elementary and middle school aged children whose percentage of the population grew by 2.9%. The senior citizen percentage of the population also grew by 3.7%. See Table 14, *Age Distribution*, for additional detail.

Table 14. Age Distribution, 1990 – 2000.

| Age Group | 1990 | Percent | 2000 | Percent | Percent Change |
|-------------------|--------------|---------------|--------------|---------------|----------------|
| Under 5 | 376 | 6.1% | 347 | 6.0% | -0.1% |
| 5-14 | 734 | 11.9% | 860 | 14.8% | 2.9% |
| 15-24 | 931 | 15.1% | 702 | 12.1% | -3.0% |
| 25-34 | 870 | 14.2% | 500 | 8.6% | -5.6% |
| 35-44 | 1,067 | 17.4% | 981 | 16.9% | -0.5% |
| 45-54 | 908 | 14.8% | 969 | 16.7% | 1.9% |
| 55-64 | 611 | 9.9% | 621 | 10.7% | 0.8% |
| 65-74 | 440 | 7.2% | 457 | 7.9% | 0.7% |
| 75+ | 258 | 4.2% | 370 | 6.4% | 2.2% |
| Total | 6,146 | 100.0% | 5,807 | 100.0% | |
| Median Age | | | 40.5 | | |

Source: 1990 and 2000 US Census

Household Characteristics

A household is defined by the U.S. Census Bureau as those persons who occupy a single room or group of rooms constituting a housing unit; however, these persons may or may not be related. By comparison, a family is identified as a group of persons including a householder and one or more persons related by blood, marriage, or adoption, all living in the same household. In 2000, there were 2,037 households in Oceanport, with an average of 2.71 persons per household and an average of 3.18 persons per family.

Table 15, *Households by Household Type*, breaks down the different household types. In 2000, families made up 76.6% of all households in Oceanport, with married couples comprising 70.7% of all family households. Of married couples, 40.0% did not have children whereas 30.7% did. The Borough also was home to 438 one person households representing 21.5% of the population, of which approximately 1/3 was male and 2/3 were female householders.

Table 15. Households by Household Type, 2000.

| | Number of Households | Percent |
|--|----------------------|---------------|
| Family Households (2+ Person Households) | 1,561 | 76.6% |
| Married Couple with Children | 625 | 30.7% |
| Married without Children | 733 | 40.0% |
| Other Family Household | 203 | 10.0% |
| Non Family Households (2+ Person Households) | 38 | 1.9% |
| Male Household without Children | 23 | 1.1% |
| Female Household without Children | 103 | 5.0% |
| 1-person household: | 438 | 21.5% |
| Male householder | 130 | 6.4% |
| Female householder | 308 | 15.1% |
| Total Households | 2,037 | 100.0% |

Source: 2000 US Census

Employment & Income Characteristics

In 2000, persons residing in Oceanport Borough had on average significantly higher incomes than in Monmouth County as a whole. The 2000 median household income in Oceanport Borough was \$71,458 for households and \$85,038 for families. Comparable figures for the County were \$64,271 for households and \$76,823 for families.

Table 16, *Household Income by Income Brackets*, further illustrates these findings by noting the number of households in each of the income categories. Within the

Borough, 29.2% of all households had incomes over \$100,000 or more, with 3.3% earning over \$200,000.

Table 16. Household Income by Income Brackets, 2000.

| | Households | Percent |
|----------------------|-----------------|---------------|
| Less than \$10,000 | 57 | 2.8% |
| \$10,000-\$14,999 | 74 | 3.6% |
| \$15,000-\$24,999 | 102 | 5.0% |
| \$25,000-\$34,999 | 124 | 6.1% |
| \$35,000-\$49,999 | 243 | 11.9% |
| \$50,000-\$74,999 | 478 | 23.5% |
| \$75,000-\$99,999 | 284 | 13.9% |
| \$100,000-\$149,999 | 439 | 21.6% |
| \$150,000-\$199,999 | 86 | 4.2% |
| \$200,000+ | 150 | 7.4% |
| Total | 2,037 | 100.0% |
| Median Income | \$71,458 | |

Source: 2000 US Census

Based on the 2000 US Census, Monmouth County had a median household income of \$64,271, the moderate-income threshold was \$51,417 (80% of \$64,271). Approximately, 29.4% of Oceanport Borough households fell below this threshold.

Table 17, *Distribution of Persons and Households Below Poverty Level*, shows that 2.7% of all Oceanport residents and 1.7% of persons in families live below the poverty level as defined by the 2000 U.S. Census compared to 6.3% of individuals and 4.6% of persons in families in Monmouth County.

Table 17. Percent Distribution of Persons and Households Below Poverty Level, 2000.

| | Persons | Percent | Persons in Families | Percent |
|-------------------|---------|---------|---------------------|---------|
| Oceanport Borough | 149 | 2.7% | 95 | 1.7% |
| Monmouth County | 38,242 | 6.3% | 27,990 | 4.6% |

Source: 2000 US Census

Table 18, *Employment by Occupation*, identifies the occupations of employed Borough residents. While Oceanport residents worked in a variety of industries in 2000, 1,221 residents representing 44.7% of the working population were employed in management, professional, and related occupations. An additional 32.0% of residents were employed in sales and office occupations.

Table 18. Employment by Occupation, Employed Oceanport Residents, 2000.

| Sector Jobs | Number | Percent |
|--|--------------|---------------|
| Management Professional, and Related Occupations | 1,221 | 44.7% |
| Service Occupations | 223 | 8.2% |
| Sales and Office Occupations | 875 | 32.0% |
| Farming, Fishing, and Forestry Occupations | 0 | 0.0% |
| Construction, Extraction, and Maintenance Occupations | 221 | 8.1% |
| Production, Transportation, and Materials Moving Occupations | 194 | 7.1% |
| Total | 2,734 | 100.0% |

Source: 2000 US Census

Table 19, *Distribution of Employment by Industry*, shows the distribution of employment by industry for employed Oceanport Borough residents. The education, health and social services industry captured the largest segment of the population at 18.5%, with retail trade and finance close second with 13.6% and 13.0% of the workforce respectively.

Table 19. Distribution of Employment by Industry, Employed Oceanport Residents

| Sector Jobs | Number | Percent |
|---|--------------|---------------|
| Agriculture, Forestry, Fishing and Hunting, and Mining | 0 | 0.0% |
| Construction | 233 | 8.5% |
| Manufacturing | 166 | 6.1% |
| Wholesale Trade | 61 | 2.2% |
| Retail Trade | 372 | 13.6% |
| Transportation and Warehousing, and Utilities | 95 | 3.5% |
| Information | 147 | 5.4% |
| Finance, Insurance, Real Estate, and Rental and Leasing | 356 | 13.0% |
| Professional, Scientific, Management, Administrative, and Waste Management Services | 242 | 8.9% |
| Education, Health and Social Services | 506 | 18.5% |
| Arts, Entertainment, Recreation, Accommodation, and Food Services | 146 | 5.3% |
| Public Administration | 188 | 6.9% |
| Other Services (except public administration) | 222 | 8.1% |
| Total | 2,734 | 100.0% |

Source: 2000 US Census

The number of jobs located within the Borough exceeded the number of employed Oceanport residents by 5,268 jobs making Oceanport an employment center for the region. The New Jersey Department of Labor tracks covered employment throughout the state. Covered employment data includes only those jobs for which unemployment compensation is paid. By definition it does not cover public employees (federal, state, county and municipal), nor the self-employed, unpaid family workers, most part-time or temporary employees, and certain agricultural and in-home domestic workers. See Table 20, *Covered Employment Estimates*.

Table 20. Covered Employment Estimates, 2006.

| Year | Oceanport Borough | Monmouth County |
|------|-------------------|-----------------|
| 2006 | 8,002 | 242,962 |

Source: New Jersey Department of Labor and Workforce development, Division of Labor Planning and Analysis, Employment and Wage Data, New Jersey employment & wages, annual municipality report by sector: 2006.

The Federal Government is the largest sector of in-town employment, with 5,241 jobs. Other employment opportunities in the town consist of construction with 273 jobs, administrative and waste services with 278 jobs, accommodation, and food service with 209 jobs. See Table 21, *Covered Employment Estimates by Sector, 2003*, for additional information.

Table 21. Covered Employment by Sector, 2003.

| | Employment | | | | | Wages | |
|--|--------------|--------------|--------------|--------------|--------------|----------------|-----------------|
| | March | June | Sept. | Dec. | Average | Weekly | Annual |
| Private Sector Municipality Total | 2,245 | 2,329 | 2,354 | 2,206 | 2,275 | \$1,396 | \$72,579 |
| Agriculture, forestry, fishing and hunting | . | . | . | . | . | . | . |
| Construction | 350 | 251 | 265 | 218 | 273 | 5,388 | \$280,151 |
| Manufacturing | . | . | . | . | . | . | . |
| Wholesale trade | 16 | 14 | 14 | 16 | 15 | \$1,268 | \$65,932 |
| Retail trade | 56 | 45 | 45 | 50 | 50 | \$551 | \$28,632 |
| Transportation and warehousing | 35 | 34 | 45 | 33 | 40 | \$927 | \$48,187 |
| Information | | | | | | | |
| Finance and insurance | 18 | 19 | 29 | 30 | 23 | \$597 | \$31,029 |
| Real Estate and rental and leasing | | | | | | | |
| Professional and technical services | 569 | 580 | 580 | 562 | 574 | \$992 | \$51,563 |
| Administrative and waste services | 241 | 303 | 301 | 292 | 278 | \$801 | \$41,643 |
| Educational services | . | . | . | . | . | . | . |
| Health care and social assistance | 77 | 85 | 90 | 78 | 83 | \$417 | \$21,697 |
| Arts, entertainment, and recreation | 38 | 111 | 78 | 53 | 70 | \$328 | \$17,052 |

Draft Amended Housing Element & Fair Share Plan
Borough of Oceanport, Monmouth County

| | Employment | | | | | Wages | |
|--|--------------|--------------|--------------|--------------|--------------|----------------|------------------|
| | March | June | Sept. | Dec. | Average | Weekly | Annual |
| Accommodation and food services | 188 | 234 | 245 | 199 | 209 | \$180 | \$9,371 |
| Other services, except public administration | 25 | 27 | 29 | 31 | 28 | \$1,455 | \$75,682 |
| Unclassified entities | . | . | . | . | . | . | . |
| Federal Government Municipality Total | 5,291 | 5,221 | 5,218 | 5,233 | 5,241 | \$1,402 | \$72,889 |
| Local Government Municipality Total | 193 | 228 | 187 | 210 | 186 | \$737 | \$38,328 |
| Total Government | 5484 | 5449 | 5405 | 5443 | 5427 | | |
| Total Covered Employment | 7,729 | 7,778 | 7,759 | 7,649 | 7,702 | \$3,535 | \$183,796 |

Source: New Jersey Employment and Wages: 2003 annual report. New Jersey Department of Labor, Division of Planning and Research, Office of Demographic and Economic Analysis, NJ Covered Employment Trends. Data are as of December 2003, which is the most current data available at the municipal level

GROWTH TRENDS AND PROJECTIONS

The Borough's growth rates have varied since 1996. However, the Borough expects to meet or exceed COAH's projections for household and job growth during the third round (2004 through 2018) with development and redevelopment.

Oceanport's residential zoning and the Fort Monmouth Reuse and Redevelopment Plan will provide adequate capacity to meet or exceed the COAH projections of 84 households. The Borough's zoning supports residential development throughout the majority of the Borough at moderate and high densities. It is anticipated that a substantial majority of the housing unit creation will take place on the Fort during its redevelopment and reuse, and any affordable housing obligation created on the Fort Monmouth site shall be addressed by FMERPA or its redeveloper pursuant to the MOU it will execute with COAH.

Oceanport's nonresidential zoning and the Fort Monmouth Reuse and Redevelopment Plan will provide adequate capacity to meet or exceed the COAH projections of 575 new jobs. The commercial districts along East Main Street permit commercial development at moderate densities. It is anticipated that a substantial majority of the job creation will take place on the Fort during its redevelopment and reuse, and any affordable housing obligation created on the Fort Monmouth site shall be addressed by FMERPA or its redeveloper pursuant to the MOU it will execute with COAH.

All Borough lands located within an approved sewer service area and a public water area. The projections can be accommodated by the public water and sewer areas. Additionally, it should be noted that the Fort Monmouth Reuse and Redevelopment Plan anticipates improvements to the sewer and water infrastructure on the Fort.

While the current housing market is depressed due to national and international economic conditions, based on historic trends and when the market stabilizes, it is fully anticipated that there will be demand for the variety of detached, attached, and multi-family unit types permitted in the Borough.

Municipal economic development policies, which include expanding opportunities for tax revenue and improving the viability of the Borough's commercial corridors, support the household and job projections. These policies support new development in appropriate areas and redevelopment of underutilized property.

Oceanport has many environmental constraints, such as wetlands, floodplains, steep slopes and Category 1 streams. There are known contaminated sites in the Borough. It is not anticipated that these environmentally sensitive lands or contaminated sites will preclude the Borough's ability to meet or exceed its residential and nonresidential projections.

CONSIDERATION OF LANDS APPROPRIATE FOR AFFORDABLE HOUSING

As part of this housing element, the Borough has considered land that is appropriate for the construction of low and moderate income housing. The Borough is in settlement discussions with the plaintiff of the ongoing builder's remedy lawsuit, Oceanport Holdings. The plaintiff has proposed the construction of 60 residential units on Block 1, Lot 18 and Block 61, Lot 6, which includes a 20% affordable housing set aside. However, due to the environmental constraints on the site and the circulation constraints on the site and surrounding area, as detailed on pages 18 and 19 of the Borough's 2005 *Housing Plan Element and Affordable Housing Compliance Plan*, the site is not appropriate for the plaintiff's development proposal. Additionally, the site is not currently needed to satisfy the Borough's affordable housing obligation.

While the Borough recognizes that additional developers may, in the future, present proposals on sites possessing characteristics which could lend themselves to adaptation to affordable housing, additional sites are not needed to satisfy the obligation at this time. The Borough will consider any available properties in the future pursuant to the Fair Housing Act and COAH's regulations.

OCEANPORT'S AFFORDABLE HOUSING OBLIGATION

COAH's third round methodology includes the rehabilitation obligation, the prior round obligation and the third round obligation. The Appendices to COAH's substantive rules, *N.J.A.C. 5:97 et seq.*, provide each municipality's affordable housing obligation. Oceanport's third round obligation can be summarized as follows:

- Rehabilitation Obligation: 0 (Appendix B.)
- Prior Round Obligation: 149 (Appendix C.)
- Third Round Obligation: 41 (Appendix F.)

Rehabilitation Obligation

The rehabilitation obligation is defined as the number of deficient housing units occupied by low and moderate income households within a municipality (*N.J.A.C. 5:97-1.4*). COAH calculates this figure using indices such as overcrowding of units constructed prior to 1950, incomplete kitchen facilities, incomplete plumbing facilities and the estimated number of low and moderate income households in the municipality. COAH has calculated Oceanport's rehabilitation obligation to be 0 units. Please see Table 22, *Calculation of the Rehabilitation Obligation*, for additional information.

Table 22. Calculation of the Rehabilitation Obligation.

| | |
|---|----------------|
| Overcrowding of units constructed prior to 1950 | 0 |
| Incomplete plumbing facilities | + 0 |
| Incomplete kitchen facilities | + 0 |
| Low and moderate income share | *0.665 |
| Rehabilitation share credit | - 0 |
| <i>Rehabilitation Obligation</i> | <i>0 units</i> |

Source: Appendix B to *N.J.A.C. 5:97*

Prior Round Obligation

The prior round obligation can be defined as the cumulative 1987 through 1999 affordable housing obligation (*N.J.A.C. 5:97-1.4*). This time period corresponds to the first and second rounds of affordable housing. COAH has calculated Oceanport's prior round obligation to be 149 units (Appendix C. to *N.J.A.C. 5:97*).

Third Round Obligation

COAH has taken a very different approach to calculating third round affordable housing obligations. The obligation is initially based solely on COAH's household and job projections for each municipality during the third round. For every five households, or units, projected during the third round, one affordable housing unit must be provided. For every 16 jobs projected, the Borough must provide one affordable housing unit. COAH's substantive rules require that a municipality plan for the affordable housing obligation generated by the projections; however, a municipality must provide affordable housing in proportion to its actual growth (*N.J.A.C. 5:97-2.2(e)*). COAH has projected the creation of 84 households and 575 jobs in Oceanport during the third round (*N.J.A.C. 5:97 Appendix F, Allocating Growth to Municipalities*).

COAH's substantive rules, *N.J.A.C. 5:97-2.4*, permit municipalities to exclude certain market and affordable units from the third round household projections. Specifically, municipalities may exclude the following:

- Affordable units which received credit in a first or second round plan and have been or will be constructed during the third round.
- Market rate units in an inclusionary development which 1) had affordable units which received credit in a first or second round plan or are eligible for credit in the prior round and 2) have been or will be constructed during the third round.

The Borough has one program which is eligible for exclusion.

- Oceanport Village / Jockey Club Estates. This item is two projects with the same developer – the New Jersey Sports Exhibition Authority. This developer secured approvals for two projects across the street from one another. Oceanport Village received Planning Board Approval on August 25, 2004, Jockey Club Estates received Planning Board approval on October 25, 2006, and subsequently, the developer's agreement was finalized in 2006. Both projects will be constructed during the third round.

Accordingly, the Borough's 41 unit third round obligation is calculated in Table 23, *Calculation of the Third Round Obligation*.

Table 23. Calculation of Third Round Obligation

| Residential – 84 Projected Units | |
|--|--------------|
| Exclusions | |
| Oceanport Village / Jockey Club Estates | 51 |
| Units Creating Growth Share | 24 |
| <i>Residential Growth Share</i> | 4.79 |
| Nonresidential – 575 Projected Jobs | |
| Exclusions | |
| None | 0 |
| <i>Nonresidential Growth Share</i> | 35.94 |
| Total Third Round Obligation | 40.73 |

OCEANPORT'S AFFORDABLE HOUSING PLAN

Satisfaction of the Rehabilitation Obligation

COAH has determined that Oceanport has a 0 unit rehabilitation obligation. As such, the Borough will not operate or participate in a rehabilitation program.

Satisfaction of the Prior Round Obligation

Oceanport's prior round obligation (1987-1999), as recalculated by COAH, is 149 units (Appendix C. to *N.J.A.C. 5:97*). COAH permits new construction credits and bonuses addressing a first or second round affordable housing obligation to be used to address the prior round obligation.

In addition to satisfying the total obligation, the Borough must also adhere to a minimum rental obligation and maximum number of age-restricted units. Due to the recent amendments to the Fair Housing Act, P.L.2008, c.46, the Borough is no longer eligible to enter into any additional regional contribution agreements for the prior round obligation.

- Minimum Rental Obligation = 12 units
.25 (prior round obligation – prior cycle credits– impact of the 20% cap – impact of the 1000 unit cap) = .25 (149-100-0-0) = 12.25, rounded down to 12
 - A rental unit available to the general public receives one rental bonus;
 - An age-restricted unit receives a 0.33 rental bonus, but no more than 50 percent of the rental obligation shall receive a bonus for age-restricted units; and
 - No rental bonus is granted in excess of the prior round rental obligation
- Maximum Age Restricted = 12 units
.25 (prior round obligation + rehabilitation share – prior cycle credits – rehabilitation credits – impact of the 20% cap – impact of the 1000 unit cap – transferred or proposed prior round RCAs) = .25 (149+0-100-0-0-0) = 12.25, rounded down to 12

Oceanport Gardens

The Oceanport Gardens apartment complex is a 100 unit age-restricted affordable housing project. It is located at 274 East Main Street, on Block 121, Lot 5, in the B-1 district. It is a prior cycle project as it was issued a certificate of occupancy on September 4, 1980. COAH's substantive rules, N.J.A.C. 5:97-1.4, defines a prior cycle credit as, "a credit granted by the Council for eligible low and moderate income units, except for rehabilitated units, constructed on or after April 1, 1980 and before December 15, 1986." This project contains 100 affordable units, all of which contain one or two bedrooms. To the east and north of the property are commercial uses within walking distance; south of the site is a age-restricted development known as Jockey Club Estates and a site approved for a mixed use development known as Oceanport Village. The subject site is seven acres in size, which equates to a 14.3 unit per acre gross density.

The project was funded by HUD and is administered by Wen Management. The project provides housing to households of extremely low (40% of units), low and moderate income. There are 10 two-bedroom units and 90 one-bedroom units.

This site is entitled to 100 prior-cycle credits. Pursuant to COAH policy, municipalities are entitled to full credit for prior cycle units and these developments are not accounted for in the maximum number of age-restricted units a municipality may obtain credit for.

39 Elizabeth Drive

This facility is a 4 bedroom private group home owned and administered by Allies Inc. The site is a .25 acre property on Elizabeth Drive at Block 130, Lot 23. The property received funding from the New Jersey Department of Developmental Disabilities in exchange for 20 year affordability controls. This 20 year period is an acceptable affordability control pursuant to N.J.A.C. 5:97-4.3(c)2.i. The site was first occupied in 2008.

The Borough is entitled to 4 credits from the 4 bedrooms and 4 rental bonus credits for a total of 8 prior round credits.

Checkmate Inc.

This facility offers homeless transitional housing. The subject site is located along Hazen Street in the Fort Monmouth base. The facility is operated by Monmouth County,

in conjunction with the community action group to which the facility is referred. The facility provides 30 beds on two floors; however, none of the beds are separated into bedrooms. COAH's third round rules do not grant credit to homeless transitional housing created beyond June 2, 2008; however, this facility has been in place for at least 15 years.

This site is entitled to 2 credits of special needs rental housing and 2 bonus credits for a total of four credits.

Oceanport Manor

The Oceanport Manor Apartments is a facility with 6 affordable family rental units located on Block 110, Lot 18.01 in the R-5 district. The property is not located in a workforce housing census tract. The project is owned and administered by the Affordable Housing Alliance. The property currently has 15 year affordability controls; however, the Affordable Housing Alliance has agreed to extend the controls to 30 years, provided the Borough provides a PILOT agreement. This agreement is in the process of being completed; it is anticipated that the agreement will be completed and the affordability controls will be extended by early 2009. The affordable units will be developed and occupied in accordance with the Uniform Housing Affordability Control rules, *N.J.A.C. 5:26-1 et seq.*

In addition to the six existing units, the Affordable Housing Alliance also recently received approval for a six unit expansion of the existing facility from the Oceanport Planning Board on July 9, 2008. These six additional units will contribute toward the third round obligation.

The site is available, approvable, developable and suitable.

The site meets COAH's site suitability standards, pursuant to *N.J.A.C. 5:97-3.13*.

The site meets COAH's site suitability standards, pursuant to *N.J.A.C. 5:97-3.13*.

- *The site has a clear title and is free of encumbrances which preclude development of affordable housing.* The site has a clear title and no legal encumbrances which would preclude its development as an affordable housing project. It is currently owned by the Affordable Housing Alliance.

- *The site is adjacent to compatible land uses and has access to appropriate streets.* The site currently has access to Main Street. Surrounding the property on Main Street is a mix of residential and commercial uses.
- *Adequate sewer and water capacity is available.* The site is located in the Borough's public water service area and is within the approved sewer service area. Adequate water capacity will be provided by New Jersey American and sewer capacity will be provided by Two Rivers Water Reclamation Authority to serve the project.
- *The site can be developed in accordance with R.S.I.S.* Development of the site will be consistent with the Residential Site Improvement Standards, N.J.A.C. 5:21-1 et seq.

Development of the site is consistent with the State Development and Redevelopment Plan (hereinafter the "State Plan") and the rules and regulations of all agencies with jurisdiction over the site.

- *The site is located in a "Smart Growth Planning Area".* The adopted 2001 State Plan and the Preliminary State Plan both designate the site in the Metropolitan Planning Area, Planning Area 1.
- *The development is not within jurisdiction of a Regional Planning Agency or CAFRA.* The site is located outside of the Pinelands, CAFRA, Highlands, or Meadowlands.
- *The site will comply with all applicable environmental regulations.* There are no wetlands, floodplains, steep slopes, Category One streams or contaminated sites located on the site or in the immediate vicinity.
- *The site will not impact any historic or architecturally important sites and districts.* The site is not located in an historic district and the building is not historic. The existing building and expansion of the facility will not have a detrimental impact on any historic or architecturally important sites or districts.

The Borough is requesting prior round credit for only 3 of the 6 existing credits. Additionally, each of the 3 units is eligible for a rental bonus credit, therefore giving the Borough a total of 6 credits to contribute toward the prior round obligation.

Barker's Circle

This project entails reuse of 4 of the 6 existing buildings on the Fort Monmouth base in an area known as Barker's Circle. The site is located in the Fort Monmouth Historic District. The Borough will partner with an affordable housing developer to convert 4 of the existing buildings to multi-family housing units. Building 205 will be converted to 21

age-restricted affordable units and Buildings 287, 207 and 208 will be converted to 36 or more multi-family sale units, of which a minimum of 9 will be affordable family sale units. This is consistent with the Fort Monmouth Reuse and Redevelopment Plan Technical Memoranda: Facilities Assessment. Page 2 of the Memoranda states the following:

“A complex of four former barracks buildings (205-208) known as Barker’s Circle is located adjacent to and to the south of the Parade Ground. These units appear to be structurally sound. One building has been renovated as office space, and the remaining three are vacant. These buildings are also eligible for listing on the National Register. They are potentially suitable for conversion to loft-type housing units or office space.”

The Fort Monmouth Reuse and Redevelopment Plan states on page 3-13 that Barker’s Circle (Buildings 205, 207 and 208) can be reused for 75 units. Additionally, the conversion of Building 205 to 21 units is consistent with architectural concept plans prepared by Clarke Caton Hintz. Accordingly, reuse of Building 205 for 21 units provides 54 remaining units in Buildings 207 and 208. Note that the estimate of 75 units does not include Building 287.

The site is located within the Fort (approximately 500 feet north of the southern boundary), along Oceanport Avenue. The Fort is scheduled for closure in 2011; however, the Borough wishes to move forward with creation of these age-restricted and family units quickly. As a result, the Executive Director of FMERPA has expressed a willingness to convey the property to the Borough when FMERPA has the ability.

The affordable units will be developed and occupied in accordance with the Uniform Housing Affordability Control rules, *N.J.A.C. 5:26-1 et seq.*, including but not limited to bedroom distribution and affordability controls of at least 30 years. Additionally, the affordable units will comply with *N.J.A.C. 5:97-3.14*, accessible and adaptable affordable units. The program will be administered by the developer.

The site is available, approvable, developable and suitable.

The site meets COAH’s site suitability standards, pursuant to *N.J.A.C. 5:97-3.13*.

- *The site has a clear title and is free of encumbrances which preclude development of affordable housing.* While currently located on the Fort, the Executive Director of FMERPA has expressed a willingness to convey the property to the Borough when FMERPA has the ability.

- *The site is adjacent to compatible land uses and has access to appropriate streets.* The site currently has over 700 feet of frontage along Oceanport Avenue. The Fort Monmouth Reuse and Redevelopment Plan envisions a variety of mixed use, institutional, medium density residential and open space uses surrounding this site. Further south of the site is the Oceanport Creek and on the other side is a residential neighborhood outside of the Fort.
- *Adequate sewer and water capacity is available.* The Fort is currently located within a public sewer and water and the existing buildings are provided adequate water by New Jersey American and sewer by the Two Rivers Water Reclamation Authority.
- *The site can be developed in accordance with R.S.I.S.* Development of the site will be consistent with the Residential Site Improvement Standards, N.J.A.C. 5:21-1 et seq.

Development of the site is consistent with the State Development and Redevelopment Plan (hereinafter the “State Plan”) and the rules and regulations of all agencies with jurisdiction over the site.

- *The site is located in a “Smart Growth Planning Area”.* The adopted 2001 State Plan and the Preliminary State Plan both designate the site in the Metropolitan Planning Area, Planning Area 1.
- *The development is not within jurisdiction of a Regional Planning Agency or CAFRA.* The site is located outside of the Pinelands, CAFRA, Highlands, or Meadowlands.
- *The site will comply with all applicable environmental regulations.* There are no wetlands, floodplains, steep slopes, Category One streams located on the site or in the immediate vicinity that would preclude the site’s reuse for affordable housing. The Fort Monmouth Reuse and Redevelopment Plan (hereinafter “FMERPA PLAN”) identify the site as an area of “Potential petroleum produce disposal or release area”. However, and as recognized by the FMERPA Plan, this area will be remediated to meet the standards for residential development. It is not anticipated that the contamination will preclude the use of the site for affordable housing.
- *The site will not impact any historic or architecturally important sites and districts.* Barker’s Circle is located in the Fort Monmouth Main Post Historic District. The reuse of the buildings will be respectful of their historic status and all building improvements will be consistent with Secretary of the Interior’s Standards for the Treatment of Historic Properties. As such, the historic nature of the site will not preclude its reuse for affordable housing.

The Borough is requesting prior round credit for 12 of the 21 age-restricted units. The remaining 9 age-restricted units and the family sale units will satisfy a portion of the third round obligation. Additionally, 4 of the age-restricted units will be used to satisfy a portion of the prior round rental obligation and are therefore eligible for bonus credits of .33 each. As such, this site will contribute 13 credits toward the prior round obligation.

Oceanport Village

This project, formerly known as the New Jersey Sports and Exposition (NJSEA) site, is a proposed mixed use development located on Block 88, Lot 26.01 at the corner of Main Street and Port Au Peck Avenue. The site is 4 acres located in the VC district. The site will be developed with 36 total residential units, of which 9 shall be affordable rental units, above approximately 32,000 square feet of retail and office space. The gross residential density is 9 dwelling units an acre. The developer and the Borough have executed a development agreement setting forth the terms of the development; however, the affordable units in this development are associated with not only the residential and nonresidential development on the subject site but also 44 residential units approved at the “Jockey Club Estates” development, a 44 unit age-restricted development whose developer is also the NJSEA. The 9 affordable units proposed for this site equate to an 11.1% set-aside of the 27 residential market units on the site and the 44 market units on the Jockey Club Estates site. The Developer’s Agreement between Oceanport and NJSEA was created due to the fact that NJSEA is a State Regulatory Body and therefore the Borough did not have the ability to enforce the growth share ordinance on the development of its sites. As a result, the NJSEA voluntarily entered into a Developer’s Agreement in order to satisfy the affordable housing obligation, based on the 2004 substantive rules, generated by these two developments. Oceanport Village received Planning Board Approval on August 25, 2004, Jockey Club Estates received Planning Board approval on October 25, 2006, and subsequently, the developer’s agreement was finalized in 2006.

NJSEA will provide 5 low income units and 4 moderate income units. These units shall be eligible for rental credits since the Developer’s Agreement specifically states the affordable units shall be for rent. The Developer’s Agreement states that all of the affordable units shall be one or two bedrooms; however, as memorialized on December 10, 2008, NJSEA received amended site plan approval to provide the correct bedroom distribution.

The 9 units at this site are entitled to 9 compliance bonus credits, for a total of 18 credits. Pursuant to *N.J.A.C. 5:97-3.20(b)*, a unit may not receive more than two credits and therefore these family rental units are not eligible for rental bonus credits. The site meets the criteria for compliance bonus credits in *N.J.A.C. 5:97-3.17*:

- The Developer's Agreement was executed in 2006, between the dates of December 20, 2004 and June 2, 2008.
- It was included as a mechanism to address the third round affordable housing obligation in the October 2005 Housing Element and Fair Share Plan;
- Through a partnership agreement between Oceanport Village and Jockey Club Estates, the affordable units shall be constructed on the Oceanport Village site; and
- The affordable units are eligible for credit, pursuant to *N.J.A.C. 5:96-4*.

Pursuant to the Developer's Agreement, the affordable units will be developed and occupied in accordance with the Uniform Housing Affordability Control rules, *N.J.A.C. 5:26-1 et seq.*, including but not limited to the bedroom distribution requirements and affordability controls of at least 30 years. Additionally, the affordable units will comply with *N.J.A.C. 5:97-3.14*, accessible and adaptable affordable units. Once the development is designed and approved, an affordable housing administrator will be selected.

The site is available, approvable, developable and suitable for affordable housing.

The site meets COAH's site suitability standards, pursuant to *N.J.A.C. 5:97-3.13*.

- *The site has a clear title and is free of encumbrances which preclude development of affordable housing.* The site has a clear title and no legal encumbrances which would preclude its development as an inclusionary housing project. It is currently owned by the developer of the future affordable units.
- *The site is adjacent to compatible land uses and has access to appropriate streets.* The site has approximately 600 feet of frontage along Oceanport Avenue and also a significant amount of frontage along Port Au Peck Avenue. West of the site, across Oceanport Avenue is Jockey Club Estates, an age-restricted residential development. Within walking distance to the north are commercial uses along Oceanport Avenue. South of the site, across Port Au Peck Avenue is the Monmouth Park Racetrack.
- *Adequate sewer and water capacity is available.* The site is located in the Borough's public water service area and is within the approved sewer service area. Adequate water capacity will be provided by New Jersey American and sewer capacity will be provided by Two Rivers Water Reclamation Authority to serve the project.

- *The site can be developed in accordance with R.S.I.S.* Development of the site will be consistent with the Residential Site Improvement Standards, N.J.A.C. 5:21-1 et seq.

Development of the site is consistent with the State Development and Redevelopment Plan (hereinafter the “State Plan”) and the rules and regulations of all agencies with jurisdiction over the site.

- *The site is located in a “Smart Growth Planning Area”.* The adopted 2001 State Plan and the Preliminary State Plan both designate the site in the Metropolitan Planning Area, Planning Area 1.
- *The development is not within jurisdiction of a Regional Planning Agency or CAFRA.* The site is located outside of the Pinelands, CAFRA, Highlands, or Meadowlands.
- *The site will comply with all applicable environmental regulations.* With the exception of a small area of floodplain at the northern end of the site, there are no wetlands, floodplains, steep slopes or Category 1 streams which impact the developability of the site. Furthermore, there are no contaminated sites which impact the developability of the site.
- *The site will not impact any historic or architecturally important sites and districts.* The site is not located in an historic district and the building is not historic. The existing building and expansion of the facility will not have a detrimental impact on any historic or architecturally important sites or districts.

Prior Round Summary

The Borough has met its 149 unit prior round obligation with prior cycle credits from Oceanport Gardens, 2 special needs facilities, a 100% affordable housing project and one inclusionary Housing Project. The prior round rental obligation has been met with units from the 2 special needs facilities, Oceanport Manor and Barker’s Circle.

Table 24. Affordable Units Meeting the 149 Unit Prior Round Obligation

| Development | Rental | Senior | Units | Bonus Credits | Total Credits |
|---|--------|--------|------------|---------------|---------------|
| Prior Cycle Credits | | | | | |
| Oceanport Gardens | x | x | 100 | 0 | 100 |
| Special Needs Facilities | | | | | |
| Checkmate Inc. | x | | 2 | 2 | 4 |
| 39 Elizabeth Drive | x | | 4 | 4 | 8 |
| 100% Affordable Housing | | | | | |
| Oceanport Manor – Existing (3 of 6) | x | | 3 | 3 | 6 |
| Inclusionary Housing | | | | | |
| Barker's Circle – Age-restricted (12 of 21) | x | x | 12 | 1 | 13 |
| Oceanport Village | x | | 9 | 9 | 18 |
| Total | | | 130 | 19 | 149 |

Satisfaction of the Third Round Obligation

Oceanport's third round obligation (2004-2018) is 41 units (Appendix F. to N.J.A.C. 5:97, with exclusions). In addition to satisfying the total obligation, the Borough must also adhere to minimum total family units, minimum rental obligation, minimum family rental units, a maximum age-restricted units, maximum bonus credits and minimum very low income units. Due to the recent amendments to the Fair Housing Act, P.L.2008, c.46, the Borough is no longer eligible to enter into a regional contribution agreement for the third round obligation.

- Minimum Family Obligation = 17 units
 $.50(\text{third round affordable units}) = .50(33) = 16.5$, rounded up to 17
- Minimum Rental Obligation = 11 units
 $.25(\text{third round obligation}) = .25(41) = 10.25$, rounded up to 11

- Minimum Family Rental Obligation = 6 units
 $.50(\text{third round rental obligation}) = .5(11) = 5.5$, rounded up to 6
- Maximum Age-restricted Units = 10 units
 $.25(\text{third round obligation}) = .25(41) = 10.25$, rounded down to 10
- Maximum Bonus Credits = 10 credits
 $.25(\text{third round obligation}) = .25(41) = 10.25$, rounded down to 10
- Minimum Very Low Income = 4 units
 $.13(\text{third round affordable units}) = .13(33) = 4.29$, rounded down to 4
*P.L.2008, c.46 amended the Fair Housing Act to require 13% of all third round units to be reserved for very low income households. COAH has stated that half of all very low income units must be family units.

Barker's Circle

As discussed above, the Borough will utilize 9 of the 21 age-restricted units and the 9 family sale units to satisfy a portion of the third round obligation. This project will satisfy a portion of the rental obligation using 5 of the age-restricted rental units. Additionally, this project will fully satisfy the very low income obligation with 2 of the age-restricted units and 2 of the family sale units.

Oceanport Manor

As discussed above, the Borough will utilize 3 of the existing and the 6 approved but unbuilt units to satisfy a portion of the third round obligation. These units will contribute toward the family and family rental obligation. The 3 existing and 3 of the approved but unbuilt units will satisfy a portion of the family rental obligation. The remaining 3 approved but unbuilt are eligible for rental bonus credits. In total, this project will give the Borough 12 third round credits.

Municipally Sponsored Construction

The Borough will construct 6 family rental units on one or more sites that have not yet been identified. These rental units will not be needed in early years of the third round; as such the Borough will identify the site within 2 years of beginning construction as identified on the implementation schedule (N.J.A.C. 5:97-6.7(d)). This program will

contribute one credit for each of the 6 units and will also satisfy portions of the family obligation and the rental family obligation. Additionally, since these units exceed the rental obligation, each is eligible for a rental bonus credit.

Third Round Summary

Oceanport has met its 41 unit third round obligation and has satisfied the family, rental, maximum age-restricted and very low income requirements.

- The 17 unit family obligation has been satisfied with Oceanport Manor, the family sale units at Barker's Circle and the municipally sponsored construction project.
- The 11 unit rental obligation has been satisfied with 6 units at Oceanport Manor and 5 of the age-restricted units at Barker's Circle.
- The 6 unit family rental obligation has been satisfied with 6 units at Oceanport Manor.
- The Borough is proposing 9 age-restricted units where the maximum is 10.
- The Borough is proposing 9 bonus credits where the maximum is 10.
- The Borough has met the 4 unit very low income requirement with 2 age-restricted units and 2 family sale units at Barker's Circle.

Table 25. Affordable Units Meeting the 41 Unit Third Round Growth Share Obligation.

| Project | Family | Rental | Senior | Units | Bonus Credits | Total Credits |
|--|--------|--------|--------|-----------|---------------|---------------|
| 100% Affordable | | | | | | |
| Oceanport Manor – Existing (3 of 6) | x | x | | 3 | 0 | 3 |
| Oceanport Manor – Approved | x | x | | 6 | 3 | 9 |
| Inclusionary Housing | | | | | | |
| Barker's Circle – Age-restricted (9 of 21) | x | | x | 9 | 0 | 9 |
| Barker's Circle – Family | x | | | 9 | 0 | 9 |
| Municipally Sponsored Construction | | | | | | |
| Future Site | x | x | | 6 | 6 | 12 |
| TOTAL | | | | 33 | 9 | 41 |

SUMMARY AND IMPLEMENTATION SCHEDULE

As stated above, the Borough has a 0 unit rehabilitation obligation and thus will not operate or participate in a rehabilitation program. The Borough will fully satisfy the 149 prior round obligation using affordable housing units from a 100% age-restricted affordable project known as Oceanport Gardens, 2 special needs facilities (Checkmate Inc. and 39 Elizabeth Drive), a family and age-restricted inclusionary project known as Barker's Circle, a family inclusionary project known as Oceanport Village and a 100% affordable housing project known as Oceanport Manor. The 41 unit third round obligation will be satisfied with the Barker's Circle inclusionary project, the 100% affordable project known as Oceanport Manor and a municipally sponsored construction project.

The majority of the affordable units satisfying the prior round have been built. Much of the Borough's third round programs have yet to be constructed. The Borough anticipates, based on actual and projected growth, that as many as 25 affordable units will be needed at the time of the first plan evaluation pursuant to N.J.A.C. 5:96-10.1. Please see Tables 25 and 26, *Implementation Schedule* for additional information.

Table 26. Prior Round Implementation Schedule.

| Program | Credits Complete | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | Total Credits |
|--|------------------|------|------|------|------|------|------|------|------|------|------|---------------|
| Oceanport Gardens – Units | 100 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100 |
| Checkmate Inc. – Units | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |
| Checkmate Inc. – Bonus Credits | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |
| 39 Elizabeth Drive – Units | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4 |
| 39 Elizabeth Drive Bonus – Credits | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4 |
| Oceanport Village – Units | 0 | 0 | 0 | 9 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 9 |
| Oceanport Village – Bonus Credits | 0 | 0 | 0 | 9 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 9 |
| Barker's Circle Age-restricted – Units | 0 | 0 | 0 | 12 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 12 |
| Barker's Circle Age-restricted – Bonus Credits | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Oceanport Manor Existing – Units | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3 |

| Program | Credits Complete | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | Total Credits |
|--|------------------|----------|----------|-----------|----------|----------|----------|----------|----------|----------|----------|---------------|
| Oceanport Manor Existing – Bonus Credits | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3 |
| Third Round Total | 118 | 0 | 0 | 31 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 149 |

Table 27. Third Round Implementation Schedule.

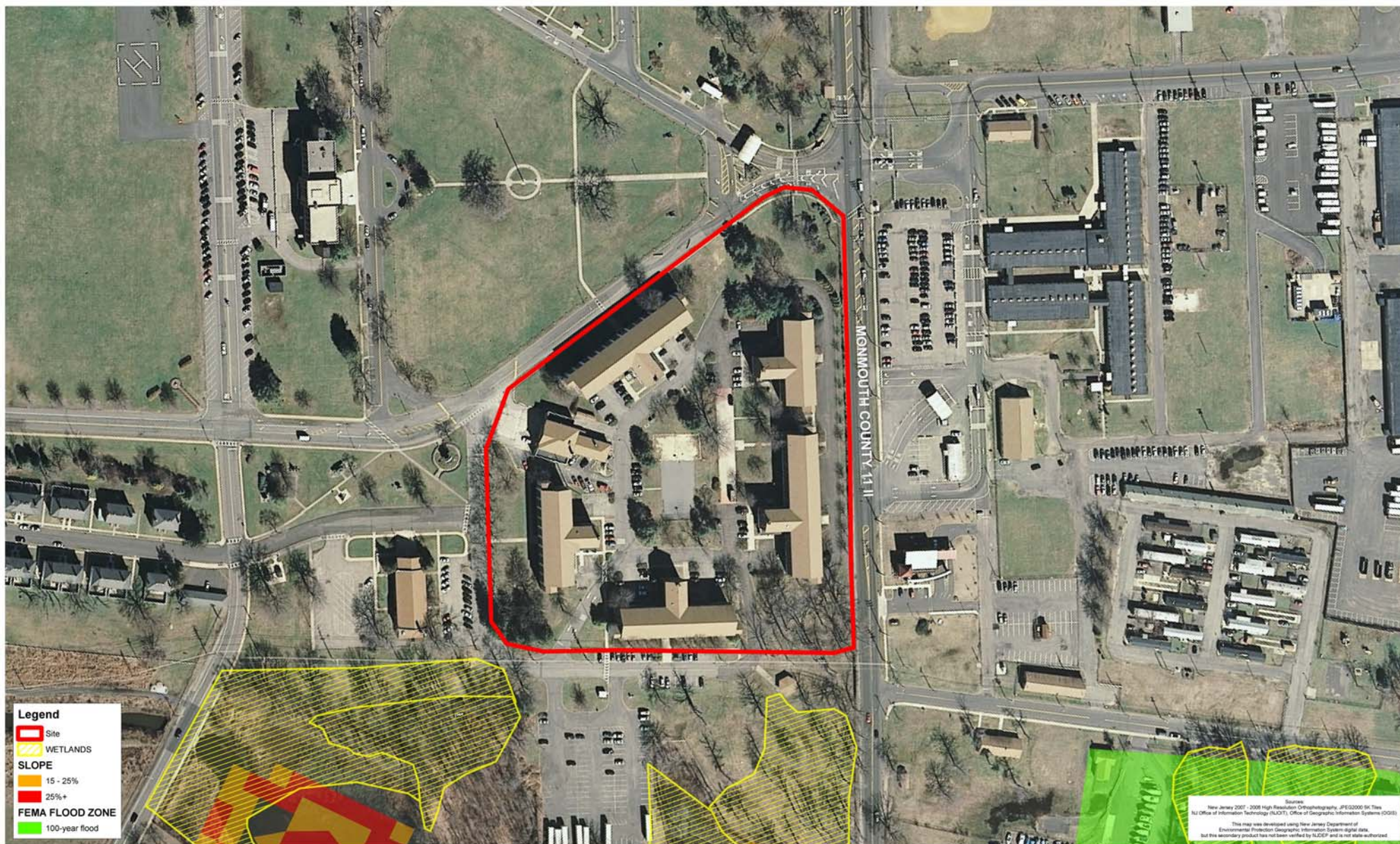
| Program | Credits Complete | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | Total Credits |
|--|------------------|----------|----------|----------|-----------|-----------|----------|----------|----------|----------|----------|---------------|
| Barker's Circle Age-restricted – Units | 1 | 0 | 0 | 0 | 9 | 0 | 0 | 0 | 0 | 0 | 0 | 9 |
| Barker's Circle Family – Units | 0 | 0 | 0 | 0 | 9 | 0 | 0 | 0 | 0 | 0 | 0 | 9 |
| Oceanport Manor Existing – Units | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3 |
| Oceanport Manor Approved – Units | 0 | 0 | 6 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6 |
| Oceanport Manor Approved – Bonus Credits | 0 | 0 | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3 |
| Municipally Sponsored Construction – Units | 0 | 0 | 0 | 0 | 0 | 6 | 0 | 0 | 0 | 0 | 0 | 6 |
| Municipally Sponsored Construction – Bonus Credits | 0 | 0 | 0 | 0 | 0 | 6 | 0 | 0 | 0 | 0 | 0 | 6 |
| Third Round Total | 13 | 0 | 9 | 0 | 18 | 12 | 0 | 0 | 0 | 0 | 0 | 852 |



Affordable Housing Sites

Oceanport, Monmouth County, NJ December 2008

Clarke Caton Hintz
Architecture
Planning
Landscape Architecture

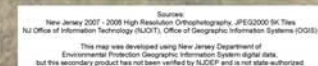


Portion of Block 110, Lot 1

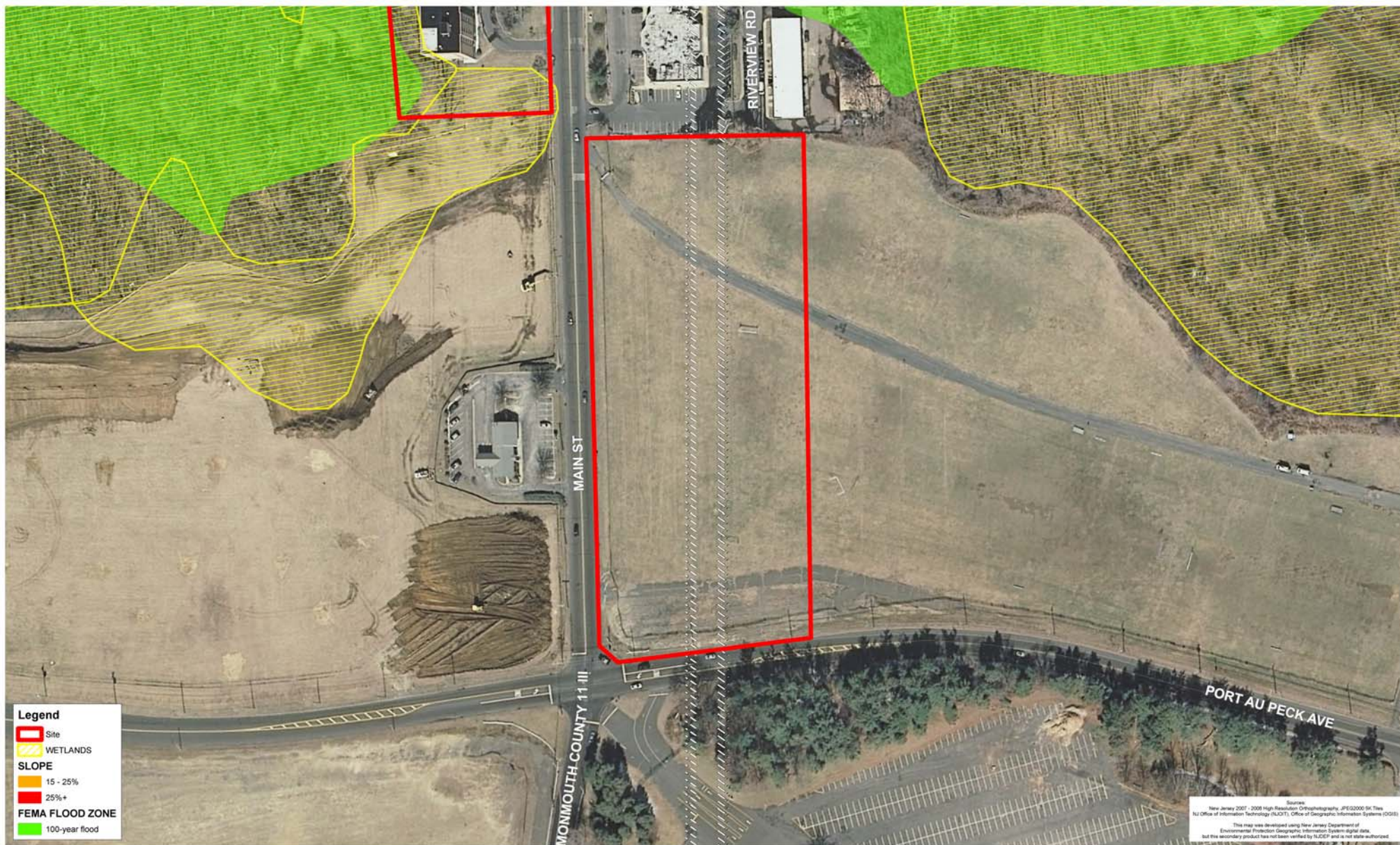
Affordable Housing Site - Barker's Circle

Oceanport, Monmouth County, NJ December 2008

Clarke Caton Hintz
 Architecture
 Planning
 Landscape Architecture







Block 88, Lot 26.01

Affordable Housing Site - Oceanport Village Center

Oceanport, Monmouth County, NJ November 2008

0 25 50 100 150 Feet



Clarke Caton Hintz

Architecture

Planning

Landscape Architecture

COST GENERATION

Oceanport's Land Development Ordinance has been reviewed to eliminate unnecessary cost generating standards; it provides 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. Furthermore, development applications containing affordable housing shall be reviewed for consistency with the Land Development Ordinance, Residential Site Improvement Standards (*N.J.A.C. 5:21-1 et seq*) and the mandate of the Fair Housing Act regarding unnecessary cost generating features. The focus of such development review shall not be whether the site is appropriately zoned. Oceanport shall comply with COAH's requirements for unnecessary cost generating requirements, *N.J.A.C. 5:97-10.2*, procedures for development applications containing affordable housing, *N.J.A.C. 5:97-10.3*, and requirements for special studies and escrow accounts where an application contains affordable housing, *N.J.A.C. 5:97-10.4*.

MONITORING

In accordance with *N.J.A.C. 5:96-11*, beginning two years from substantive certification, Oceanport Borough shall complete the annual monitoring reports of the Affordable Housing Trust Fund and of the affordable housing units and programs. Furthermore, the Borough will assist COAH with the biennial plan evaluation, pursuant to *N.J.A.C. 5:96-10*, where the actual growth of housing units and jobs is compared to the provision of affordable housing. If upon any biennial review the difference between the number of affordable units constructed or provided in a municipality and the number of units required pursuant to *N.J.A.C. 5:97-2.4* results in a pro-rated production shortage of 10 percent or greater, the Borough is not adhering to its implementation schedule pursuant to *N.J.A.C. 5:97- 3.2(a)4*, or the mechanisms addressing the projected third round obligation no longer present a realistic opportunity for the creation of affordable housing, the Borough may be required by COAH to amend its plan in conformance with *N.J.A.C. 5:96-14* to address the affordable housing obligation set forth in *N.J.A.C. 5:97-2.5*.

FAIR SHARE ORDINANCES AND AFFIRMATIVE MARKETING

Oceanport Borough has prepared an Affirmative Marketing and Fair Share Ordinance in accordance with COAH's substantive rules, *N.J.A.C. 5:97-9*, and the Uniform Housing Affordability Controls (hereinafter "UHAC") at *N.J.A.C. 5:80-26*. The Fair Share Ordinance will govern the establishment of affordable units in the Borough, as well as regulating the occupancy of such units. The Borough's Fair Share Ordinance covers the phasing of affordable units, the low/moderate income split, bedroom distribution, occupancy standards, affordability controls, establishing rents and prices, affirmative marketing, income qualification, etc.

All of the Borough's affordable housing units are administered by the developer/provider and the proposed affordable units are anticipated to be administered by the developer. However, the Borough will contract with an experienced affordable housing administrator if and when the need arises.

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 Borough. 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 the Borough's housing region, Region 4, consisting of Mercer, Monmouth and Ocean 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 to *N.J.A.C. 5:80-26*. All newly created affordable units will comply with the thirty-year affordability control required by UHAC, *N.J.A.C. 5:80-26-5* and *5:80-26-11*. This plan 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 affordable units, etc.) are the responsibilities of the developers of the affordable units. This requirement is included in the Borough's fair share ordinances and shall be a condition of any municipal development approval.

AFFORDABLE HOUSING TRUST FUND

The Borough proposes to adopt a development fee ordinance to permit collection of residential development fees equal to 1.5% of the equalized assessed value of new residential construction and nonresidential development fees equal to 2.5% of the equalized assessed value of new nonresidential construction.

The Borough's spending plan, which discusses anticipated revenues, collection of revenues, and the use of revenues, was prepared in accordance to *N.J.A.C. 5:97-8.10*. All collected revenues will be placed in the Borough's Affordable Housing Trust fund and will be dispensed for the use of affordable housing activities. The Borough may use the funds in the trust fund for any of the below listed items, pursuant to *N.J.A.C. 5:97-8.7(a)*:

- Rehabilitation program;
- New construction of affordable housing units and related development costs; in the case of inclusionary developments, eligible costs shall be pro-rated based on the proportion of affordable housing units included in the development;
- Extensions or improvements of roads and infrastructure directly serving affordable housing development sites; in the case of inclusionary developments, costs shall be pro-rated based on the proportion of affordable housing units included in the development;
- Acquisition and/or improvement of land to be used for affordable housing;
- Purchase of existing market rate or affordable housing for the purpose of maintaining or implementing affordability controls, such as in the event of foreclosure;
- Accessory apartment or market to affordable programs;
- ECHO housing and related repair or unit relocation costs;
- Green building strategies designed to be cost-saving for low- and moderate income households, either for new construction that is not funded by other sources, or as part of necessary maintenance or repair of existing units;
- Maintenance and repair of affordable housing units;
- Repayment of municipal bonds issued to finance low- and moderate-income housing activity; and
- Any other activity as specified in the approved spending plan.

- However, the Borough is required to fund the programs in the certified Housing Element and Fair Share Plan, as well as provide affordability assistance.

At least 30% of collected development fees, excluding expenditures made from the inception of the fund to June 2, 2008 on all new construction, previously funded RCAs and rehabilitation activities, shall be used to provide affordability assistance to low- and moderate-income households in affordable units included in a municipal Fair Share Plan. Additionally, no more than 20% of the revenues collected from development fees each year, exclusive of the fees used to fund an RCA, shall be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to prepare or implement a rehabilitation program, a new construction program, a housing element and fair share plan, and/or an affirmative marketing program.