

EXHIBIT D



File -
COAH

State of New Jersey
Council on Affordable Housing

101 SOUTH BROAD STREET
PO Box 813
TRENTON NJ 08625-0813

(609) 292-3000
(609) 633-6056 (FAX)

August 9, 2006

SUSAN BASS LEVIN
Commissioner

LUCY VOORHOEVE
Executive Director

JON S. CORZINE
Governor

The Honorable Salvatore Bonaccorso
Mayor, Township of Clark
430 Westfield Avenue
Clark, NJ 07066-1590

Dear Mayor Bonaccorso:

Enclosed please find a Council on Affordable Housing (COAH) Premediation Report Requesting Additional Information regarding your municipality's petition for third round substantive certification.

Pursuant to N.J.A.C. 5:95-5.2(a), after the expiration of the 45-day objector period, COAH is required to conduct an in-depth review of petitions and prepare a report within 60 days. Pursuant to N.J.A.C. 5:95-5.2(a), COAH's Executive Director has extended the time for COAH staff to review your municipality's petition for substantive certification. This letter provides public notice of this extension to the municipality and the service list.

The enclosed report is a review of your Housing Element and Fair Share Plan and indicates the information that must be forwarded to COAH within 90 days of receipt of this report pursuant to N.J.A.C. 5:95-5.2(b), which is September 25, 2006.

During the 45-day objector period, COAH received one objection to Clark Township's petition for substantive certification from Thomas F. Carroll, III Esq., on behalf of Villa Contracting Co. and correspondence from William Fidurski carrying forward his second round objections and requesting participation in mediation. While mediation will be scheduled in accordance with N.J.A.C. 5:95-7.1, any objections addressed previously in mediation or that are the subject of litigation will not be addressed again in mediation.

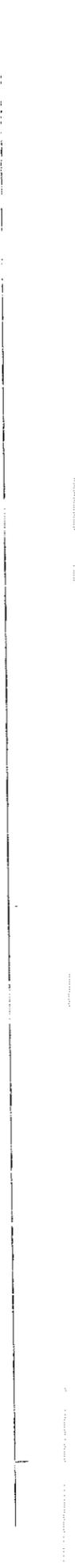
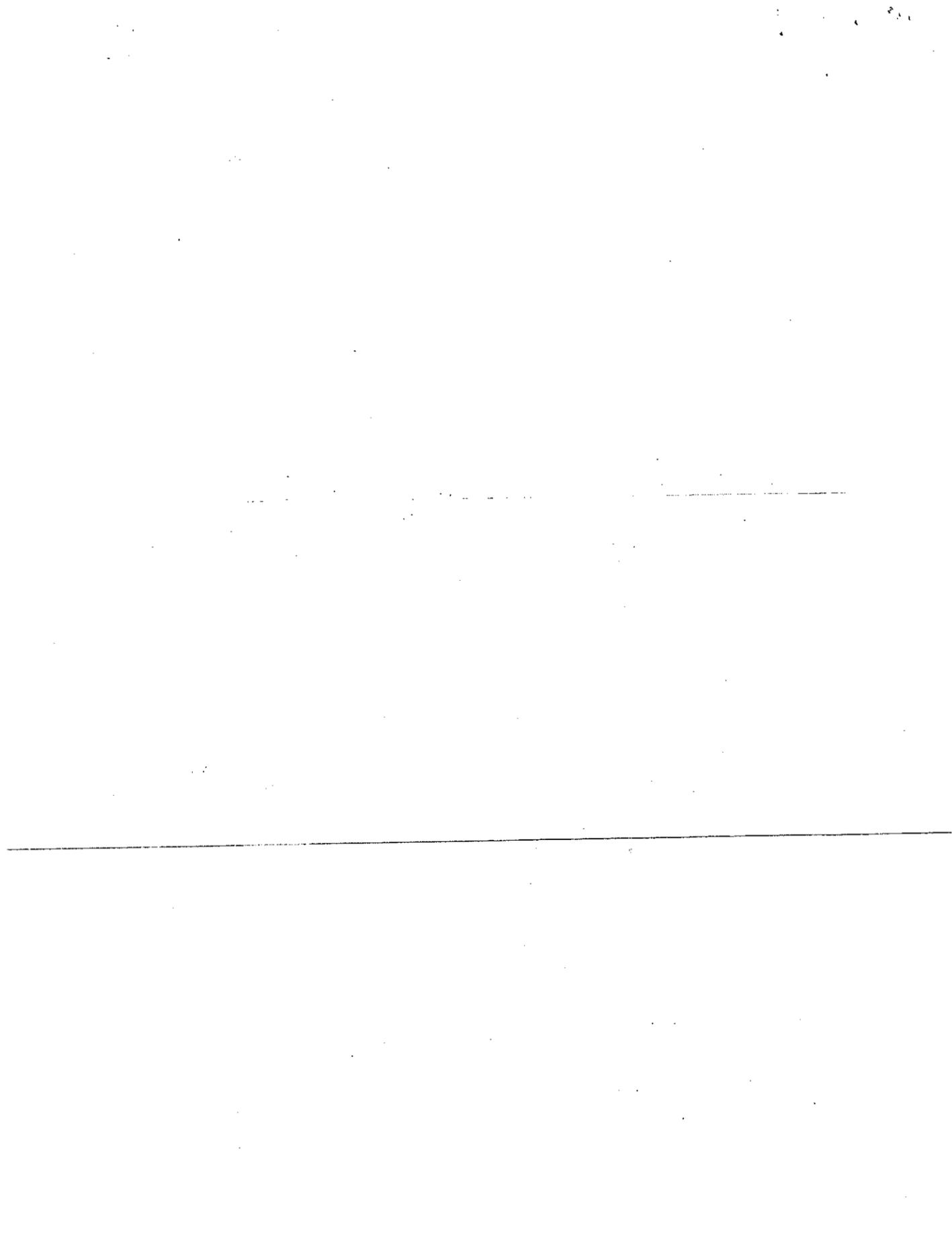
If you have any questions or need further information, please call Sean Thompson, COAH planner, at (609) 292-1716.

Sincerely,

Lucy Voorhoeve
Executive Director

c: Attached Service List
Sean Thompson, COAH Planner





The Honorable Salvatore Bonaccorso
Mayor
Township of Clark
430 Westfield Avenue
Clark, New Jersey 07066-1590

Michael N. Kurzawski
Planning Board Chairman
Township of Clark
430 Westfield Avenue
Clark, New Jersey 07066-1590

John F. Laezza
Business Administrator
Township of Clark
430 Westfield Avenue
Clark, New Jersey 07066-1590

John F. Laezza
Business Administrator
Township of Clark
430 Westfield Avenue
Clark, New Jersey 07066-1590

Kathleen Leonard
Clerk
Township of Clark
430 Westfield Avenue
Clark, New Jersey 07066-1590

Robert Mega, Esq.
2353 St. Georges Avenue
Rahway, New Jersey 07065

Richard O'Connor
Municipal Engineer
Township of Clark
430 Westfield Avenue
Clark, New Jersey 07066-1590

Joseph Triarsi, Esq.
186 North Avenue East
Cranford, New Jersey 07016

Township Tax Assessor
Township of Clark
430 Westfield Avenue
Clark, New Jersey 07066-1590

Township Chief Financial Officer
Township of Clark
430 Westfield Avenue
Clark, New Jersey 07066-1590

Planning Board Attorney
Township of Clark
430 Westfield Avenue
Clark, New Jersey 07066-1590

Planning Board Secretary
Township of Clark
430 Westfield Avenue
Clark, New Jersey 07066-1590

Mary A. Conway
819 Old Raritan Road
Clark, New Jersey 07066

Stanley Fink, Esq.
Fink, Rosner Ershow-Levenberg, LLC
1093 Raritan Road
PO Box 858
Clark, New Jersey 07066

Courtenay Mercer
Office of Smart Growth, Dept of Community Affairs
101 South Broad Street
PO Box 204
Trenton, New Jersey 08625

Frederick M. Schwarz
Executors of Fridolin and Ann Schwarz Estate
121 Steep Hollow Drive
Glastonbury, Connecticut 06033

Jon Vogel
Development Director
AvalonBay Communities, Inc.
517 Route One South
Suite 5500
Iselin, New Jersey 08830

Union County Planning Board
Division of Planning and Community Development
Union County Admin Bldg, Elizabethtown Plaza
Elizabeth, New Jersey 07207

Union County Planning Board
Division of Planning and Community Development
Union County Admin Bldg, Elizabethtown Plaza
Elizabeth, New Jersey 07207

Jonathan G. Burnham, Esq.
Hutt & Shimanowitz
459 Amboy Avenue
P.O. Box 648
Woodbridge, New Jersey 07095

Thomas F. Carroll, III, Esq.
Hill Wallack
202 Carnegie Center
CN 5226
Princeton, New Jersey 08543-5226

William Caruso
7 School Street
Clark, New Jersey 07066

William R. Coole
Masterstate Inc.
J. Manheimer Division
One Millington Road
Beloit, Wisconsin 53511

Christopher J. Corbett, Esq.
LOreal USA, Inc.
575 5th Avenue
New York, New York 10017

Carol M. Decker
5 Winters Court
Clark, New Jersey 07066

William T. Fidurski
32 Hillcrest Drive
Clark, New Jersey 07066-2922

John Hoelzer
962 Raritan Road
Clark, New Jersey 07066-1726

John Huska
24 Cutler Place
Clark, New Jersey 07066-1713

Robert A. Kasuba, Esq.
Sills Cummis Epstein and Gross
The Legal Center
One Riverfront Plaza
Newark, New Jersey 07102-5400

Joseph and Patricia Leonardis
778 Featherbed Lane
Clark, New Jersey 07066-1735

Elizabeth C. McKenzie, PP, AICP
Elizabeth C. McKenzie, PP, PA
9 Main Street
Flemington, New Jersey 08822

Dennis O. Miranda
Executive Director
Rahway River Association
337 East Milton Avenue
PO Box 1101
Rahway, New Jersey 07065

Joan Murphy
35 Garside Place
Clark, New Jersey 07066

George A. Ritter, AICP, PP
Ritter and Plante Associates, LLC
1701 Walnut Street
Suite 400
Philadelphia, Pennsylvania 19103-5220

Ronald L. Shimanowitz, Esq.
Hutt and Shimanowitz
459 Amboy Avenue
PO Box 648
Woodbridge, New Jersey 07095

Richard Tully
14 Bullman Court
Clark, New Jersey 07066

Brenda Villa Weiss
Villa Contracting Company
100 Campus Drive
Suite 200
Florham Park, New Jersey 07932

Cheryl Weslosky
962 Raritan Road
Clark, New Jersey 07066

Anne Zambolla
17 Garside Place
Clark, New Jersey 07066

Clark Developers, LLC
Garden Homes, Inc.
820 Morris Turnpike
Short Hills, New Jersey 07078

Villa Contracting Company
100 Campus Drive
Suite 200
Florham Park, New Jersey 07932

Robert S. Ellenport
852 Lake Avenue
Clark, New Jersey 07066

Lisa P. Jackson
Commissioner
NJ Department of Environmental Protection
PO Box 402
Trenton, New Jersey 08625-0402

Donald and Arlene McCutcheon
18 Beaver Creek Court
Far Hills, New Jersey 07931-2594

Louis Miele
982 Lake Avenue
Clark, New Jersey 07066

Frederick Schieferstein
431 Madison Hill Road
Clark, New Jersey 07066

Stanley C. Slachetka, PP, AICP
T and M Associates
11 Tindall Road
Middletown, New Jersey 07748

NEW JERSEY COUNCIL ON AFFORDABLE HOUSING



THIRD ROUND PRE-MEDIATION REPORT
REQUESTING ADDITIONAL INFORMATION



CLARK TOWNSHIP/UNION COUNTY

SEAN THOMPSON, SUPERVISING PLANNER

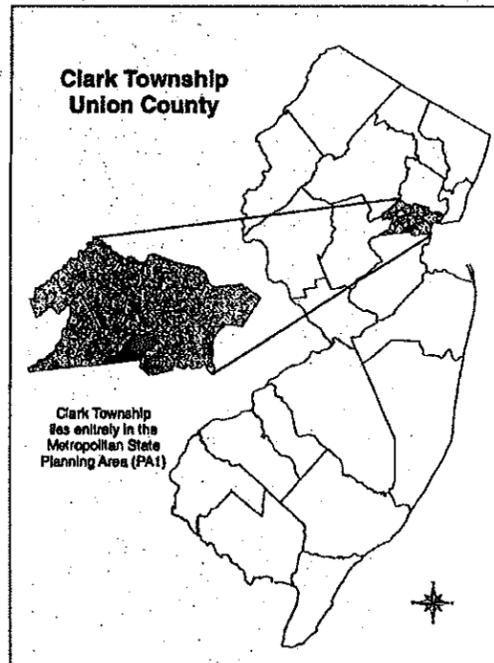
REGION # 2

August 9, 2006

I. INTRODUCTION

Clark Township, Union County, is located on the south-central border of the County and is 4.42 square miles in area. Clark is bounded by Rahway and Linden cities to the East, Cranford Township and Westfield Town to the North and Scotch Plains Township to the West, all in Union County, and Edison and Woodbridge Townships in Middlesex County to the South. The Township is crossed by the Garden State Parkway and contains the Middlesex Reservoir.

Clark is located entirely in Planning Area (PA) 1 (Metropolitan) on the State Plan Policy Map (SPPM) of the State Development and Redevelopment Plan (SDRP). Clark is not a designated center.



The Clark Planning Board adopted its Housing Element and Fair Share Plan on December 6, 2005, addressing its 1987-2014 affordable housing obligation. The Clark Township Governing Body endorsed the Housing Element and Fair Share Plan on December 19, 2005. The Council on Affordable Housing (COAH) received Clark's Housing Element and Fair Share Plan and its resolution of petition for third round substantive certification on December 20, 2005, which is considered the official filing date. Clark published notice on December 27, 2005 in the

Star Ledger. During the 45-day objector period, which ended on February 10, 2006, one objection was received from Thomas F. Carroll, III Esq., on behalf of Villa Contracting Co. and correspondence was received from William Fidurski carrying forward his second round objections and requesting participation in mediation. The objections are discussed in detail in Section VII below. COAH staff conducted a site visit on May 17, 2006.

The Housing Element and Fair Share Plan submitted by Clark did not include all information required for a complete review and a recommendation for substantive certification pursuant to N.J.A.C. 5:95-5.2(a). The plan did not fully address the Township's fair share obligation and the Township must therefore update its Housing Element and Fair Share Plan formally adopted pursuant to N.J.S.A. 40:55D-28 to include all the additional information required in this report. Unless Clark elects to make a change in site, substantial change in density, other zoning requirements that result in a change of housing type on a specific site or a fundamental change in approach to the Township's low- and moderate-income housing obligation, these revisions will not precipitate the need for a re-petition pursuant to N.J.A.C. 5:95-3.4. Pursuant to N.J.A.C. 5:95-5.2(b), all information requested in this report must be submitted to COAH within 90 days of this report.

II. BACKGROUND

Clark Township received first round substantive certification on September 4, 1991. Clark's first round 1987-1993 obligation was 216 units, consisting of 27 rehabilitation units and 189 new construction units. Due to insufficient vacant land, the Township received a vacant land adjustment that reduced its new construction obligation to a realistic development potential (RDP) of 23. The Township proposed to meet its first round affordable housing obligation of 50 (RDP of 23 and 27 rehabilitation) through a combination of inclusionary development and a rehabilitation program. COAH's first round rules and regulations did not require municipalities to address an unmet need obligation.

In its first round plan, Clark Township addressed its 23-unit RDP through zoning for 42 affordable units on four sites designated by COAH as suitable. The Township revised its Land Development Ordinance adding section 22-12, "R-B District-Multiple-Family Residential with a low- and moderate-income set aside." The R-B District permits multi-family residential buildings including townhouses and garden apartments on four sites (Esposito Farm, Shieferstein

Farm, Miele Nursery and Raritan Road & Charlotte Drive). The maximum density is eight units per acre. At least 20 percent of the units must be affordable to income-eligible households.

Clark's cumulative second round 1987-1999 obligation was 105 units, consisting of 13 rehabilitation units and 92 new construction units. Due to Clark's first round vacant land adjustment, its 1987-1999 cumulative affordable housing obligation of 105 units was reduced to 36 (23 RDP and 13 rehabilitation). Clark Township's Planning Board adopted a Housing Element and Fair Share Plan on September 2, 1997, which addressed its 12-year cumulative obligation. Clark Township filed the plan with the COAH on September 4, 1997 but did not petition at that time. The governing body approved a resolution petitioning COAH for substantive certification on August 16, 1999. COAH received Clark's resolution of petition on August 23, 1999. The Township published notice in *The Star Ledger* on August 26, 1999. No objections were received by COAH.

On March 28, 2000, COAH staff issued a Report Requesting Additional Information. The COAH report was amended by letter from COAH dated August 9, 2000. Subsequently, Clark's Planning Board adopted an amended Housing Element and Fair Share Plan on February 14, 2001. The governing body approved a resolution endorsing the amended Housing Element and Fair Share Plan and re-petitioned COAH for substantive certification on March 1, 2001. COAH received Clark's resolution of re-petition and amended Housing Element and Fair Share Plan on March 8, 2001. The Township published notice in *The Star Ledger* on March 8, 2001. Again, no objections were received by COAH.

Subsequently, as a result of a change in municipal administration, the Township's Planning Board adopted a third amendment to its Housing Element and Fair Share Plan on December 11, 2001. The governing body approved a resolution endorsing the amended Housing Element and Fair Share Plan re-petitioning COAH for substantive certification on December 17, 2001. COAH received Clark's resolution of re-petition on January 4, 2002. Clark published notice in *The Star Ledger* on December 28, 2001. COAH received two objections during the 45-day objection period. Mediation led to an agreement with Garden Homes, Inc., (Clark Developers) for the rezoning of Block 58/Lot 4 for an age-restricted affordable housing overlay permitting a maximum of 300 units with 20 percent being affordable.

As a result of said agreement, the Planning Board adopted an amended Housing Element and Fair Share Plan on August 24, 2004 and Clark re-petitioned on September 13, 2004, with the

only changes to the previously submitted plan being the inclusion of the age-restricted overlay zoning on Block 58/Lot 4 and an increase in the permitted density on block 57/lot 1, known as the Schwarz Farm. During the 45-day objector period COAH received seven objections submitted by Robert S. Ellenport, Villa Contracting Co., William T. Fidurski, Department of Environmental Protection (DEP) Commissioner Bradley Campbell, Dennis Miranda of the Rahway River Association, L'Oreal USA, Inc., and Mastertaste, Inc. COAH received form letters prepared by Mr. Fidurski and signed by nine residents of Clark. These form letters did not comport to COAH's rules and accordingly, were not considered valid objections. Pursuant to N.J.A.C. 5:91-4.2, a deficiency notice was mailed to the residents in which they were advised that they had 14 days in which to correct the deficiencies. None of the nine residents corrected the deficiencies and, therefore, did not participate in the mediation process. L'Oreal USA, Inc. withdrew its objection by letter dated February 17, 2005. A Pre-Mediation Report Requesting Additional Information was issued on March 7, 2005.

During mediation, COAH sent letters, dated January 4, 2005, to all municipalities that had petitioned COAH for second round substantive certification but had not received substantive certification before COAH's third round rules became effective on December 20, 2004. This letter informed these municipalities that, pursuant to N.J.A.C. 5:95-15.1(b), to remain under COAH's jurisdiction, they must submit a resolution from the governing body committing to petition COAH for substantive certification of a third round Housing Element and Fair Share Plan on or before December 20, 2005. The resolution had to be submitted to COAH on or before February 20, 2005. Clark submitted a resolution from its governing body dated January 18, 2005 committing to petition for third round substantive certification by December 20, 2005.

Mediation concluded with no contested issues of material fact that necessitate transfer to the Office of Administrative Law. COAH staff presented a Mediation Report to the COAH Board on December 15, 2005. Subsequently, Clark Township petitioned for third round certification on December 19, 2005 to address its cumulative 1987-2014 obligation.

As discussed in detail below, the plan submitted by Clark Township does not provide complete information necessary for COAH to grant substantive certification. Based on the observations made by COAH staff during its review of the plan, Clark must make revisions to the plan. Unless otherwise indicated, the additional information requested in this report must be submitted to COAH within 90 days of this report, pursuant to N.J.A.C. 5:95-5.2.

III. HOUSING ELEMENT

The Housing Element and Fair Share Plan submitted by Clark Township included the minimum requirements prescribed by N.J.S.A. 52:27D-310 as required by N.J.A.C. 5:94-2.2.

Pursuant to N.J.A.C. 5:94-2.2(b), Clark Township has submitted the following supporting documentation:

1. A projection of the municipality's probable future construction of housing for 10 years covering the period January 1, 2004 through January 1, 2014; and
2. An analysis of the existing jobs and employment characteristics of the municipality, and a projection of the probable future jobs and employment characteristics of the municipality for 10 years covering the period January 1, 2004 through January 1, 2014.

However, Clark Township has not submitted the following supporting documentation required pursuant to N.J.A.C. 5:94-2.2(b):

1. A copy of the most recently adopted municipal master plan; and
2. A copy of the most recently adopted zoning ordinance; and
3. A copy of the most up-to-date tax maps of the municipality.

A. Demographic Analysis

Clark's Housing Element and Fair Share Plan indicate that according to the 2000 Census, the Township had a population of 14,597. The Township's plan indicates that there were 5,709 total housing units with 5,637 occupied housing units and 72 vacant units. Approximately 26.5 percent of the Township's housing stock was constructed prior to 1969 and 42.5 percent was constructed between 1990 and March 2000. According to the 2000 Census, the average household size for the Township was 2.56 persons per household.

The following table compares median household income, median housing value and median gross rent for the Township, Union County and the State, according to the 2000 Census:

	Median Household Income	Owner-occupied Units	Median Value	Renter-occupied Units	Median Gross Rent
Clark Township	\$65,019	81.5%	\$217,500	18.5%	\$941
Union County	\$55,339	61.6%	\$188,800	38.4%	\$752
New Jersey	\$55,146	65.6%	\$170,800	34.4%	\$751

Clark Township's Housing Element cites the New Jersey Department of Labor statistics for private sector employment but does not provide information concerning the total number of public sector jobs within the Township. Pursuant to N.J.A.C. 5:94-2.2(b)2, Clark must provide an analysis of all existing jobs and employment characteristics of the municipality. Based on the New Jersey Department of Labor statistics, there was an average of 9,629 total jobs in the Township in 1999.

Based upon a review of Clark's Housing Element, it is concluded that sufficient information was submitted regarding housing stock and demographic population trends pursuant to N.J.S.A. 52:27D-310 but insufficient information was provided regarding current employment data.

B. Third Round Fair Share Obligation

Clark's third round total (1987-2014) affordable housing obligation consists of the sum of the Township's prior round (1987-1999) obligation of 63 units¹ and the Township's third round (1999-2014) growth share obligation. Clark's rehabilitation obligation has been recalculated to zero. Clark's growth share obligation is determined pursuant to N.J.A.C. 5:94-1 et seq., which requires one affordable unit for every eight market rate units that receives a certificate of

¹ Due to recalculations performed as part of the development of COAH's third round rules and methodology, prior round obligations were adjusted as indicated in Appendix C of N.J.A.C. 5:94.

occupancy after January 1, 2004 and one affordable unit for every 25 jobs created by new or expanded development receiving a certificate of occupancy (CO) after January 1, 2004.

Growth Projection

Pursuant to N.J.A.C. 5:94-2.2(b)1 and 2, municipalities are required to project residential and non-residential growth based on certificates of occupancy issued since January 1, 2004; construction and demolition permits issued and projected; development application approvals; and historic trends of at least the past ten years. The municipal growth projections must then be compared to the SDRP Plan Projections for 2015 (or the MPO projections for that municipality if the Plan Projections are not available) to determine consistency, pursuant to N.J.A.C. 5:94-2.3.

Municipal Projections

Pursuant to N.J.A.C. 5:94-2.2(b) 1 and 2, Clark Township provided a projection of probable future construction of residential and non-residential development in the municipality during the period of January 1, 2004 through January 1, 2014 as follows:

Residential: Actual Growth since January 1, 2004

Table R-2 of Clark's Housing Element indicates that five certificates of occupancy were issued for residential units in 2004 and 11 units were demolished. This does not match the total number of certificates of occupancy (COs) recorded by the Department of Community Affairs (DCA) *Construction Reporter* for all of 2004. The *Construction Reporter* indicates that six COs were issued for residential units in 2004 and 10 units were demolished which results in a net actual loss of four units. Table R-4, anticipated eight certificates of occupancy for residential units in 2005 and the demolition of 11. The anticipated certificates of occupancy dates do not correspond with the certificates of occupancy recorded in the *Construction Reporter*. The *Construction Reporter* indicates that six COs were issued for residential units in 2005 and 12 units were demolished. The Township must correct the discrepancy for the 2004 data in Table R-4 and include actual data for 2005 which is available in the municipal construction office as verified by the *Construction Reporter*.

Table R-2

Township's Certificates of Occupancy and Demolition Permits

Year	2004	2005
COs Issued	5	8
Demolitions	11	13
Net	-6	-5

Construction Reporter Certificates of Occupancy and Demolition Permits

Year	2004	2005
COs Issued	6	6
Demolitions	10	12
Net	-4	-6

Residential: Projections to January 1, 2014

Pursuant to N.J.A.C. 5:94-2.2(b)1, Clark is required to provide a projection of the Township's probable future construction of housing for ten years covering the period January 1, 2004 through January 1, 2014 based on its ten year projection of COs issued since January 1, 2004, construction and demolition permits issued and projected, approvals of applications for development and historical residential development trends of the past ten years. As indicated above, Clark submitted information on residential COs issued since January 1, 2004. Clark has also submitted information on the number of demolition permits issued and projected over a ten-year period. Clark has not included the number of construction permits issued and projected in its growth projection. During the period 1996-2003, a total of 48 new residential units were constructed in the Township and 22 residential units were demolished, for a net increase of 26 new residential units or approximately 3.25 units per year. Pursuant to N.J.A.C. 5:94-2.2(b) 1, Clark has provided information concerning certificates of occupancy, demolition permits issued and development approvals issued from January 1, 2004 through January 1, 2014. Table R-3 in the Township's plan includes a 340-unit projection based on approved and anticipated residential development for the years 2005 through 2013. Table R-4, which includes the approved and anticipated residential development from Table R-3, indicates that the Township projects a total

of 396 residential units for the years 2005 through 2013 which, after correcting for the Township's actual growth in 2005, is 394.

Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
COs Issued	6	39	6	59	59	57	56	56	56	394
Demolitions	12	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75	34
Net	-6	20	8	8	8	8	8	8	8	360

The Township must clarify whether the 394-unit projection includes miscellaneous and in-fill development. If not, the Township may want to consider increasing the projection by 3.25 units per year based on historic patterns of development during the period of 1996-2003. COAH staff observed that the projection does not include the 77 affordable units included in the Township's plan. Adding the 77 affordable housing units would result in a total of 471 projected residential units for the years 2005 through 2013.

Based on its analysis of approved and anticipated residential development, Clark has concluded that its projected residential growth from 2005 to 2014 and its total net residential growth, including the year 2004 after correcting for the Township's actual growth in 2004, (per Table R-2) is 355 units. However, correcting the Township's growth projection to be reflective of 2004 and 2005 COs and demolitions, and adjusting to include 77 affordable units not included in the projection would result in 433 projected COs during the period January 1, 2004 to January 1, 2014.

Non-residential: Actual Growth since January 1, 2004:

Table NR-2 of Clark's Housing Element and Fair Share Plan indicates that CO's were issued for a total of 6,810 square feet (sq. ft.) of non-residential space in 2004 for B and A-3 use group development, with no demolitions taking place that year. This matches the total number of COs recorded by the Department of Community Affairs (DCA) *Construction Reporter* for 2004, with the exception of 1,600 sq. ft. of use group A-5 development, which is an exempt category for the purposes of calculating jobs. The conversion factors by use group specified in Appendix E of N.J.A.C. 5:94 et seq. indicate that the 6,810 non-residential sq. ft. results in 20.43 jobs. Also, there were 17 demolition permits issued in 2004, one for the use group B and 16 for alterations to existing structures, fences, tanks, barns or sheds and other miscellaneous uses.

Pursuant to N.J.A.C. 5:94-2.4(b)1, the Township may adjust its projections based on projected or actual non-residential demolition permits issued by square footage in calculating net non-residential growth share obligation. Since the *Construction Reporter* provides data by permit and not by non-residential square feet, the Township may want to gather square footage data on the 2004 demolitions so that Clark may accurately calculate its growth share obligation. The Township must include actual data for 2005 which is available in the municipal construction office or in the *Construction Reporter*.

Non-residential: Projections to January 1, 2014:

Pursuant to N.J.A.C. 5:94-2.2(b)2, Clark is required to provide a projection of the probable future jobs and employment characteristics of the municipality for ten years covering the period January 1, 2004, to January 1, 2014. Historic trends of at least the past ten years, which shall include demolitions, COs issued and absorption rates, are also required to complete this analysis.

During the period 1996-2003, a total of 293,025 sq. ft. of non-residential space (this includes 43,217 sq. ft. B use group development, 157,546 sq. ft. M use group development, 27,353 sq. ft. A-3 use group development, 1,300 sq. ft. A-4 use group development, 61,717 sq. ft. S use group development and 1,892 sq. ft. R-1 use group development) were constructed in the Township, which converts to a total of 387.01 jobs or approximately 48.38 jobs per year. Pursuant to N.J.A.C. 5:94-2.2(b)2, Clark is required to provide a projection of the probable future jobs and employment characteristics of the municipality for ten years covering the period January 1, 2004 to January 1, 2014. The Township has projected that it will authorize the occupancy of approximately a total of 353,025 sq. ft. of non-residential space and the demolition of 52,812 square feet of space between 2005 and 2014 and has converted this space to 396.47 jobs using the conversion factors listed in Appendix E of N.J.A.C. 5:94-1 et seq. Based on its analysis of anticipated non-residential development, Clark has concluded that its projected non-residential growth from 2005 to 2014 and its total net non-residential growth, including the year 2004, (per Table NR-2) is 416.18 or 416 jobs.

However, COAH staff observed that the Township applied the incorrect job conversion factor for the projected 1,852 sq. ft. of R-1 Use Group development space. The Township's plan

indicates that 3.78 jobs would result from the 1,872 sq. ft. of space using a job factor of two. The correct job factor is .8 for R-1 Use Group development space and results in 1.51 jobs. Therefore, the projected net non-residential growth is 413.91 jobs.

SDRP / MPO Consistency Review

Since the State Planning Commission Plan Projections for 2015 were not available when Clark petitioned for third round substantive certification, Clark provided the most recent municipal population, household, and employment growth projections published by the municipality's Metropolitan Planning Organization (MPO) in accordance with N.J.A.C. 5:94-2.2(b). The MPO for Clark Township is the North Jersey Transportation Planning Authority (NJTPA).

COAH staff analyzed the NJTPA population and employment projections for Clark Township for the period 2004-2014 and observed the following:

Residential:

2015 NJTPA Households	-	2005 NJTPA Households	=	Household Change
5,870	-	5,660	=	210

Non-Residential:

2015 NJTPA Employment	-	2005 NJTPA Employment	=	Employment Change
7,800	-	7,570	=	230

Clark Township has projected its net residential growth to be 355 units and its non-residential growth to be 416 jobs. Clark's household and employment projections exceed the minimum presumption of validity test of N.J.A.C. 5:94-2.3(a).

Growth Share Obligation

Residential

Clark projects net residential growth of 355 units during the period 2004-2013. The Township incorrectly divided 355 by nine and calculated a growth share obligation of 39.44. However, as indicated above, the 355-unit projection did not reflect 2004 and 2005 COs and demolitions, and excluded from this projection are 77 affordable units. The 77 affordable units are comprised of five proposed units at Shieferstein Farm site, eight units at Miele Nursery site, four units at Schwarz Farm site and 60 units at Clark Development site. Therefore, the correct residential growth projection for Clark is 433 residential units.

The plan submitted by Clark includes two second round inclusionary developments known as Shieferstein Farm site and Miele Nursery site. The Township's plan proposes 20 market rate units and five affordable units from the Shieferstein Farm site and 32 market rate units and eight affordable units from the Miele Nursery site. Because Shieferstein and Miele are inclusionary developments addressing a prior round obligation, market rate units may be excluded from the residential growth at the rate of four times the number of affordable units generated on the respective site(s). The following table illustrates projected affordable and market-rate units that may be excluded from total growth projections for the purpose of determining growth share pursuant to N.J.A.C. 5:94-2.4(a):

Description	Total Units	Affordable Units	Market Rate Units Excluded	Total Exclusion
Shieferstein Farm	25	5	20	25
Miele Nursery	40	8	32	40
Schwarz Farm	18	4	0	4
Clark Developers Site	300	60	0	60
Total	383	77	52	129

*Not included in the residential growth share projection.

Subtracting 129 exclusions from the total residential growth of 433 units, calculated by COAH staff, results in 304 market-rate units of residential growth projected by Clark. Since these remaining 304 units are all market-rate, this figure must be divided by eight to determine the affordable housing obligation generated by this growth. This results in a residential growth

share obligation of 38 units. For the purposes of this report, COAH staff will assume a 2004-2014 residential growth share obligation of 38 units of affordable housing.

Revisions to the Township's plan would likely alter the number of units that may be excluded from growth for the purpose of calculating growth share.

Non-Residential

Clark has projected its non-residential growth to be 416.18 jobs which exceeds the NJTPA's employment projection for a ten year period. Pursuant to N.J.A.C. 5:94-2.4(b), the non-residential growth share obligation is one unit for every 25 new jobs that result from new or expanded non-residential development. Clark divided 416.18 by 25 to determine that its non-residential growth share obligation is 16.65. As noted above, the Township applied the incorrect job conversion factor for R-1 Use Group development space. Therefore, the projected non-residential growth is 413.91 jobs and the non-residential growth share obligation is 16.56.

Total Growth Share Obligation

The plan submitted by Clark calculates a 39 -unit residential growth share obligation and a 17-unit non-residential growth share obligation for a total of 56 units.

COAH staff calculated Clark's projected 1987-2014 affordable housing obligation based on the information contained in the Township's plan. As noted above, COAH staff determined that the Township's projected residential growth is at least 304 market-rate units, which results in a residential growth share of 38 affordable housing units. The Township's employment growth is 413.91 jobs, which results in a non-residential growth share of 16.56 affordable housing units. Therefore, for the purposes of this report, the total growth share obligation for Clark is 54.56 or **55 affordable housing units**.

Clark should note that pursuant to N.J.A.C. 5:94-2.4, the affordable housing obligation is based on actual growth that occurs within the municipality over time. COAH will compare the actual growth share obligation with the actual number of affordable housing units that have been constructed or provided for at the three-, five- and eight-year review periods. Pursuant to N.J.A.C. 5:95-9.1(c), when 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. 5:94-2.4 during the third year, fifth year and eighth year period of review results in a pro-rated production shortage of 10 percent or greater, COAH may direct the municipality to amend its plan to address the shortfall.

Summary of 1987-2014 Fair Share Obligation

Including Clark's prior round obligation of 63 units, the Township's total 1987-2014 fair share obligation is 118 units, consisting entirely of a new construction obligation.

The following table summarizes Clark's total (1987-2014) fair share obligation:

	Rehabilitation Component	New Construction Component
Rehabilitation Share	0	
Prior Round Obligation		63
Growth Share Obligation		55
Total 1987-2014 Obligation	0	118

IV. FAIR SHARE PLAN

The Fair Share Plan submitted by Clark addresses a 1987-2014 affordable housing obligation of 23 units. As noted above in section II, the Township received a vacant land adjustment reducing its new construction obligation to a realistic development opportunity (RDP) of 23 units. Clark's plan mistakenly indicates its prior round obligation to be the same as the Township's previously determined 23-unit RDP. Clark's plan must be revised to reflect that its prior round obligation is 63 and not 23. Clark Township's Housing Element and Fair Share Plan propose to address its prior round obligation with three prior cycle credits, credits for six units in two three bedroom alternative living arrangement developments, six bonus credits, a reduction of 13 for zoning on two developments included in the Township's first round certified plan and a vacant land adjustment.

A. Rehabilitation Share

Pursuant to Appendix C of N.J.A.C. 5:94, Clark Township does not have a third round rehabilitation share.

B. Prior Round Obligation (1987-1999)

As previously noted, Clark Township's recalculated prior round obligation consists of 63 low and moderate income new construction units. The Township's first round substantive certification approved a vacant land adjustment that reduced its new construction obligation and established an RDP of 23.

Credits

Credits represent units that have been built, created or rehabilitated.

Prior Cycle Credits

Pursuant to N.J.A.C. 5:93-2.15, prior cycle credits are credits given for affordable housing units produced between April 1, 1980 and December 15, 1986, provided the units are occupied by low- or moderate-income households and that the required controls on affordability are in place.

Alternative Living Arrangement Development

ARC of Union County owns and administers a three-bedroom group home located at 279 Oak Ridge Road (block 20, lot 44). The group home received capital financing by DHSS and the group home use will continue for a minimum of 30 years. When a municipality is seeking a vacant land adjustment, prior cycle credits are subtracted from the municipality's new construction component before determining the municipality's realistic development potential.

The Township must complete and submit the alternative living arrangement survey form for COAH to determine if the units are eligible for credit. The alternative living arrangement

survey form is available on COAH's website at www.nj.gov/dca/coah/round3resources.shtml.

[Three prior cycle credits - pending submittal of additional information]

Post-1986 Credits

Pursuant to N.J.A.C. 5:93-3.3, municipalities may receive credit and rental bonus credits for eligible housing activity completed after December 15, 1986.

Alternative Living Arrangement Development

Clark Township is seeking six credits and six rental bonuses for two additional alternative living arrangement facilities owned and administered by the ARC of Union County. COAH staff conducted a site visit on April 9, 2002. Each group home received capital financing by DHSS and the group home use will continue for a minimum of 30 years.

ARC of Union County owns and administers a three- bedroom group home located at 93 Union County Parkway that was established in 1995. The home provides housing for adults that receive SSI. The DDD of DHSS licenses the facility as a group home. The bedrooms may also be eligible for three rental bonuses.

ARC of Union County owns and administers a three-bedroom group home located at 507 Oak Ridge Road that was established in 2001. The home provides housing for adults that receive SSI. The DDD of DHSS licenses the facility as a group home. The bedrooms may also be eligible for three rental bonuses.

The Township must complete and submit the alternative living arrangement survey form for both 93 Union County Parkway and 507 Oak Ridge Road for COAH to determine if the units are eligible for credit. The alternative living arrangement survey form is available on COAH's website at www.nj.gov/dca/coah/round3resources.shtml. **[Six credits and six bonus credits- pending submittal of additional information]**

Reductions

Sheiferstein Farm

Clark proposes five affordable units by retaining the zoning on the 3.2-acre Shieferstein Farm site (Block 36/lot 13). As noted above in Section II, the maximum density is eight units per acre and requires that at least 20 percent of the units must be affordable to income-eligible households. The site would yield 26 units, of which five would be available to low- and moderate-income households.

However, the Township has not submitted the necessary information demonstrating that the site remains available, suitable, developable and approvable, as defined in N.J.A.C. 5:93-1.4. The Township indicates that block 36/lots 15 and 16 are used for farm purposes in association with lot 13. There are no known approvals on the site. Also, the Township must submit information demonstrating that market conditions create a realistic opportunity for the construction of affordable housing and the site is zoned unconditionally for affordable housing pursuant to N.J.A.C. 5:94-3.3.

At this time COAH staff cannot verify the validity of the five-unit reduction without the necessary information demonstrating that the site continues to be an available, approvable, developable and suitable inclusionary development site. Clark must submit tax maps to COAH clearly showing the location of the site so that COAH staff can perform a GIS analysis of the site. **[five-unit reduction pending review of additional information requested]**

Miele Nursery

Clark proposes eight affordable units by retaining the zoning on the five-acre Miele Nursery site (block 28.01/lot 13 and 14). As noted above in Section II, the maximum density is eight units per acre and requires that at least 20 percent of the units must be affordable to income-eligible households. The site would yield 40 units, of which eight units would be available to low- and moderate-income households.

However, the Township has not submitted the necessary information demonstrating that the site remains available, suitable, developable and approvable, as defined in N.J.A.C. 5:93-1.4. There is an active nursery operation on the site. There are no known approvals on the site. Also,

the Township must submit information demonstrating that market conditions create a realistic opportunity for the construction of affordable housing and the site is zoned unconditionally for affordable housing pursuant to N.J.A.C. 5:94-3.3.

At this time COAH staff cannot verify the validity of the eight-unit reduction without the necessary information demonstrating that the sites continue to be an approvable, developable and suitable inclusionary development sites. Also, Clark must submit tax maps to COAH clearly showing the location of the site so that COAH staff can perform a GIS analysis of the site. **[Eight-unit reduction pending review of additional information requested]**

Adjustments

Lack of Available Land

When a municipality claims to have an insufficient amount of vacant land to address its new construction obligation through zoning, COAH's rules (N.J.A.C. 5:92-8 and 5:93-4) permit that municipality to request a vacant land adjustment. The municipality must provide COAH with an inventory of all sites within the municipality that are vacant, including block and lot, acreage and a map locating every site. COAH inspects all vacant sites in the inventory and determines which sites would be appropriate for the development of affordable housing and at what density. Based on this analysis, COAH determines the municipality's RDP, which is the number of affordable units that could realistically be constructed at the appropriate densities (not less than six units per acre) and a 20 percent set aside. If this figure is less than the originally calculated new construction obligation, it becomes the municipality's adjusted new construction obligation or RDP. The municipality must address the RDP.

As noted above, Clark Township received a vacant land adjustment for its first round substantive certification that reduced its new construction obligation from 189 units to an RDP of 23 units. Clark's 1987-1999 cumulative second round new construction obligation was recalculated to 63 as indicated in Appendix C of N.J.A.C. 5:94. Pursuant to N.J.A.C. 5:93-4.2(f), a municipality that received an adjustment due to lack of vacant land in addressing its 1987-1993 need obligation shall be presumed to have addressed its RDP, provided the municipality

continues to implement the terms of its previous substantive certification. The Township has not fulfilled the terms of its previous substantive certification since it has rezoned and deleted from its plan one of the site(s), located on Charlotte Drive and Raritan road, which was included in the Township's first round certified plan to provide four affordable units. Therefore, the Township must demonstrate that it remains able to address its RDP using any combination of affordable housing mechanisms provided by N.J.A.C. 5:93-5. Pursuant to N.J.A.C. 5:93-4.2(g), Clark may address its RDP through any activity consistent with COAH rules and regulations and does not have to incorporate the sites used to calculate its RDP if Clark can address its RDP through other COAH eligible activities.

Unmet Need

The difference between the original new construction obligation and the RDP is unmet need. Pursuant to N.J.A.C. 5:93-4.1(b), municipalities receiving a vacant land adjustment must propose one or more strategies for addressing unmet need over the period of substantive certification. Strategies that may be used to address unmet need include but are not limited to the passage of a mandatory development fee ordinance, accessory apartments and/or inclusionary zoning redevelopment overlays.

Clark Township received a vacant land adjustment as part of its first-round plan. The Township petitioned but did not receive second round substantive certification prior to the adoption of COAH's third round rules on December 20, 2004. COAH's first round regulations (N.J.A.C. 5:92 et seq.) did not require a municipality to address unmet need. Pursuant to N.J.A.C. 5:93-4.1(b), a municipality receiving a vacant land adjustment is expected to capture opportunities for affordable housing beyond the calculated RDP. Clark has a 37-unit unmet need (63-unit new construction component minus three prior cycle credits minus 23-unit RDP equals 37 units). COAH may require that the municipality utilize a combination of overlay zoning, an accessory apartment program or development fee ordinance to address its obligation beyond the RDP.

Although Clark's second round plan addressed unmet need, through the adoption of overlay zoning on the Clark Developers site and the Schwarz Farm site, Clark Township's third

round plan does not acknowledge or include a plan to address the Township's unmet need. Clark Township must submit a plan to address unmet need in accordance with N.J.A.C. 5:93-4.1(b). Overlay zoning on the Clark Developers site and/or the Schwarz Farm site are acceptable mechanisms to address unmet need.

Elimination of Affordable Housing Site(s)

The Township is eliminating the affordable housing requirements applicable to the 5.43-acre Raritan Road and Charlotte Drive site (block 28/lots 8 and 9), which was included in the Township's first round certified plan. The Township indicates that lot 8 contains 3.3 acres and lot 9 2.14 acres. The Township also indicates that the developer/owner of the site received approval to construct eight single-family homes on block 28/lots 7 and 8. The Township states that "the remainder of (block 28/lot 9), which was originally zoned for inclusionary development is barely 2.14 acres and can no longer support any major development and therefore has been rezoned to R-150 District." Pursuant to N.J.A.C. 5:93-5.13(d) the Township must submit correspondence demonstrating that the owner of block 28/lot 9 was notified that the site was being deleted from the Township's plan.

Prior Round Regional Contribution Agreement

Pursuant to N.J.A.C. 5:93-6.1(a)2, Clark may transfer up to one half of its affordable housing obligation via a regional contribution agreement (RCA) in accordance with the following formula:

$$RCA \text{ Maximum} = .5 (\text{realistic development potential} + \text{rehabilitation component}^2 - \text{rehabilitation credits})$$

$$RCA \text{ Maximum} = .5 (23+0-0) = 11 \text{ units}$$

Based on this calculation, Clark may transfer 11 units. Clark's housing element and fair share plan does not include an RCA.

² Due to recalculations performed as part of the development of COAH's third round rules and methodology, "Rehabilitation Component" is now "Rehabilitation Share" as indicated in Appendix C of N.J.A.C. 5:94.

Prior Round Age-Restricted Units

Per N.J.A.C. 5:93-6.1(b)2, Clark Township may age-restrict 25 percent of its prior round obligation based on the following formula:

$$\text{Age-Restricted Maximum} = .25 \text{ (RDP - transferred or proposed RCA units)- first round age-restricted units}$$

$$\text{Age-Restricted Maximum} = .25 (23 - 0) = 5.75 \text{ or six units}$$

Based on this calculation, the Township is eligible to receive credit for six age-restricted units in addressing its RDP. Clark's plan to address its prior round obligation does not include age-restricted units.

Prior Round Rental Requirement and Rental Bonuses

Per N.J.A.C. 5:93-5.15(a), every municipality has an obligation to provide a realistic opportunity for rental units. In Clark, the 1987-1999 rental obligation is equal to 25 percent of the Township's prior round obligation based on the following formula:

$$\begin{aligned} \text{Rental obligation} &= .25 \text{ (RDP)} \\ &= .25 (23) = 5.75 \text{ or six units} \end{aligned}$$

Clark has addressed its six-unit rental component through group homes and is eligible to receive a maximum of six rental bonuses.

Summary of Fair Share Plan for Prior Round Obligation

The following table summarizes Clark Township's Fair Share Plan for its 1987-1999 fair share obligation:

	New Construction Component	
Total Prior Round Obligation	62	
RDP	28	
Credits	Plan	Eligible
Union County ARC Group Home – Prior Cycle	3	3*
Union County ARC Group Home – Post-1986	3	3*
Union County ARC Group Home – Post-1986	3	3*
Shieferstein Farm- reduction	5	5*
Miele Nursery- reduction	8	8*
Rental Bonuses From Group Homes	6	6*
Total Credits	28	28
Surplus	5	

*Pending receipt of additional information.

C. Growth Share Obligation

As noted above, Clark has calculated a growth share obligation of 56 units. However, COAH has established Clark's growth share obligation to be 55 units for the purposes of this report and pending further analysis by the Township. Clark proposes to address its third round obligation of 55 units with two affordable housing overlay districts.

For the purposes of this report and as explained previously, a growth share obligation of 55 is being utilized.

Completed Units

Pursuant to N.J.A.C. 5:94-3.2(a), a municipality may receive credits for housing activity prior to the date of its petition for substantive certification, provided such activity complies with criteria in N.J.A.C. 5:93-1 et seq. The Township's plan does not include any completed units to address its growth share obligation.

Proposed Units

Age-Restricted Housing Overlay (AHO) District- Schwarz Farm

Clark proposes to adopt provisions for an overlay zone on the Schwarz Farm which permits age-restricted housing at a density of 30 units per acre with a mandatory set aside of 20 percent of the units for low- and moderate-income housing. The property contains 1.9 acres, which could yield 57 units in total including 11 affordable units. However, the Township's growth share projection and compliance plan include this site for a total of 18 units, of which four will be set-aside for low- and moderate-income age-restricted households. The Hungarian-American Club is the only structure on the site and is vacant. The site is surrounded by townhouses and a senior rehabilitation center. The underlying zoning or by right zoning currently on the site is LI, Light Industrial.

Based on COAH staff's GIS analysis of the Cordes Brook traversing the Schwarz Farm, the DEP has not designated the Cordes Brook as either a C1 or C2 waterway, a designation that would preclude development on the Schwarz Farm. COAH staff's review of the site further revealed that the upland portions of the Schwarz Farm are appropriate for higher density development. Once sidewalks are installed, the proposed residential complex will be within a two-block walking distance from the major commercial district in Clark, with access to eating establishments, various retail establishments, doctors' offices, hairdresser facilities and several other offices and establishments, all of which are accessible by way of intersections controlled by traffic lights. Further, Clark Township operates a senior shuttle bus that COAH staff noted travels Terminal Avenue and NJ Transit occupies bus stops on Terminal Avenue; the Schwarz property is located less than a block from the corner of Westfield and Terminal Avenue. Accordingly, supportive services are readily available along the site.

The Township submitted a draft ordinance for COAH review and information pertaining to the site's availability. However, the Township has not demonstrated that the site may be developed for low and moderate income housing in a manner consistent with the rules or regulations of all agencies with jurisdiction over the site. In addition, the Township has not provided any information on the availability of water or sewer service for the site. The Township must submit documentation demonstrating that the sites are within a NJDEP sewer service area, have access to water, and can receive the necessary Township, county and NJDEP approvals.

Additionally, it must be noted that overlay zoning may not be used to establish a mechanism that can be relied upon for the creation of affordable housing. To be eligible as a mechanism to address an obligation other than unmet need, proposed zoning must be the only permitted use. If the Township wishes to amend the zoning in this district so that the district is an eligible compliance mechanism, the Township must comply with the zoning requirements of N.J.A.C. 5:94-4.4. [Zero credit]

Affordable Housing Overlay (AHO) District- Clark Development Site

Clark proposes to adopt provisions for an overlay zone on the Clark Development Site, which permits age-restricted housing at a density of 30 units per acre with a mandatory set aside of 20 percent of the units for low- and moderate-income housing. The property contains 10.67 acres, which could yield 300 units in total including 60 affordable units. The site is surrounded by light industry, a children's daycare center, a bank and a home healthcare provider. The underlying zoning or by right zoning currently on the site is LI, Light Industrial.

The Township submitted a draft ordinance for COAH review and information pertaining to the site's availability. However, the Township has not demonstrated that the site may be developed for low and moderate income housing in a manner consistent with the rules or regulations of all agencies with jurisdiction over the site. In addition, the Township has not provided any information on the availability of water or sewer service for the site. The Township must submit documentation demonstrating that the sites are within a NJDEP sewer service area, have access to water, and can receive the necessary Township, county and NJDEP approvals.

Additionally, it must be noted that overlay zoning may not be used to establish a mechanism that can be relied upon for the creation of affordable housing. To be eligible as a mechanism to address an obligation other than unmet need, proposed zoning must be the only permitted use. If the Township wishes to amend the zoning in this district so that the district is an eligible compliance mechanism, the Township must comply with the zoning requirements of N.J.A.C. 5:94-4.4. [Zero credit]

Regional Contribution Agreement (RCA)

Clark's plan indicates that it will use development fees to fund a 15-unit RCA. However, as noted in Section VI(B) of this report the Township has not collected any development fees since the ordinance's adoption. If Clark proposes the 15-unit RCA in its Housing Element and Fair Share Plan to address a portion of its growth share obligation the following information must be provided to COAH as part of the Township's petition for substantive certification:

- A draft RCA contract;
- Resolutions from Clark and the designated receiving municipality authorizing execution of the RCA;
- A description of the funding source for the RCA that does not include payment in lieu funds;
- A resolution of the County Planning Board representing the receiving municipality pursuant to N.J.A.C. 5:95-11.5; and
- A project plan delineating the manner in which the receiving municipality shall create or rehabilitate low- and moderate-income housing to be submitted to the Housing and Mortgage Finance Agency (HMFA) for review and approval.

Pursuant to N.J.A.C. 5:95-11.1(a), the initial draft contractual agreement must be submitted to COAH for review by the sending municipality and shall specify, at a minimum, the number of units to be transferred, the type of housing activity anticipated by the receiving municipality and the amount of compensation to be paid to the receiving municipality in return for such a transfer. In addition, the Township must submit a municipal resolution appropriating funds from general revenue or a resolution of intent to bond to fund the RCA in the event there is a shortfall of funding. Pursuant to N.J.A.C. 5:94-5.4(a), the minimum subsidy amount for the RCA must be \$35,000 per unit.

In addition, pursuant to N.J.A.C. 5:95-11, the receiving municipality must submit a proposed project plan for review and approval to COAH, the New Jersey Housing and Mortgage Finance Agency (HMFA) and the County Planning Board. The project plan must delineate the manner in which the receiving municipality shall create or rehabilitate low- and moderate-

income housing using RCA funds and how the RCA is in accordance with sound comprehensive regional planning. [0 RCA units]

Growth Share Regional Contribution Agreement

Pursuant to N.J.A.C. 5:94-5.1(a), Clark Township may transfer up to one-half of its growth share obligation via an RCA in accordance with the following formula:

$$= .5 (\text{growth share obligation})$$

$$= .5 (55)$$

$$= 27.5 \text{ or } 27 \text{ units}$$

Based on this calculation, Clark Township may transfer up to 27 units from its third round growth share obligation. The Township's plan includes a 15-unit RCA.

Growth Share Age-Restricted Units

Pursuant to N.J.A.C. 5:94-4.19, Clark Township may age-restrict not more than 50 percent of its growth share obligation addressed within a municipality based on the following formula:

$$= .5 (\text{growth share obligation} - \text{third round RCA units completed or proposed})$$

$$= .5 (55-15)$$

$$= 20 \text{ units}$$

Based on this calculation, Clark Township may age-restrict up to 20 units of its third round growth share obligation. Clark Township's Fair Share Plan includes 64 age-restricted units in the Affordable Housing Overlay District to address a portion of its third round growth share obligation.

Growth Share Rental Component

Pursuant to N.J.A.C. 5:94-4.20(a), every municipality has an obligation to provide a realistic opportunity for rental units which is 25 percent of the municipality's growth share obligation. In Clark Township, the rental obligation is based on the following formula:

$$= .25 (\text{growth share obligation})$$

= .25 (55)

= 14 units

Based on this calculation, Clark Township has a third round growth share rental obligation of 14 units, of which no more than seven can be age-restricted, pursuant to N.J.A.C. 5:94-20(f). Clark Township's Fair Share Plan includes 60 age-restricted rental units in the Clark Developers AHO district to address a portion of its third round growth share obligation. However, as noted above, the overlay zoning may not be used to establish a mechanism that can be relied upon for the creation of affordable housing. Therefore, the Township has a 14-unit rental shortfall that must be addressed.

Waiver

In accordance with N.J.A.C. 5:95-14, any party may request a waiver from any COAH rule and COAH will grant the waiver if it determines that:

1. Strict application of the rule would create an unnecessary financial, environmental or other hardship; or
2. Such a waiver fosters the production of affordable housing; and
3. Such waiver fosters the intent of, if not the letter of, its rules; and
4. That the Housing Element and Fair Share Plan provide a mix of housing options.

Clark Township is seeking to address its entire 56-unit growth share obligation with 64 age-restricted units. Pursuant to N.J.A.C. 5:94-4.19, the Township would be eligible to address not more than 50 percent of the growth share obligation addressed within the Township with age-restrict units. However, the Township is seeking a waiver from N.J.A.C. 5:94-4.19.

On July 28, 2006, a COAH task force met to review the waiver request, and recommended to the full Council that the waiver request be denied. On August 9, 2006, COAH voted to deny the waiver request. The action will be memorialized at COAH's September 13, 2006 meeting.

Summary of Growth Share Compliance Plan

As noted above, Clark has calculated a growth share obligation of 56 units. COAH staff has also calculated Clark's growth share obligation to be 55 units. Based on the plan presented, the Township proposes to address its third round obligation of 55 units with two affordable housing overlay district(s) and a RCA. The following chart summarizes the Township's third round plan:

Growth Share Obligation	New Construction Component	
	Plan	Eligible
Proposed Units		
AHO District (block 57/lot 1)	4	0
AHO District (block 58/lot 1)	60	0
RCA	15	15*
Total Units		
Plan Shortfall		40

*Pending the receipt of the additional information.

Clark Township has a possible 40 unit shortfall for the growth share obligation because the overlay districts may not be used to establish a mechanism that can be relied upon for the creation of affordable housing and the Township must comply with the age-restricted limitations of N.J.A.C. 5:94-4.19.

Clark Township is therefore required to submit an amended Housing Element and Fair Share Plan to address the Township's total third round obligation in accordance with N.J.A.C. 5:95-3.4, no later than 90 days from the date of this report.

VI. FAIR SHARE DOCUMENT REVIEW

A. Growth Share Ordinance

Clark's Third Round petition for substantive certification did not include a Growth Share Ordinance. While not a required compliance mechanism, a growth share ordinance would ensure that affordable housing opportunities are captured as actual growth occurs. COAH

recommends that the Township consider incorporating "growth share" provisions into its zoning ordinance to ensure that affordable housing opportunities are captured in direct relationship to development that actually occurs. Model provisions for a growth share ordinance are available on COAH's website at <http://www.nj.gov/dca/coah/round3resources.shtml>.

B. Development Fee Ordinance

Clark Township received approval for a development fee ordinance on January 24, 2002 and the Township adopted the development fee ordinance on March 18, 2002. The Township has reported that it has not collected any development fees since the ordinance's adoption.

Clark Township's Amended Housing Element and Fair Share Plan included an amended development fee ordinance, increasing its development fees pursuant to N.J.A.C. 5:94-6.6(a) and 6.7(a) which is reviewed under a separate report.

C. Spending Plan

The Township submitted a revised spending plan that complies with N.J.A.C. 5:94-6.5 which is reviewed under a separate report.

D. Affordable Housing Ordinance/Affordable Housing Administration

Clark Township must submit an affordable housing ordinance that comports with the requirements of the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et seq. Specifically, the ordinance must address affordability controls, affirmative marketing, bedroom distribution, and sale and rental pricing on all components of the Township's 1987-2014 Fair Share Plan. In addition, the ordinance must establish that a municipal employee will hold the position of the municipal housing liaison. Subsequently, a resolution must be adopted by the governing body, indicating which municipal employee will be designated as the municipal housing liaison. Once approved by COAH, the ordinance and resolution must be adopted by Clark Township within 45 days of COAH's grant of substantive certification.

Clark Township's affirmative marketing plan designates an Affordable Housing Board to be responsible for administering the affordable housing units in the Township's plan. However,

Clark Township has not provided any further information about this Board. COAH requires an experienced housing administrator. Information on the credentials and experience of the Affordable Housing Board must be submitted to COAH within 90 days. Alternatively, if the Township wishes to designate a Township employee to assume the responsibility of a housing administrator, he/she must be experienced in this area and must be approved by COAH. The administrator's responsibility would be to conduct the required affirmative marketing, place income eligible households in the units, enforce the terms of the deed restriction, set sales prices, and resell the units upon vacancy. If Clark Township does not have the capabilities to provide such administration, the Township must designate an experienced administrator approved by COAH to perform these activities. COAH must review and approve the contract, agreement or letter designating the administrator.

Additionally, any new construction for which an application for a construction permit has not been declared complete before the effective date of N.J.S.A. 52:27D-123.15 (anticipated to be October 1, 2006) and for which affordable housing credit is sought after that date must be constructed in compliance with the technical design standards of the barrier free sub code of the State Uniform Construction Code Act (N.J.S.A. 52:27D-119 et seq.) In buildings without elevator service, only ground floor dwelling units must be so constructed in order to be eligible for COAH credit. Notwithstanding the exemption for townhouse dwelling units in the barrier free sub code, the first floor of all townhouse dwelling units and of all other multi-floor dwelling units for which affordable housing credit is sought on or after the above referenced date and for which an application for a construction permit has not been declared complete must be subject to the technical design standards of the barrier free sub code and must include the following features:

- An adaptable entrance to the dwelling unit;
- An adaptable full service bathroom on the first floor;
- An adaptable kitchen on the first floor;
- An accessible interior route of travel; and
- An adaptable room with a door or a casing where a door can be installed which may be used as a bedroom on the first floor.

The Township's zoning regulations must be amended accordingly.

E. Affirmative Marketing Plan

Clark included a draft Affirmative Marketing Ordinance that does not comport to the requirements of the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26-26.1 et seq. Section C. of the ordinance is incomplete and Section F(C) references N.J.A.C. 5:93-11.6 and 12.1.

Clark must submit an affirmative marketing plan that comports to the requirements of the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et seq. and ensures the units in the Township's 1987-2014 Fair Share Plan and all future affordable housing units will be affirmatively marketed to the region upon initial sale/rental and re-sale/re-rental. In addition, as noted above the Township must designate an experienced administrator to administer the affordable units. Once approved by COAH, the affirmative marketing plan must be adopted by resolution by the Township within 45 days of COAH's grant of substantive certification.

VII. SUMMARY OF PLAN FOR TOTAL 1987-2014 FAIR SHARE OBLIGATION

Clark Township does not have a third round rehabilitation obligation. The following tables summarize Clark's Fair Share Plan for its total 1987-2014 fair share obligation:

Prior Round		
Obligation	RDP - 2	
	Plan	Eligible
Credits/Reductions/Adjustments		
Vacant land adjustment	47	47
Union County ARC Group Home - Prior Cycle	3	3*
Union County ARC Group Home - Post-1986	3	3*
Union County ARC Group Home - Post-1986	3	3*
Shieferstein Farm	5	5*
Miele Nursery	8	8*
Rental Bonuses From Group Homes	6	6*

Total Credits	28*	28*
Plan Surplus	5*	

* Pending the receipt of additional information.

Growth Share		
Obligation	55	
Proposed Units	Plan	Eligible
AHO District (block 57/lot 1)	4	0
AHO District (block 58/lot 1)	60	0
RCA	15	15*
Total Units	79	15*
Potential 1999-2014 Shortfall	40	

* Pending the receipt of additional information.

Clark Township must revise its Housing Element and Fair Share Plan to address the Clark's third round growth share obligation in accordance with N.J.A.C. 5:95-4.2(a), no later than 90 days from this report.

VIII. OBJECTIONS

COAH received one objection to Clark Township's third round petition from Villa Contracting Company and correspondence from William Fidurski carrying forward his second round objections and requesting to participate in COAH mediation.

Villa Contracting Company

On February 10, 2006, Thomas Carroll, III, Esq., submitted an objection to Clark's Plan on behalf of Villa Contracting Company (Villa).

Procedural History

Villa initially notes that it submitted an objection to Clark's Housing Element and Fair Share Plan (Plan) in January 2004 at which time Villa submitted correspondence to COAH objecting to the Terminal Avenue site. In or around January 2004 COAH staff advised Villa that

COAH was not in receipt of a re-petition from Clark that included the subject site and would consider its objection once Clark submitted its re-petition. Subsequently, Clark re-petitioned COAH in September 2004 with a Housing Element and Fair Share Plan that included the Terminal Avenue site. COAH staff issued a Pre-Mediation Report Requesting Additional Information on March 7, 2005. Thereafter, mediation ensued, to which Villa was a party. The objections noted in Villa's January, 2004 objection were addressed in their entirety. In addition, as noted in the summary of objections below, the majority of Villa's objections that were submitted on February 10, 2006 pertaining to the site suitability of the Terminal Avenue site were addressed during the mediation process with the exception of the objection to the waiver request as detailed below. Villa has since appealed COAH's decision included in the mediation report finding no contested issues of material fact exist warranting a transfer to the Office of Administrative Law (OAL). In addition, Villa is also appealing COAH's mediation process of a second round plan since COAH was no longer granting second round substantive certifications after the promulgation of its third round rules.

COAH staff notes that issues pending before the Appellate Division are the subject of litigation and will not again be addressed in this report. However, should Villa have new information related to site suitability or its environmental concerns of the Terminal Avenue site, COAH will conduct a review of the new information at any time.

Summary of Villa's Objections

1. Age-Restricted Waiver

Villa objects to the age-restricted waiver sought by Clark, which seeks to obtain credit for age-restricted housing beyond the 50% limit imposed by COAH regulations. Villa submits that Clark does not meet the waiver provision set forth in COAH's rules at N.J.A.C. 5:94-1 et seq. nor has the Township provided any rationale to support its waiver request³.

³ As noted in Section IV(C) of this report, on August 9, 2006, COAH denied the waiver request. Therefore, this objection has been rendered moot.

2. Objection to Clark Developers Site

In support of its objection, Villa attached a Planning Report prepared by George Ritter, AICP. The Planning Report highlights Villa's concerns with placing residential zoning in an active industrial park. The report indicates that the Clark Developers site was the subject of a Nuclear Regulatory Commission action requiring the clean up and containment of radioactive cesium that was used in manufacturing processes on the property and has not to date addressed or resolved these important environmental concerns. The site is also not suitable for the development of inclusionary housing because it is not compatible with the abutting industrial land uses or the abutting freight train tracks.

3. Objection to Calculation of Growth Share Obligation

The report also provides an analysis of Clark's third round Housing Element and Fair Share Plan and points out errors⁴ made in the Township's growth share calculation. In addition, the report includes three growth share projections based on three scenarios to demonstrate that the Clark Developers development generates an affordable housing obligation higher than it would be without the development. The first scenario recreates the Township's calculation and results in a growth share obligation of 56.06 units. The second is a variation of the Township's calculation with adjustments to reflect the densities allowed in the AHO district and the demolition of the existing industrial building on the Villa development site and results in a growth share obligation of 53.25 units. The last projection is based on the Township's calculation with adjustments to the Schwarz Farm development and exclusion of the Clark Developers development which results in a growth share obligation of 33 units.

Prior Efforts at Mediation

Villa maintains that mediation failed to conform to "procedural protections provided by law" and likewise violated COAH's third round rules governing the second round. Again, COAH staff notes that this issue is the subject of appeal and will not be addressed in this report.

⁴ This is addressed in Section III(B) of this report.

William Fidurski

William Fidurski submitted correspondence, dated March 9, 2006, to COAH requesting that his objections to the second round plan be carried forward and addressed during mediation of the third round plan. No new objections were raised.

Conclusion

In COAH staff's mediation report dated October 21, 2005, COAH staff recommended that no contested issues of material fact exist and that should DEP determine that environmental concerns exist, Clark will be required to address said concerns in accordance with DEP regulations. COAH accepted the mediation report on December 14, 2005.

While mediation will be scheduled, any objections addressed previously in mediation or that are the subject of litigation will not be addressed again in mediation.

IX. ADDITIONAL INFORMATION REQUESTED

Pursuant to N.J.A.C. 5:95-5.2(b) Clark Township must submit the following information and documentation to COAH no later than 90 days from the date of this report or by September 25, 2006:

1. An updated Housing Element and Fair Share Plan formally adopted pursuant to N.J.S.A. 40:55D-28 that includes all the additional information required in this report, including revisions to growth projections and a strategy to address the Township's growth share shortfall. Unless Clark elects to make a change in site, substantial change in density, other zoning requirements that result in a change of housing type on a specific site or a fundamental change in approach to the Township's low- and moderate-income housing obligation, these revisions will not precipitate the need for a re-petition pursuant to N.J.A.C. 5:95-3.4; and
2. A copy of the most recently adopted municipal master plan; and
3. A copy of the most recently adopted municipal zoning ordinance; and

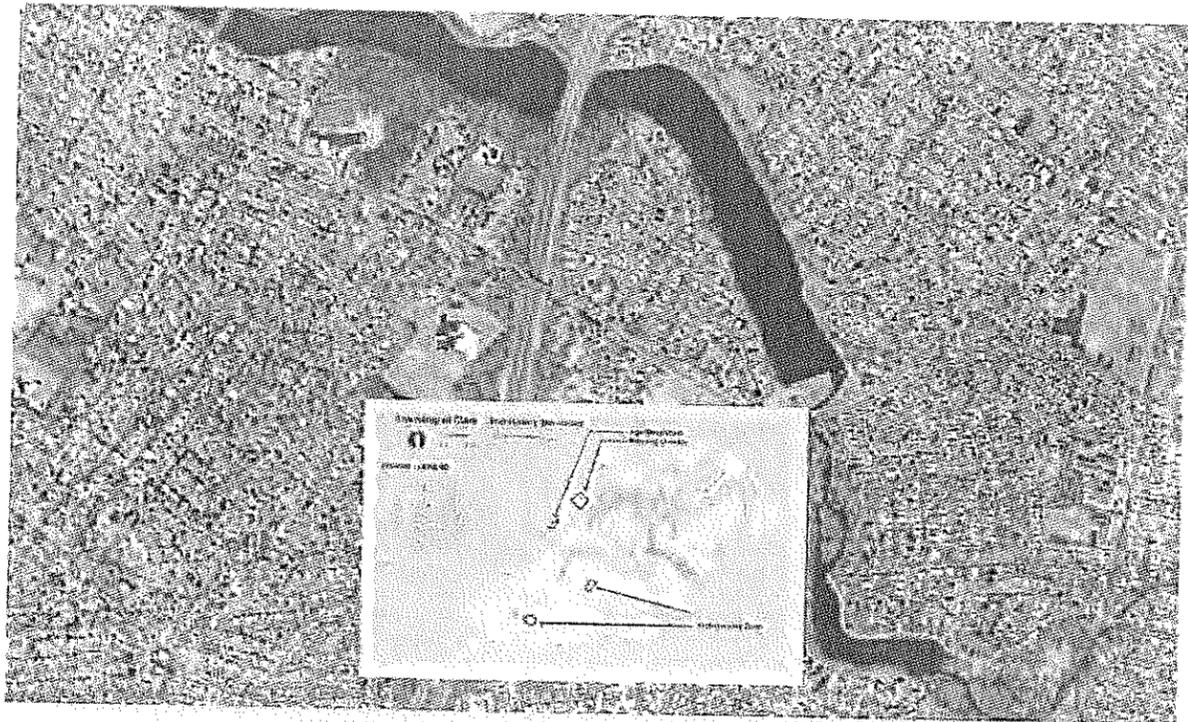
4. A copy of the most up-to-date tax maps; and
5. The Township must complete and submit the alternative living arrangement survey forms for COAH to determine if the units in the three alternative living arrangement developments are eligible for credit. The alternative living arrangement survey form is available on COAH's website at www.nj.gov/dca/coah/round3resources.shtml; and
6. The Township must submit documentation in accordance with N.J.A.C. 5:94-3.3 for the Schieferstein Farm and Miele Nursey, including tax maps; and
7. Pursuant to N.J.A.C. 5:93-5.12(c) the Township must submit the necessary information for deleting the affordable housing obligations on block 28/lot 9; and
8. Clark Township must submit a plan to address its unmet need in accordance with N.J.A.C. 5:93-4.1(b); and
9. Detailed information regarding the proposed 15-unit RCA, which includes the following: a draft RCA contract; resolutions from both municipalities authorizing execution of the RCA; and a description of the funding source for the RCA, which must be funded at a minimum of \$35,000 per unit; and
10. An RCA project plan must be submitted to COAH, the New Jersey Housing and Mortgage Finance Agency (HMFA) and the County Planning Board for review and approval; and
11. A strategy to address the Township's 14-unit growth share rental shortfall.
12. An affordable housing ordinance that comports with the requirements of the uniform Housing Affordability Controls, N.J.A.C. 5:80-26-126.1 et seq. specifically addressing affordability controls, affirmative marketing, bedroom distribution, sale and rental pricing on all components of the Township's plan; and

13. A resolution adopted by the governing body, specifying indicating a municipal employee will be designated as the municipal housing liaison; and
14. An affirmative marketing plan that comports to the requirements of the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et seq. N.J.A.C. 5:80-26-1 et seq.



Township of Clark, Union County, New Jersey

HOUSING ELEMENT AND FAIR SHARE PLAN



Adopted: December 6, 2005
Amended: October 26, 2006

H2M ASSOCIATES, INC.
H2M ARCHITECTS & ENGINEERS, INC.
555 Preakness Avenue, Totowa, New Jersey 07512

H2M GROUP
ENGINEERS, ARCHITECTS, SCIENTISTS, PLANNERS

Housing Element and Fair Share Plan
Township of Clark, Union County, New Jersey

Prepared for:
Township of Clark
Municipal Building
430 Westfield Avenue
Clark, NJ 07066

Adopted: December 6, 2005
Amended: October 26, 2006

The original of this report was signed and
sealed in accordance with N.J.S.A. 45:14A-12.

Janice E. Talley, P.P. #5059

ACKNOWLEDGEMENTS

**Township of Clark
Union County, New Jersey**

Township Council Members:

Robert Bothe, *Vice- President*
Alvin Barr, *Council Member*
Angel Albanese, *Council Member*
Sheila Whiting, *Council Member*
Patrick O'Connor, *Council Member*
Brian P. Toal, *Council Member*

Members of the Planning Board:

Michael N. Kurzawski, *Chairman*
Judy Kaminsky
Kevin Koch
John Zamboni
Robert Crescenza
Liz Beth Hudak
Mayor Sal Bonaccorso
Frank Mazarella, *Council President*
John F. Laezza, *Township Administrator*

Alternates:

Victor Conti, *Alt. 1*
Robert Tarantino, *Alt. 2*

Advisors:

Jeffrey B. Lehrer Esq. *Board Attorney*
Richard O'Connor, P.E., *Board Engineer, Grotto Engineering Associates, LLC.*

Consultants:

Janice E. Talley, P.P., AICP, *Chief Planner, H2M Associates, Inc.*
Veena M. Sawant, *Assistant Planner, H2M Associates, Inc.*

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SECTION I: INTRODUCTION AND SUMMARY OF FINDINGS**INTRODUCTION**

The Mount Laurel II decision¹, handed down by the New Jersey Supreme Court in January 1983, requires all municipalities to provide a realistic opportunity for the construction of housing affordable to those households of lower income. In response to the Mt. Laurel II decision, the Fair Housing Act was adopted in 1985 and signed by the Governor (Chapter 222, Laws of New Jersey, 1985). The Act established a Council on Affordable Housing (COAH) to insure that the mandate of Mt. Laurel II would be implemented by all New Jersey municipalities.

The Council on Affordable Housing (COAH) recently adopted its "Third Round regulations", which came into effect on December 20, 2004. The new regulations embrace a "growth share" methodology under which one "affordable" unit must be provided for every eight "market units" for residential development, and one affordable unit for every twenty-five jobs created for commercial development. This is a significant change from previous COAH methodologies in which numbers were assigned based on formulas and other variables. This method is a "build as you grow" approach which is more accommodating to good planning.

The Fair Housing Act requires municipalities in the state to include an adopted housing element in all master plans. The principal purpose of the housing element is to provide for methods of achieving the goal of access to affordable housing to meet the municipality's present and prospective low and moderate-income housing needs. Low-income households are defined as those with an income no greater than 50 percent of the median household income adjusted for household size of the housing region in which the municipality is based. Moderate-income households are those with incomes no greater than 80 percent of the median household income, adjusted for household size of the housing region.

Clark Township is located in the Region 2, which consists of Essex, Morris, Union, and Warren counties. The median household income in the region for a family of four is \$80,300. Qualifying households have income of approximately \$40,000 - \$64,000 for a family of four.

¹ South Burlington County NAACP v. Mt. Laurel Township, 92 NJ 158, 456 A.2d 390 (1983).

DRAFT

Housing Element and Fair Share Plan
Township of Clark

The Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq., requires a municipal master plan to include a Housing Element. The Housing Element shall be adopted by the Planning Board and endorsed by the governing body prior to the municipal filing pursuant to N.J.A.C. 5:95-2 or the municipal petition for substantive certification pursuant to N.J.A.C. 5:95-3. A municipality's Housing Element shall be designed to achieve the goal of providing affordable housing to meet the total 1987-2014 affordable housing need comprised of estimated growth share, the remaining balance of the Prior Round Obligation from the municipality's 1987-1999 affordable housing obligation that has not been addressed (if any), and the rehabilitation share. The Housing Element submitted to the Council shall include the minimum requirements prescribed by N.J.S.A. 52:27D-310.

BACKGROUND

Clark Township received first round substantive certification on September 4, 1991. Due to insufficient vacant land, the Township received a vacant land adjustment and established a realistic development potential (RDP) of 23 units. Clark addressed its 23-unit RDP in its first round through zoning for 42 affordable units on four sites designated by COAH as suitable. Accordingly, the Township revised its Ordinance to accommodate the newly created R-B District-Multi-family Residential, which required twenty (20) percent of the total development to be set aside for low and moderate income households. Clark Township's Planning Board adopted a housing element and fair share plan on September 2, 1997, which addressed its 12-year cumulative obligation. The Township filed the plan with COAH on September 4, 1997 but did not petition at that time. COAH received Clark's resolution of petition on August 23, 1999. Three days later, the Township published a notice in *The Star Ledger* however; no objections were received then by COAH. On March 28, 2000, COAH issued a report requesting additional information from the Township. Subsequently, the Planning Board adopted an amended housing element and fair share plan on February 12, 2001. The governing body approved a resolution endorsing the plan and re-petitioned COAH for substantive certification on March 1, 2001. The Township re-published a notice in *The Star Ledger* and again no objections were received by COAH.

As a result of the change in municipal administration, however, the Planning Board adopted a third amendment to its housing plan on December 11, 2001 and re-petitioned COAH for substantive certification on December 17, 2001. On publishing a notice, COAH received two objections during the 45-day objection period. Mediation led to an agreement with Clark Developers for rezoning of Block 58/Lot 4 for age-restricted affordable housing overlay permitting a maximum of 300 units with 20 percent set aside for affordable housing. As a result of the agreement, the Planning Board adopted and amended the housing element and fair share plan for the fourth time on August 24, 2004. Clark re-petitioned on September 13, 2004, with the only changes being the inclusion of the age-restricted overlay zoning on the Clark Developers property and an increase in permitted density on block 57/lot 1, locally as Schwarz Farm. The plan did not receive certification because objections were filed by several interested parties. The plan was further reviewed through COAH's mediation process and a Mediation Report was issued on October 21, 2005. This report addresses the Township's third round affordable housing obligation, which is comprised of a rehabilitation component, a prior round component (second round realistic development potential), and a growth share component.

EXECUTIVE SUMMARY

Clark's rehabilitation share for the period of 2004-2014 is zero. The Township's prior round obligation is 63 units. This includes a Realistic Development Potential (RDP) of 23 new constructions units and an unmet need of 40 units. Since, the Township did not receive substantive certification for their second round plan, the existing credits and reductions must be applied to address the Township's realistic development potential and unmet need.

Clark adopted a Housing Element and Fair Share Plan on December 6, 2005 that addressed the Township's Third Round Obligation for the period 2004 through 2014, which was comprised of the Rehabilitation Share, Prior Round Obligation, and the Growth Share (future obligation 2004 – 2014).

Subsequently a report was issued by COAH on August 9, 2006 and recommended changes as follows:

Demographic Analysis.

1. The Housing Plan should be revised to include an analysis of all existing jobs and employment characteristics of the municipality.
2. The Housing Plan should be revised to include actual growth for 2005.
3. The report requires verifying the following Certificate of Occupancy and demolition data:
Residential
 - The Housing Plan adopted on December 6, 2005, included five (5) COs and eleven (11) demolitions for 2004 and zero COs net of demolition for 2005. However, as per the Department of Community Affairs Construction Reporter, Clark issued negative six (-6) and negative five (-5) COs net of demolitions in 2004 and 2005.

Projections

4. The 2005 Housing Plan should be revised to include the market rate and affordable housing units for the inclusionary development sites in the projections.
5. The 2005 housing plan incorrectly calculated Clark's job growth for 1,892 square feet of multi-family dorm use added in 2000. The housing plan used a job factor of two, which is incorrect. The correct job factor is 0.8 for R-1 use group. The housing plan should be amended to include accurate job growth for this use group.

Fair Share Obligation

6. The amended plan should address the Township's unmet need of forty (40) units.

7. The adopted housing plan indicated Clark's prior round obligation of 23 units, however, the Township's prior round obligation is 63 units, which includes a realistic development potential of 23 units and an unmet need of forty (40) units. The 2005 plan addressed the Clark's prior round obligation of 23 units but did not address the Township's unmet need of forty (40) units. The plan should be amended to address the Township's unmet need.

Therefore, the focus of this Plan is on the Township's Realistic Development Potential (RDP), unmet need and Growth Share obligation, which is 82 units. Table 1 below summarizes Clark's affordable housing obligation through the year of 2014.

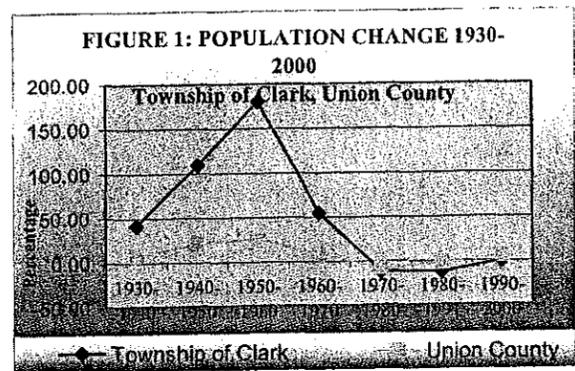
Table 1	
SUMMARY (2004 – 2014)	
Township of Clark, Union County	
Components	Obligation (units)
Rehabilitation	0
Prior Round Obligation	63
RDP	23
Unmet need	40
Growth Share Obligation	19
TOTAL	82

SECTION II: DEMOGRAPHIC, HOUSING AND EMPLOYMENT ANALYSIS

POPULATION

The Township of Clark is a vibrant suburban community located in the south-central part of Union County. Access to various industries and the New York Metropolitan area made Clark an ideal town for those who desired the ease of suburban living. Clark is presently home to 14,597 residents.

The Township's population increased dramatically in the 1940s and 1950s, with a 109 percent increase between 1940 and 1950 and 180 percent increase between 1950 and 1960. These numbers clearly indicate the strong influence suburbanization and the Baby boom period had on Clark Township.



As indicated in Table 2, the Township's population peaked in 1970 at 18,829. Since then Clark Township has been experiencing a gradual decline in population. The Township lost approximately 2,000 residents per decade in the 1970s and 1980s. However, the decline in the population subdued over the last decade, resulting in a loss of only 32 residents between 1990 and 2000.

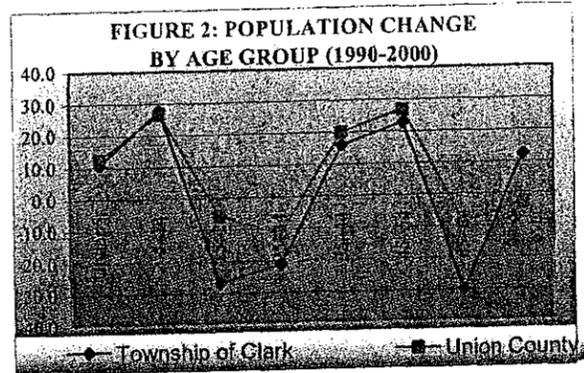
Union County has been experiencing similar population trends in the last few decades, but at a much slower rate than the Township. The County's population grew rapidly through the 1970s with a 21 percent increase during the 1940's and a 27 percent increase during the 1950s. Similar to the Township the County experienced their highest recorded population in 1970 with a total population of 543,116. The County's population also declined in the following two decades but increased again in 2000.

Table 2			
POPULATION TREND: 1940 - 2000			
Township of Clark and Union County			
Township of Clark			
Year	Population	Number Changed	Percent Changed
1930	1,474		
1940	2,083	609	41.32
1950	4,352	2,269	108.93
1960	12,195	7,843	180.22
1970	18,829	6,634	54.40
1980	16,699	-2,130	-11.31
1990	14,629	-2,070	-12.40
2000	14,597	-32	-0.22
Union County			
Year	Population	Number Changed	Percent Changed
1930	305,209		
1940	328,344	23,135	7.58
1950	398,138	69,794	21.26
1960	504,255	106,117	26.65
1970	543,116	38,861	7.71
1980	504,094	-39,022	-7.18
1990	493,819	-10,275	-2.04
2000	522,541	28,722	5.82

Source: U.S. Bureau of the Census

POPULATION COMPOSITION BY AGE

Clark Township has experienced a significant increase in the Baby Boomer population (age group 35 and 54), over the last decade. The 'Baby Boom' population (those born between 1946 and 1964) comprises approximately thirty percent of the population in both the Township of Clark and the County of Union, as shown in Table 3. The population in



the Township, between the age groups of 25 and 34, decreased. This is a result of the 'Baby Bust' period. The Township as well as the County experienced a significant increase in population for the age group of '5-14'. This can be attributed to the 'Baby Boom Echo' period, as the Baby Boomer generation had children.

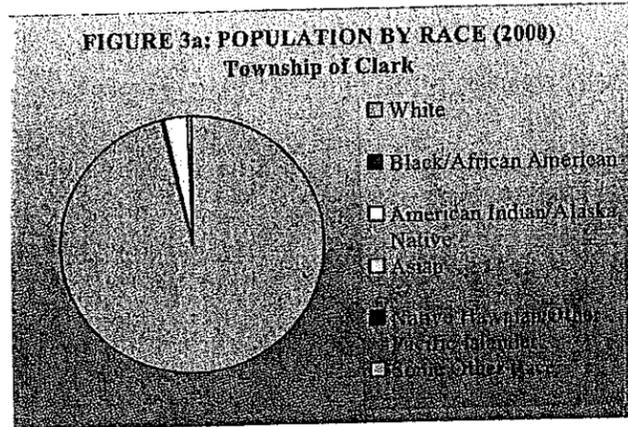
The Township experienced a significant decrease in the senior citizen population between the ages of 55 and 74 in the last decade. These age groups constitute approximately twenty-five (25) percent of the Township's total population. The County has experienced a similar trend, but at a much lower rate than the Township. The elderly citizen population for the Township of Clark and Union County has increased significantly during the last decade. The Township experienced 66 percent and 189 percent increase in the population for the age group '75-84' and '85 and over' respectively and is at a much higher rate than the County. Although these age groups, '75 to 84' and '85 and above' make up only 8.7 and 2.6 percent respectively of the Township's current total population, the trend indicates an increasing demand for services of elder citizens.

Table 3						
POPULATION COMPOSITION BY AGE: 1990 - 2000						
Township of Clark and Union County						
Township of Clark						
	1990		2000		Change	
	No. of Persons	Percent	No. of Persons	Percent	Number	Percent
Under 5	685	4.7	759	5.2	74	10.8
5-14	1,398	9.6	1,784	12.2	386	27.6
15-24	1,755	12.0	1,283	8.8	-472	-26.9
25-34	2,085	14.3	1,645	11.3	-440	-21.1
35-44	2,055	14.0	2,383	16.3	328	16.0
45-54	1,707	11.7	2,094	14.3	387	22.7
55-64	2,127	14.5	1,486	10.2	-641	-30.1
65-74	1,926	13.2	1,519	10.4	-407	-21.1
75-84	759	5.2	1,263	8.7	504	66.4
84-over	132	0.9	381	2.6	249	188.6
Total	14,629		14,597		-32	-0.2
Under 18	2,325	15.9	3,035	20.8	710	30.5
Over 65	2,817	19.3	3,163	21.7	346	12.3
Union County						
Under 5	32,421	7.8	36,441	7.0	4,020	12.4
5-14	58,291	14.1	73,754	14.1	15,463	26.5
15-24	64,984	15.7	61,215	11.7	-3,769	-5.8
25-34	85,028	20.5	75,189	14.4	-9,839	-11.6
35-44	73,653	17.8	88,398	16.9	14,745	20.0
45-54	54,877	13.3	69,568	13.3	14,691	26.8
55-64	50,440	12.2	45,935	8.8	-4,505	-8.9
65-74	44,113	10.7	35,350	6.8	-8,763	-19.9
75-84	23,269	5.6	27,322	5.2	4,053	17.4
84-over	6,743	1.6	9,369	1.8	2,626	38.9
Total	493,819		522,541		28,722	5.8
Under 18	108,088	21.9	129,941	24.9	21,853	20.2
Over 65	74,125	17.9	72,041	13.8	-2,084	-2.8

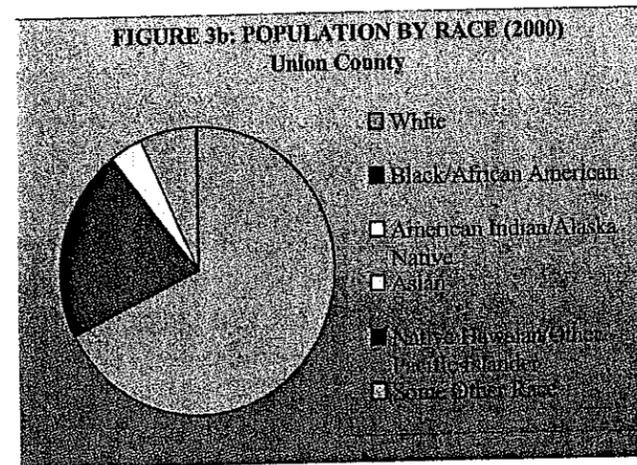
Source: U.S. Bureau of the Census

POPULATION COMPOSITION BY RACE

Clark Township has a largely homogeneous population as shown in the figure 3a. In Clark, almost all residents (99.3 percent) categorize themselves as being of one race, while less than one (1) percent indicates that their heritage is comprised of two or more races. Of those of one race, 96.3 percent are White. Asians comprise the second-largest racial group at 2.8 percent. Blacks make up only 0.3 percent of the total population.



Union County as a whole has lower percentage of white population at 65.5 percent, than the Township. Approximately 21 percent of the County's population is Black.



Hispanics and Latinos account for nearly 20 percent of the total population in Union County, while they comprise only 3.7 percent in Clark.

Table 4				
POPULATION COMPOSITION BY RACE: 2000				
Township of Clark and Union County				
	Township of Clark		Union County	
	Number	Percent	Number	Percent
One Race	14,496	99.3	505,581	96.8
White	13,956	96.3	342,302	65.5
Black/African American	44	0.3	108,593	20.8
American Indian/Alaska Native	2	0.0	1,215	0.2
Asian	402	2.8	19,993	3.8
Native Hawaiian/Other Pacific Islander	0	0.0	201	0.0
Some Other Race	92	0.6	33,277	6.4
Two or More Races	101	0.7	16,960	3.2
Hispanic or Latino (any race)	535	3.7	103,011	19.7
Not Hispanic or Latino	14,062	96.3	419,530	80.3
Total Population	14,597		522,541	
Source: U.S. Bureau of the Census				

HOUSING CHARACTERISTICS

HOUSEHOLD CHARACTERISTICS

Significant household characteristics indicated by the 2000 Census, and displayed in Table 5, include:

- Family households dominate the Township and comprise approximately seventy-three (73) percent of the total households.
- Of the Township’s family households, approximately 61.4 percent are married households.
- Female-headed households account for 9 percent of the Township’s family households.
- Approximately twenty-four (24) percent of the non-family householders live alone, of which more than one tenth are senior citizens (age 65 and over).
- More than a quarter of the Township’s households include children under the age of 18 and about 38 percent include senior citizen (65 years or older).
- The average household size in 2000 in Clark Township was 2.56 persons per unit, which is lower than the Union County average of 2.77.

Type of Household	Number	Percent
Total Households	5,637	
Family Households	4,124	73.2
Married couple families	3,459	61.4
Other family, female householder	509	9.0
Non-Family*	1,513	26.8
Householder Living Alone	1,631	24.1
Householder 65 years and over	726	12.9
Households with individuals under 18 years	1,681	29.8
Households with individuals over 65 years and over	2,150	38.1
Average Household Size	2.56	

*Not a member of a family. Roommates, boarders, resident employees, foster children, etc. are included in this category.
Source: U.S. Bureau of the Census

HOUSING UNITS CHARACTERISTICS

Clark Township is a typical suburban town with the majority (81 percent) of residents living in owner occupied homes. The Township has fewer renter-occupied units, at 18.5 percent, as indicated in Table 6. The Township, as well as the County, share similar housing characteristics. Year-round housing dominates the Township at 98.7 percent, which is nearly equal to the County average of 96.5 percent. However, the Township's housing tenure differs from that of the Union County, which has roughly 62 percent owner-occupied units and 38.4 percent renter-occupied housing units.

Table 6				
HOUSING UNIT DATA-2000				
Township of Clark				
Unit Type	Clark Township		Union County	
	Number	Percent	Number	Percent
Occupied Year Around	5,637	98.7	186,124	96.5
Vacant	72	1.3	6,821	3.5
Total	5,709		192,945	
Tenure of Occupied Units				
Owner Occupied	4,592	81.5	114,638	61.6
Renter Occupied	1,045	18.5	71,486	38.4
Total	5,637		186,124	

Source: U.S. Bureau of the Census

The housing stock in Clark Township is in very good condition. Table 7 and 8 displays information that is indicators of substandard housing conditions. The age of housing stock is usually considered the most reliable indicator of substandard housing conditions, however, individual units should be considered on a case-by-case basis.

Suburbanization had a strong influence on the formation of Clark Township. Approximately 80 percent of the houses in Clark Township were built between 1940 and 1970. The Township of Clark has newer houses in comparison to the County. Only 6 percent of the houses were built before 1940, which is much lower than the County where approximately 26 percent of the houses were built before 1940. Approximately, 55 percent of the housing units in the Township were

built before 1960. Construction has been minimal during the last two decades. Similar to the Township, the County has an older housing stock. Nearly 68.4 percent of the houses were built before 1960.

Table 7				
HOUSING UNIT DATA				
Township of Clark and Union County				
Characteristics	Clark Township		Union County	
	Number	Percent	Number	Percent
Year Built				
1999 – March 2000	27	0.5	1,030	0.5
1995 – 1998	48	0.8	2,937	1.5
1990 – 1994	26	0.5	3,289	1.7
1980 – 1989	194	3.4	8,797	4.6
1970 – 1979	516	9.0	15,799	8.2
1960 – 1969	1,780	31.2	29,205	15.1
1940 – 1959	2,752	48.2	81,542	42.3
1939 or earlier	366	6.4	50,346	26.1
Units in Structure				
One detached	4,587	80.3	102,794	53.3
One attached	99	1.7	7,951	4.1
2 units	167	2.9	29,415	15.2
3 to 4 units	80	1.4	16,704	8.7
5 to 9 units	93	1.6	7,785	4.0
10 to 19 units	255	4.5	7,754	4.0
20+ units	417	7.3	20,290	10.5
Other	11	0.2	252	0.1
Median rooms per unit	6.3		5.7	
Total Housing Units (2000)	5,709		192,945	
Total Housing Units (1990)	5,638		187,033	
Change: 1990 to 2000	71	1.3	5,912	3.2

Source: U.S. Bureau of the Census

The majority of the housing stock in Clark is single-family detached homes, typical of a suburban community. Single-family detached homes are dominant, at 80.3 percent, in Clark Township. Other housing types include townhouses, two-family homes, multi-family houses and apartments, but are very limited. The Township differs from the County, which offers a more diverse housing stock mix to meet the needs of its residents, including single-family detached houses, two-family homes, multi-family homes and apartments

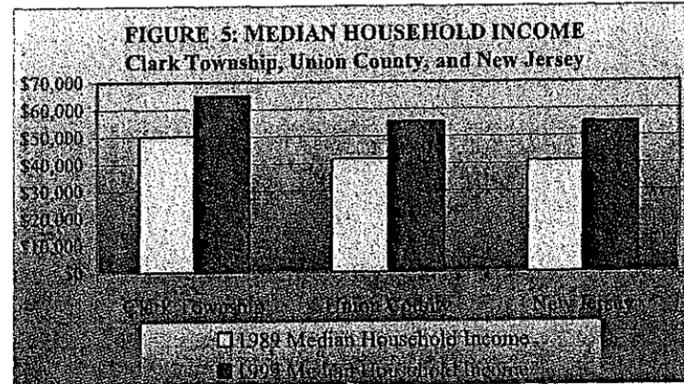
As mentioned earlier, the age of the housing stock is usually considered the most reliable indicator of housing conditions. Other indicators of housing condition -- including lack of complete plumbing facilities, kitchen facilities and overcrowding- are not a problem within the Township. The County, however, has a larger old housing stock with 2 percent of the houses without telephone services and approximately 7 percent suffering from overcrowded conditions. Table 8 displays information that indicates substandard housing conditions.

TABLE 8				
INDICATORS OF HOUSING CONDITIONS-2000				
Clark Township, Union County, New Jersey				
Number of Units	Clark Township		Union County	
	Number	Percent	Number	Percent
Built before 1940	366	6.4	50,346	26.1
Lacking complete plumbing facilities	8	0.1	1,465	0.8
Lacking complete kitchen facilities	8	0.1	1,628	0.9
No telephone service	19	0.3	3,962	2.1
More than 1.0 persons per room	25	0.4	12,504	6.72

Source: U.S. Bureau of the Census, 2000

INCOME

Clark Township is a wealthier community with a median household income in 1999 at \$65,019, which is approximately \$10,000 higher than the state figure. Union County as a whole has a median household income and per capita income approximately equal to the



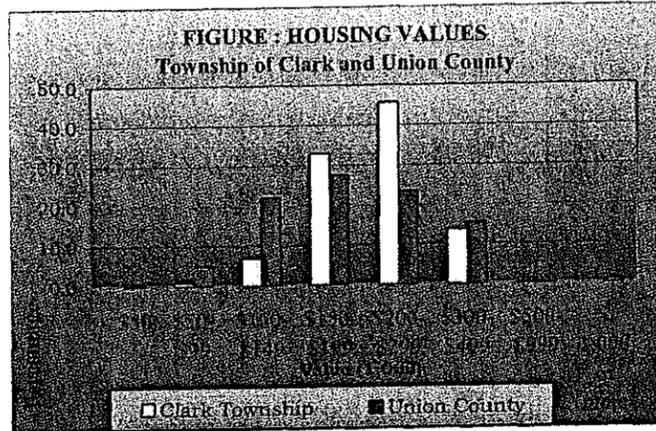
State. The 1999 per capita income of the Township's residents, at \$29,883, is much higher than the County as well as the State's per capita income.

	Clark Township	Union County	New Jersey
1989 Median Household Income	\$50,095	\$41,791	\$40,927
1999 Median Household Income	\$65,019	\$55,339	\$55,146
1989 Per Capita Personal Income	\$20,422	\$19,660	\$18,714
1999 Per Capita Personal Income	\$29,883	\$26,992	\$27,006

Source: U.S. Bureau of the Census

HOUSING VALUES

The Township of Clark had a relatively affordable housing stock in 2000, with approximately 79 percent of its housing unit values falling in the range of \$150,000-\$299,999. Table 10 details the owner-occupied housing unit values in 2000. The 2000 US Census data indicates that the median housing value in Clark



was \$217,500, which was \$28,700 more than the County's median housing value of \$188,800. The home sale market has changed in northern and central New Jersey towns between 2000 and 2003. The 2003 data indicates that the average home sales price in Clark was \$311,670, which was \$86,278 more than the average sales price in 2000, representing an increase of 38.3% in three years².

Value Range	Clark Township		Union County	
	Number	Percent	Number	Percent
Less than \$50,000	0	0.0	666	0.7
\$50,000 to \$99,999	32	0.7	4,849	5.0
\$100,000 to \$149,999	307	6.9	21,352	22.0
\$150,000 to \$199,999	1,466	32.9	26,728	27.6
\$200,000 to \$299,999	2,030	45.6	22,869	23.6
\$300,000 to \$499,999	610	13.7	14,807	15.3
\$500,000 to \$999,999	5	0.1	4,981	5.1
\$1,000,000 or more	0	0.0	736	0.8
Median (dollars)	217,500		188,800	

Source: U.S. Bureau of the Census

² Star Ledger, November 30, 2003, page 8, section one.

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Housing Element and Fair Share Plan
Township of Clark

HOUSING AFFORDABILITY

Housing affordability remains a problem with certain segments of Clark's population. Cost-burdened households are defined as households that spend more than 30 percent of their income on housing related costs. The Township of Clark and Union County follow similar traits for homeowner and renter cost burdens. For both, the Township as well as the County, renter households share greater cost burden than homeowners. As indicated in Table 11, housing costs are a problem for approximately 30 percent of the homeowner households and 34 percent of renter households in the Township. Housing costs are a problem for 37 percent of the renters in the County, which is higher compared to the Township.

The 1999 median gross rent in Clark was \$941, which was \$189 more than the County's median gross rent of \$752. The median room per housing unit is relatively high in the Township, averaging at 6.3 rooms per unit. The higher housing values as well as the median gross rents can be associated with the larger size of the houses.

Table 11 HOUSING AFFORDABILITY Township of Clark and Union County				
	Clark Township		Union County	
	Number	Percent	Number	Percent
Selected Monthly Owner Costs as a Percent of Household Income				
Less than 15 percent	1,208	27.0	27,416	28.3
15 to 19 percent	586	13.1	15,814	16.3
20 to 24 percent	819	18.3	14,766	15.2
25 to 29 percent	481	10.7	10,783	11.1
30 to 34 percent	366	8.2	7,346	7.6
35 percent or more	966	21.6	20,390	21.0
Not computed	24	0.5	473	0.5
Cost burdened households	1332	29.7	27736	28.6
Gross Rent as a Percentage of Household Income				
Less than 15 percent	137	13.1	13,711	19.2
15 to 19 percent	263	25.1	11,009	15.4
20 to 24 percent	149	14.2	9,327	13.1
25 to 29 percent	74	7.1	7,699	10.8
30 to 34 percent	56	5.3	5,307	7.4
35 percent or more	299	28.6	20,789	29.1
Not computed	69	6.6	3,565	5.0
Cost burdened households	355	33.9	26,096	36.5
Median Gross Rent (1999)	\$941		\$752	
Source: U.S. Bureau of the Census				

EMPLOYMENT AND LABOR FORCE CHARACTERISTICS

EMPLOYMENT TRENDS

Covered employment in the Township has fluctuated over the past ten years, registering a high of 8,378 jobs in 1999 and a low of 6,319 jobs in 1993. As shown in Table 12, the Township experienced an 11 percent increase in the private sector employment in 1997. The Township's private sector employment peaked in 1999 when it reached 8,378 jobs but declined until 2002. Between 1999 and 2002, Clark lost 1,904 private sector jobs. However, the private sector employment bounced back in 2003 with an increase of 4.7 percent.

The County has experienced similar employment trends as the Township. The County's employment growth stabilized during 1997 through 2002, however, started to decline in the following years. In 2003, the Township's employment increased by 4.71 percent, while the County experienced a decline in its employment by one percent.

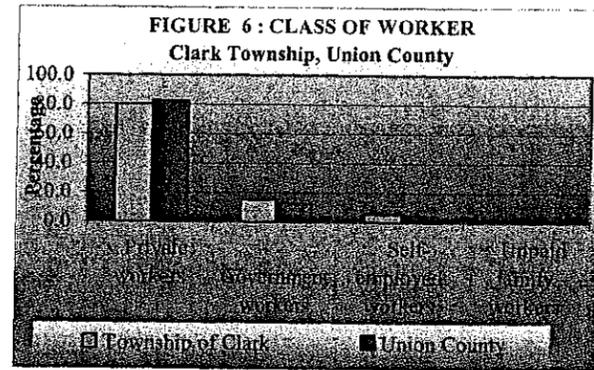
Table 12 COVERED PRIVATE SECTOR EMPLOYMENT Township of Clark and Union County			
Township of Clark			
Year	Number of jobs	Average Annual Change*	Average Annual Percent Change*
1993	6,319		
1994	6,792	473	7.49
1995	6,822	30	0.44
1996	7,228	406	5.95
1997	8,022	794	10.99
1998	7,670	-352	-4.39
1999	8,378	708	9.23
2000	7,756	-622	-7.42
2001	7,484	-272	-3.51
2002	6,474	-1,010	-13.50
2003	6,779	305	4.71
Union County			
Year	Number of jobs	Average Annual Change*	Average Annual Percent Change*
1993	198,925		
1994	203,968	5,043	2.54
1995	199,946	-4,022	-1.97
1996	199,925	-21	-0.01
1997	202,604	2,679	1.34
1998	203,820	1,216	0.60
1999	205,560	1,740	0.85
2000	209,558	3,998	1.94
2001	206,488	-3,070	-1.46
2002	202,267	-4,221	-2.04
2003	210,031	3,543	1.75
2004	200,328	-1,939	-0.96

Source: NJ Department of Labor and Workforce Development, Third Quarter Data

LABOR FORCE CHARACTERISTICS

Clark Township residents are employed in a variety of occupations. Nearly thirty-seven (37) percent of the Township's employees work in management, professional and related occupations, followed closely by almost 35 percent of the employee population working in sales and office positions. The remaining labor force is engaged in service occupations (10.8 percent), production/transportation/material moving occupations (9.1 percent), and construction/extraction/maintenance occupations (8.6 percent). Although at slightly different percentages, the employment characteristics in Clark roughly mimic that of Union County. The Township has a larger number of workers in the management, professional & related occupations than in the County.

Table 13 also identifies the class of workers found in Clark Township and Union County. As expected, the largest sector of workers for both the Township and the County are in the private sector, representing 80 percent and 82.5 percent, respectively. Government is the second highest employee class for both the Township and the County.



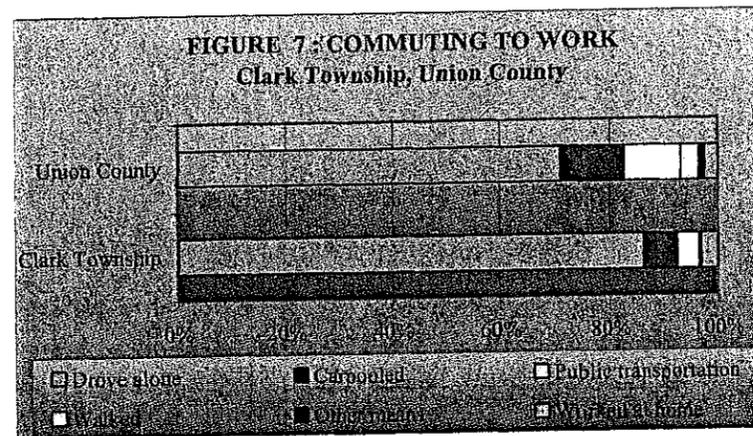
However, the Township at approximately 15 percent has a higher percentage of Government employees than the County at 12.8 percent. Clark Township has no unpaid family workers.

Table 13
OCCUPATION CHARACTERISTICS
Township of Clark and Union County

Occupation	Township of Clark		Union County	
	Number	Percent	Number	Percent
Management, professional, & related	2,572	37.0	86,482	35.4
Service	749	10.8	32,436	13.3
Sales and office occupations	2,402	34.5	69,268	28.4
Farming, fishing, & forestry	0.0	0.0	141	0.1
Construction, extraction, & maintenance	596	8.6	18,555	7.6
Production, transportation, & material moving	636	9.1	37,315	15.3
Class of Worker				
Private wage and salary workers	5,564	80.0	201,538	82.5
Government workers	1,021	14.7	31,341	12.8
Self-employed workers	370	5.3	10,906	4.5
Unpaid family workers	0	0.0	412	0.2
Commuting to Work				
Drove alone	5,860	86.1	169,325	71.0
Carpooled	436	6.4	27,686	11.6
Public transportation	265	3.9	25,294	10.6
Walked	30	0.4	7,729	3.2
Other means	5	0.1	2,880	1.2
Worked at home	210	3.1	5,692	2.4
Mean travel time to work (minutes)	24.3		28.7	

Source: U.S. Bureau of the Census

The Township of Clark's commutation patterns generally follow the same trend as Union County as a whole. Approximately 86 percent of the Township's labor force drives alone to work, 6.4 percent carpool and almost 4 percent use public transport. Nearly 3 percent of the Township's population work at home. In the County, 71 percent of the workforce drives to work, 11.6 percent carpool while approximately 10.6 percent use public transport. The County's labor force uses public transport at a much higher rate than the Township's labor force.



SECTION III: PROJECTIONS

One of the key ingredients for an effective Housing Element and Fair Share Plan under the requirements of the Third Round rules is projections. The Growth Share methodology is based on actual growth, so it is important that all Housing Elements and Fair Share Plans include a comprehensive analysis of development trends to determine a realistic growth projection. The COAH Handbook, issued by the New Jersey Council on Affordable Housing, outlines the requirements for preparing population projections. The data for these projections is provided in Appendices A, B and C of this report. Projections are based on three components: historic trends, approved development and potential development.

DEVELOPMENT TRENDS**Actual Development.**

Existing development reflects the number of residential and non-residential certificates of occupancy and demolition permits issued in 2004 and 2005. In 2004 and 2005, actual residential development in Clark included a total of ten (10) certificates of occupancy and twenty-four (24) demolition permits. Actual non-residential development for the same time period included addition of a total of 25,478 square feet of office use and 360 square feet of A-3, Assembly use.

Historic Development.

Historic development trends are calculated from the number of residential and nonresidential Certificates of Occupancy issued over the previous eight years, minus the number of units or square feet demolished. The net number provides a general indicator of the amount of development anticipated. A total of 48 residential certificates of occupancy were issued between 1996 and 2003, while 22 units were demolished. A net total of 26 new residential units were added over a period of eight years (1996-2003), averaging 3.25 units per year, as shown in Table R-2 of Appendix A.

At the same time, the Township added office space, educational space and retail development. As shown in Table NR-2 of Appendix B, the Township added approximately 293,025 square feet of non-residential space between 1996 and 2003, averaging approximately 36,628 square feet per year.

APPROVED DEVELOPMENT

Any development issued a certificate of occupancy after January 1, 2004 must be included within the Growth Share calculation. In Clark Township, there are two approved developments that would affect the Township's Growth Share obligation. This includes, Century Estates, which is located on Lake and Cellar Avenue and consists of twenty-six (26) apartments. The other project is Charlotte Estates, which was originally zoned for inclusionary development. However, a development of seven single-family homes has been approved on this site.

POTENTIAL DEVELOPMENT

The Plan must address potential development anticipated between 2004 and 2014 to provide an accurate growth projection. In Clark, potential development includes two anticipated developments including a five (5) lot single-family subdivision project and a 7,188 square feet A& P addition. Additional development is anticipated on two parcels, Schieferstein Farm and Miele Nursery. These two properties were previously zoned for inclusionary development.. Also, Clark proposes an age-restricted housing overlay on two other sites in order to capture opportunities for affordable housing to address the township's prior round obligation and growth share obligation. The potential development on the Schieferstein Farm and the Miele Nursery property and the age-restricted zoning overlay properties are included as potential developments.

INCLUSIONARY ZONING

Two parcels are zoned R-B, Multiple-Family Residential, which is an inclusionary development zone. The R-B zone permits townhouses and garden apartments development, at a density of eight (8) dwelling units per acre. This zone also requires setting aside twenty (20) percent of the total development for affordable housing. Table 14 lists the two sites zoned for inclusionary development.

Table 14				
INCLUSIONARY ZONING				
Township of Clark, Union County, New Jersey				
	Block/Lot	Total Units	Market Rate	Low Income (20% of the total)
Inclusionary Zone				
Schieferstein farm	B36, L13	26	21	5
Miele Nursery	B28.01, L13 & 14	40	32	8
TOTAL		66	53	13

In approving the Township's first-round plan in 1991, COAH found that these properties met COAH's criteria for suitable, approvable, available and developable sites as they lie in the

Planning Area 1 (PA-1) of the State Development and Redevelopment Plan and have access to sewer and water. However, due to the existing market conditions, these properties have remained undeveloped for almost fifteen years. The Township therefore, proposes to rezone these two properties to R-150 zone as this zone directly abuts the two properties on all sides. The R-150 zone permits single-family detached houses on lots with a minimum area of 15,000 square feet. The Schieferstein farm property is 3.25 acres and will support development of nine (9) single-family units. The Miele Nursery property is 5 acres and will generate 14 single-family homes.

AGE RESTRICTED HOUSING OVERLAY ZONE

As a result of the mediation, the Township proposes an overlay zone for two sites: the Schwarz farm site and the Clark development site. The Age Restricted Housing Overlay (AHO) district would require these sites to be developed with age restricted multi-family residential development with twenty (20) percent of the total development for low and moderate-income households. The total units built on these two properties will affect the Township's population, housing and employment projections and therefore, are included as potential developments. The development on these two properties, however, will not affect the Township's growth share obligation as they already include twenty (20) percent low and moderate-income age-restricted units.

Table 15					
AGE-RESTRICTED HOUSING OVERLAY ZONES					
Township of Clark, Union County					
	Block/Lot	Total Units	Market Rate	Mod- Income (20% of the total)	Low Income (20% of the total)
Schwarz Farm Site	B57, L1	35 ¹	28	3	4
Clark Development Site	B58, L4	300	240	30	30
Subtotal		335	268	33	34

¹ Maximum number which the zoning permits not considering the environmental constraints.

In addition, there are several additional properties where future development may occur. The 2003 Clark Township Master Plan Update (pg no. 19) identifies the U.S. Gypsum site and the former Felt Mill property as potential redevelopment areas. Over the years these parcels have become isolated from the main concentration of industry on the Township's western border. Also, demand for industrial space in Union County has declined because of market forces bringing into question the continued mobility of these properties for industrial use.

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Housing Element and Fair Share Plan
Township of Clark

The 2003 Clark Township Master Plan Update (pg. no. 23-25) proposes to develop a Downtown Village. Clark Township has recently amended its zoning ordinance to create a Downtown Village Zoning District. However, this would not create significant additional development within the Township.

The development potential of these areas is not included within the growth share projections because they are currently developed and the Township hasn't adopted or submitted any plans to indicate any pending changes. However, these areas will be closely monitored over the ten-year term of the housing plan.

HOUSING PROJECTION

From 2004 -- 2014, the Township's number of households is projected to increase by 409 units. This housing projection is based on a combination of actual development, historic development trends, approved development and potential development as follows:

Actual Development (2004, 2005 and 2006 through Sep' 06)	17.00 units
Historic Development Trends:	42.00 units
Approved Development:	33.00 units
Potential Development:	<u>+363.00units</u>
Subtotal:	455.00units
Potential Demolitions	<u>- 46.00 units</u>
Net Housing Units	409.00 units

ACTUAL DEVELOPMENT

In 2004 and 2005, a total of ten (10) certificates of occupancy were issued. Also, according to the Construction Official, seven (7) certificates of occupancy have been issued in 2006 (until September 2006). These units are therefore, included as actual growth in the housing projections. Appendix L includes a letter from the Township's Construction Official certifying that the C.O. and demolition data for 2004, 2005 and 2006 used in this plan to calculate projections, are correct.

HISTORIC DEVELOPMENT TRENDS

Historic development trends reflect the number of residential certificates of occupancy issued, minus the number of demolition permits issued in the same year. Table R-2 from Appendix A displays certificates of occupancy for new construction and demolition permits issued for the 1996-2003 period. The historic development trends indicate an annual average of 6 certificates of occupancy, which over a seven year period (2007 -- 2013) will result in **42 housing units**. Since 2006 data is available, the historic trend does not include 2006 data.

APPROVED DEVELOPMENT

In Clark Township, there are two approved developments that would affect the Township's Growth Share obligation. This includes, Century Estates, which is located on Lake and Cellar Avenue and consists of twenty-six (26) apartments. The other project is Charlotte Estates, which

was originally zoned for inclusionary development. However, a development of seven (7) single-family homes has been approved on this site.

POTENTIAL DEVELOPMENT

Table R-3 from Appendix A, includes all the potential residential development in Clark Township. As indicated, a total of 363 housing units are projected from the five (5) lot subdivision at 567 Madison Hill Road and the total units that would be built at Miele's Nursery and Schieferstein Farm property and the two properties with the age-restricted housing overlay. This translates into 45.375 new units per year.

DEMOLITIONS

A total of 46 demolitions are anticipated based on actual demolitions (24 in 2004 and 2005) and historic trends ($22 \div 8 = 2.75$ per year x 8 years). There were zero demolitions in 2006, until September and therefore 2.75 demolitions are considered as the average for the entire year.

COMPARISON OF MUNICIPAL AND MPO HOUSING PROJECTIONS

Table 6 from Appendix A, includes a comparison of the municipal and MPO housing projections. As per the North Jersey Transportation Authority, the household growth in Clark, between 2005 and 2015, is 210 units. However, the municipal projections include a higher growth of 409 units.

POPULATION PROJECTION

From 2000 to 2013, the Township's population is projected to increase by 1114 persons for a total population of 15,711, as indicated in Table 16. The population is based on the 2000 Census figure of 14,597 persons. Between 1999 and 2003, a net total of 26 certificates of occupancy were issued. Thus, applying the average household size of 2.56 persons per unit to the 26 new units provides a population increase of 66.56 persons. The same household size is applied to the housing projection for 2004 – 2014 of 409 units, generating an increase of 1,047.04 persons

TABLE 16 POPULATION GROWTH PROJECTIONS Township of Clark, Union County			
Year	Number of New Housing Units*	2000 Household Size	Population
2000 Census			14,597
1999 - 2003			
Other	26	2.56	66.56
2004 - 2013	409	2.56	1,047.04
Total 2014			15,710.6

* Table R-5 from Appendix A

EMPLOYMENT PROJECTION

Commercial development in the Township of Clark is expected to generate approximately 232 jobs between 2004 and 2014. This employment projection is based on a combination of existing development, historic development trends, approved and potential development, as follows:

Existing Development:	96.15 jobs
Historic Development Trends:	370.81 jobs
Potential Development	<u>+7.00 jobs</u>
Subtotal	473.96 jobs
Actual Demolitions (2006)	241.83 jobs
Net Employment Increase	232.00 jobs

EXISTING DEVELOPMENTS

In 2004 and 2005, three certificate of occupancy were issued for a total of 25,478 square feet of office space and 360 square feet of assembly use. As per the Construction Official's log report, in 2006, one certificate of occupancy was issued for 6,238 square feet of office space. Using COAH's employee ratio for office space (2 jobs per 1,000 square feet) and for A-3 assembly use (3 job per 1000 square feet), this generates an increase of 96.15 jobs. Detailed calculations for each use type for the years 2004 and 2005 are provided in tables NR-4 and NR-5 in Appendix B.

HISTORIC DEVELOPMENT TRENDS

Certificates of occupancy for non-residential development were analyzed for the years between 1996 and 2003 to establish an annual average development (in square feet) for each development category. This average square footage was used to project the total square footage for each land use category for the years 2006 to 2013. Table NR-2 in Appendix B provides the annual certificate of occupancy data for the Township.

The results are summarized below in Table 17. The historic trend analysis indicates that a total of 370.8 new jobs are projected for the Township between 2006 and 2013.

TABLE 17
EMPLOYMENT GENERATED THROUGH HISTORIC TRENDS
Township of Clark, Union County

Use Class	Certificates of Occupancy		Employee Ratio (Per Sq. Ft)	Projected Employment
	Ann. Avg. Sq. Feet.	Projected by 2013		
Use Class B – Office ¹	5402.13	37,815	333.33	113.45
Use Class M - Retail	19,693.25	157,546	1000	157.55
Use Class F - Manufacturing	0	0	500	0
Use Class A3 – Assembly	3419.13	27,353	333.33	82.06
Use Class A4 – Assembly	162.50	1,300	333.33	3.90
Use Class Storage	7714.63	61,717	5000	12.34
Use Class R-1 Use	236.50	1,892	1,250	1.51
Total		287,623		370.81

APPROVED AND POTENTIAL DEVELOPMENT

The employment projection from approved and potential development includes development that was approved after January 1, 2004 but for which certificates of occupancy have not been issued. Clark Township has only one anticipated development in pipeline. It involves redeveloping of an existing retail use, with an area of 52,812 square feet, into 60,000 square feet A&P. This anticipated net increase of 7,188 square feet would generate 7 new jobs, using COAH ratios. Special calculations for each use type are provided in tables NR-6 through NR-12 in Appendix B.

DEMOLITIONS

The Construction Reporter's data does not include square footage for non-residential development. However as per the Construction Officer, 120,914 square feet of manufacturing space received a demolition permit in 2006. The manufacturing building is located at Clark Developer's site and should be included in the employment projections. Using COAH ratios (2 jobs per 1,000 square feet) for manufacturing use, the demolition of the demolition of the manufacturing building would generate a loss of 241.83 jobs.

COMPARISON OF MUNICIPAL AND MPO EMPLOYMENT PROJECTIONS

Table 6 from Appendix A, includes a comparison of the municipal and MPO employment projections. As per the North Jersey Transportation Authority, employment growth in Clark, between 2005 and 2015, is 230 jobs, which is almost equal to the municipal projections of 232 jobs.

SECTION IV: FAIR SHARE OBLIGATION**PRE-CREDITED NEED**

The New Jersey Council on Affordable Housing (COAH) has adopted rules for the Third Round (2004 – 2014) affordable housing obligation. The pre-credited need consists of the following components:

1. **Rehabilitation:** Deficient housing units occupied by low and moderate-income households, which is referred to as rehabilitation share. **The Township has a pre-credited need of zero (0) units;**
2. **Prior Round:** Remaining Prior Round (1987 – 1999) Obligation assigned to a municipality by the Council or the court for the period 1987 through 1999. Clark Township received a **vacant land adjustment** from COAH in its first round substantive certification. Clark is entitled to retain this as a part of its second round plan and is presumed to have addressed its prior round obligation or Realistic Development Potential (RDP). Although Clark Township petitioned for certification of their second round plan, it was not certified because objections were filed by several interested parties. The plan was further reviewed through COAH's mediation process and a Mediation Report was issued on October 21, 2005. COAH requires the Township to address their prior round obligation, which consists of a realistic development potential and unmet need, when they petition for the third round obligation. **The Township's Realistic Development Potential is 23 new construction units and unmet need is 40 units.**
3. **Growth Share:** The share of the affordable housing need generated by a municipality's actual growth (2004 – 2014) based upon the number of new housing units constructed and the number of new jobs created as a result of non-residential development. **The Township has a growth share obligation of nineteen (19) units.**

REHABILITATION COMPONENT

Rehabilitation share is an estimate of the total number of deficient housing units occupied by low and moderate-income households within the community. It is estimated through the use of 2000 census data. Three housing quality factors are used to determine housing deficiency as described below;

1. Crowding – 1.01 or more persons per room, in housing built 1939 or earlier, with complete plumbing
2. Plumbing – units lacking complete plumbing
3. Kitchen – units lacking complete or in-unit kitchen facilities

The Township of Clark has a total of 12 deteriorated housing units all of which lack complete plumbing and four (4) units lack complete or in-unit kitchen facilities (not crowded nor lacking complete plumbing). The total of 12 deteriorated housing units is then multiplied by the regional income/deterioration percentage. Clark is located in the Region 2, which consists of Essex, Morris, Union, and Warren counties. The regional income/deterioration percentage of the region is 0.714. Therefore, the low-moderate deterioration share for the Clark is 8.56 (12 X 0.714).

REDUCTIONS: REHABILITATION SHARE CREDIT AND SPONTANEOUS REHABILITATION

The low and moderate-income share of housing deterioration (8.56) remains the same after subtracting the Reallocated Present Need from round two, which is 0 (allocated to those locations where rehabilitation need is increasing). Spontaneous Rehabilitation measures the private market's ability to rehabilitate deficient low and moderate-income units up to code standard. It will cause a reduction in the total municipal need. Spontaneous rehabilitation is positively correlated with income. In Clark, spontaneous rehabilitation will cause a net reduction of 9 units.

SUMMARY

The Township of Clark' rehabilitation share for the period of 2004-2014 is zero. Therefore, the Township is not required to rehabilitate any of its units to fulfill the rehabilitation component.

PRIOR ROUND OBLIGATION (1987 – 1999)

Clark Township received a **vacant land adjustment** from COAH in its first round substantive certification due to the lack of sufficient vacant and developable land. Pursuant to N.J.A.C. 5:93-4.2(f), a municipality that received a vacant land adjustment in addressing its first round obligation is entitled to retain it as a part of its second round plan and is presumed to address its Realistic Development Potential (RDP) and unmet need. The vacant land adjustment established Clark's Realistic Development Potential (RDP), at 23 units and an unmet need at 40 units.

REALISTIC DEVELOPMENT POTENTIAL (RDP) AND UNMET NEED

The Township's RDP of 23 units can be reduced to zero units through credits obtained from alternative living arrangement (group homes) and reductions received from the adopted inclusionary age restricted housing overlay zone on two parcels. The Township's unmet need of 40 units can also be addressed through reductions received from the age-restricted housing overlay zoned sites. Table 18 summarizes the Township's prior round obligation.

Table 18				
SUMMARY - PRIOR ROUND OBLIGATION				
Township of Clark, Union County.				
	Pre-Credited Obligation	Credits	Reductions	Obligation
Realistic Development Potential	23	-	-	-
Group Homes		6	-	
Rental Bonus		6	-	
Inclusionary Zone- Clark Developers Site			11	
Subtotal	23	12	11	0
Unmet Need	40			
Inclusionary Zone- Clark Developers Site			40	
Subtotal	40		40	0
Total	63	12	51	0

CREDITS:

COAH offers credits, reductions, and adjustments for affordable housing activity undertaken by the municipalities.

Alternative Living Arrangements

COAH allows municipalities to claim credit for "alternative living arrangements," including transitional facilities for the homeless, residential health care facilities as regulated by the New

Jersey Department of Senior Services or the New Jersey Department of Human Services. The unit of crediting for an alternative living arrangement is the bedroom that received certificates of occupancy after April 1, 1980. Table 18 lists the available alternative living arrangements in Clark Township. Clark has two group homes that are eligible for credits. These contain a total of 6 bedrooms and are funded by the Division of Developmental Disabilities. These homes are eligible for a total of 6 credits.

Table 19 ALTERNATIVE LIVING ARRANGEMENTS Township of Clark, Union County			
Facility Location	Provider	No. of Bedrooms	Date Opened
93 Union County Parkway	Arc of Union County	3	1995
507 Oak Ridge Road	Arc of Union County	3	Nov-01

There exists a third group home located at 279 Oak Ridge Road, which was started in July 1986. Credits for this group home will be used to address the Township's growth share obligation

Rental Bonus

The Township can also receive additional 6 rental bonus credits for the alternative living arrangement units.

REDUCTIONS:

The Township has been making diligent efforts through the implementation of more traditional zoning practices to provide its residents with a range of affordable housing options. The Township of Clark has adopted inclusionary overlay zone for age-restricted housing on two parcels and can receive reductions for the same. As indicated in Table 20 below, these two sites would generate 67 low and moderate ages-restricted units. Of the total 60 low and moderate age-restricted housing units that would be created at the Clark Developer's site, 51 units would be used to receive reductions for the prior round obligation.

Age Restricted Housing Overlay Zone:

Clark Township has adopted an inclusionary overlay zone for age-restricted housing. As a result of the mediation, the Township developed an inclusionary overlay zone for two sites: the Schwarz farm site and the Clark development site. The two sites would support a total of 335 senior housing units, of which 33 would be for moderate-income households and 34 would be for low-income households. The two sites are described in Table 19 below and are delineated on the maps provided in Appendix I. The draft zoning ordinance is attached in the Appendix D.

Table 20					
AGE-RESTRICTED HOUSING OVERLAY ZONES					
Township of Clark, Union County					
	Block/Lot	Total Units	Market Rate	Mod-Income	Low Income
Schwarz Farm Site	B57, L1	35	28	3	4
Clark Developers	B58, L4	300	240	30	30
Subtotal		335	268	33	34

Schwarz Farm Site.

The Township has rezoned the former Schwarz farm site (Block 57, Lot 1) to an Age-restricted Affordable Housing Overlay (AHO) District. The Schwarz farm is located on approximately 4.06 acres in Clark and Westfield, with approximately two acres of land in the Township of Clark. The property was previously used as farmland, but is presently a mainly grassed field. Structures on the site include a cape-cod style residence, barn, garage and four small utility buildings. The Age Restricted Housing Overlay (AHO) district requires this site to be developed with an age-restricted multi-family residential development with twenty (20) percent of the total development set aside for low and moderate-income households. The age-restricted multi-family development is an option available to the property owner in addition to the uses permitted pursuant to the requirements of the underlying IL, Limited Industrial District.

Clark Developers Site

As a result of the mediation, the Township has rezoned a 10.7 acre tract of land located on west side of Terminal Road (Block 58, Lot 4) to an Age-restricted Affordable Housing Overlay District. The overlay option will permit a maximum of 300 age-restricted residential units on the site, of which twenty (20) percent must be set aside for low and moderate income households. Sixty percent of the total units approved are to be age restricted to occupants 55 years and older and forty percent of the total units are to be senior units restricted to occupants 62 years and older. The senior citizens units will be located in one building with an additional 5,000 square feet dedicated to recreation/common space. All the affordable units in the project will be senior units (62 years or older).

SITE SUITABILITY

Pursuant to State Statute 5:94-4.5, the properties zoned to produce affordable housing are required to conform to certain eligibility criteria. The Schwarz Farm site and the Clark Developer site are particularly suitable for producing affordable housing. As per the

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requirements of the statute, both the properties lie in the Planning Area 1 and are consistent with the State Development and Redevelopment Plan. The zoning overlay will allow the Township to revitalize these underutilized properties and create more affordable units for its residents. The New Jersey Department of Environmental Protection's 2001 data has been used to indicate the existing Brownfield and Wetlands within the Township of Clark. As indicated on the Location Map and the Environmental Constraints Map provided in Appendix I, the zoning overlay properties have no environmental constraints. Both sites have access through approved existing roads (Old Raritan Road and Terminal Road) and have existing available infrastructure including water and sewer lines.

SUMMARY

The Realistic Development Potential is reduced to zero units (23-6-6-11) through credits and reductions. The Township's unmet need of 40 units can also be reduced to zero units through reductions received on the low and moderate income age-restricted housing units that would be created at the inclusionary age-restricted housing overlay zoned properties.

GROWTH SHARE (2004 – 2014)

The “Growth share” for the period January 1, 2004 through January 1, 2014 is calculated based on municipal growth projections pursuant to N.J.A.C. 5:94-2.2. Projections of population and employment growth are converted into projected growth share affordable housing obligations by applying a ratio of one affordable unit for every eight new market-rate residential units projected, plus one affordable unit for every 25 newly created jobs as measured by new or expanded non-residential construction within the municipality in accordance with Appendix E in the Third Round Substantive Rules, as projected in the municipality pursuant to N.J.A.C. 5:94-2.4. The growth share projections are converted into actual growth share obligation when market-rate units and newly constructed and expanded non-residential developments receive permanent certificates of occupancy, pursuant to N.J.A.C. 5:94-2.5.

Table T-1 in Appendix C summarizes the Township’s “growth share” obligation between 2004 and 2014 based on historic trends. The growth share is comprised of two components: residential and non-residential obligation. Using this trend analysis, Clark Township has a growth share obligation of **nineteen (19) units**, including 9.25 units through residential development and 9.28 units from non-residential development.

As indicated in the COAH Handbook, revised August 2006, affordable housing units that are included in the Township’s fair share plan to address the Township’s prior round obligation and growth share obligation that received or are to receive CO’s after January 1, 2004 are subtracted from the net residential growth. In addition to the affordable units, the Township may also subtract market-rate residential units in an inclusionary development. Clark Township proposes an inclusionary age-restricted housing overlay zone for two properties, which requires that the properties be developed with an age-restricted multi-family residential development with twenty (20) percent of the total development set aside for low and moderate-income households. The market rate units and the affordable housing age-restricted units created on the Clark Developers site and the Schwartz Farm site are therefore, exempt from the growth share calculations. As indicated in the Table 8 in Appendix A net residential development in Clark is 74 units, which generates an obligation of 9.25 units for the Township.

SECTION V: FAIR SHARE PLAN

The Fair Share Plan addresses the Township's Growth Share obligation of **nineteen (19)** units. The Fair Share Plan proposes to address this obligation through the construction of age-restricted units at the Clark Developers and Schwartz Farm site and construction of group homes. A development fee ordinance is proposed to fund construction of new group homes in Clark to address the Township's growth share obligation in excess of the maximum allowed age-restricted units.

Table 21 SUMMARY Township of Clark, Union County.				
		Pre-Credited	Obligation Credits	Obligation Excess
Growth Share Obligation	19	-	-	-
Pre-cycle credits		3		
Total	19	3	16	-
Fair Share Plan	16			
Inclusionary Zone- Clark Developers Site		9		
Inclusionary Zone- Schwartz Farm Site				7
Construction of two group homes		7		
Total	16	16	0	7

PRIOR CYCLE CREDITS (3 credits)

Clark Township has three, 3-bedroom group homes. However, credits for two of these group homes have been used to address the Township's prior round obligation. The third group home is located at 279 Oak Ridge Road and was started in July 1986. This group home contains three (3) bedrooms. COAH has determined this to be a 'prior -cycle' credit that can be applied against the Township's pre-credited need prior to the application of the vacant land adjustment. As mentioned earlier the unit for crediting for an alternative living arrangement is the bedroom that received certificates of occupancy after April 1, 1980. This home therefore, is eligible for 3 credits.

AGE RESTRICTED HOUSING OVERLAY ZONE (9 UNITS):

The age-restricted housing overlay zone will generate a total of 67 low and moderate income, age-restricted units. Clark proposes to use fifty-one (51) of these un-built units as reductions to

address the Township's prior round obligation. The remaining 16 units (67-11-40) would be used to address the Township's third round obligation.

Clark Developer's is anxious to start construction of its project they have already demolished the existing building on the site. In order to encourage immediate development of the age-restricted units at the Clark Developer's site, the Township proposes to amend the current zoning ordinance (No. 04-21) that created the "Age-restricted Housing Overlay, AHO zone." Pursuant to the existing ordinance the overlay ordinance would be effective only upon COAH approval. However, the proposed ordinance makes the overlay ordinance effective immediately so that the developer can proceed with the site plan approval process. The Township plans to adopt the amended ordinance in November 2006. A copy of the draft ordinance is attached in Appendix M.

MAXIMUM AGE-RESTRICTED UNITS

Pursuant to N.J.A.C. 5:94-4.19, a municipality can address up to 50 percent of its growth share obligation through age-restricted units. When applied to the Township's Growth Share Obligation of 19 units, this creates a maximum of 9 units ($19 \times .5 = 9.5$). Clark proposes to use nine (9) units from the Clark Developers site, to address the Township's growth share obligation. The remaining seven (7) (16-9) age-restricted units at Schwartz Farm site, when built, would be used to address the Township future affordable housing obligation.

ALTERNATIVE LIVING ARRANGEMENTS (7 UNITS)

The Township proposes to construct two, three or four-bedroom group homes to address the remaining growth share obligation of 7 (19-3-9) units. COAH allows municipalities to claim credit for "alternative living arrangements," including transitional facilities for the homeless, residential health care facilities as regulated by the New Jersey Department of Senior Services or the New Jersey Department of Human Services. Funds to construct the group homes will be collected through a development fee ordinance.

DEVELOPMENT FEE ORDINANCE

The Township proposes to adopt a development fee ordinance to collect funds to construct or convert two single-family homes into two group homes. The Township, when it petitioned for the second round obligation, adopted a development fee ordinance to address its growth share need. However, since the Township never received substantive certification for the second round, the ordinance never came into effect. The Township proposes to adopt a development fee ordinance that would apply to all residential and non-residential developments for the Third Round Obligation. The State statute establishes limits for the maximum development fee for

residential development and nonresidential development. For residential development, the maximum development fee is one percent of the equalized assessed value or the home warranty value of the home. The maximum development fee for nonresidential development is two percent of the value. Funds acquired through the development fee ordinance would be used to create two group homes. The draft Development Fee Ordinance is attached in the Appendix E.

INCLUSIONARY ZONING

Two parcels are currently zoned R-B, Multiple-Family Residential, which is an inclusionary development zone. The R-B zone permits townhouses and garden apartments development, at a density of eight (8) dwelling units per acre. This zone also requires setting aside twenty (20) percent of the total development for affordable housing. In approving the Township's first-round plan in 1991, COAH found that these properties met COAH's criteria for suitable, approvable, available and developable sites as they lie in the Planning Area 1 (PA-1) of the State Development and Redevelopment Plan and have access to sewer and water. These two properties, Schieferstein Farm and Miele nursery, under the current zoning, would generate a total of 53 market rate units and 13 low-income units. However, due to the existing market conditions, these properties have remained undeveloped for almost fifteen years. The Township therefore, proposes to rezone these two properties to R-150 zone as this zone directly abuts the two properties on all sides. This zone permits single-family detached houses on lots with a minimum area of 15,000 square feet.

MINIMUM RENTAL OBLIGATION

State statute N.J.A.C. 5:94-4.20 requires that at least twenty-five (25) percent of the municipality's growth share obligation be addressed with rental housing units. This requirement has been addressed, as the existing group home and all of the housing units created through the zoning overlay are rental units.

MINIMUM LOW-INCOME UNITS

The Fair Share Plan complies with State statute N.J.A.C. 5:94-4.18, which requires that at least 50 percent of the municipality's growth share obligation be affordable to low income households. The zoning overlay creates a total of 37 low-income affordable housing units, which exceeds the minimum requirement of 19 units ($19 * 0.5 = 19.5$).