

TOWNSHIP OF WAYNE
Passaic County, New Jersey

Amendment to the
2008 Housing Element and Fair Share Plan

Township of Wayne Master Plan

June 8, 2010

Prepared by:

John P. Szabo, Jr. AICP, PP (LI # 3440)

The original signed and sealed document is on file with the Planning Board Secretary and Township Clerk.

Adopted by the Township of Wayne Planning Board on June 28, 2010

Amendment to the 2008 Housing Element and Fair Share Plan Township of Wayne Master Plan

INTRODUCTION

This document amends the Township's duly adopted 2008 Housing Element and Fair Share Plan. Its purpose is to:

1. Demonstrate that the Township has provided sufficient affordable housing, which together with bonus credits, fully addresses its "prior round" affordable housing obligation of 1158 units; and
2. Identify the Township's "third round" fair share obligation comprised of 23 units of rehabilitation and a growth share obligation of 394 units, based on the NJ Council on Affordable Housing's review of the Township's need for rehabilitation and development capacity pursuant to N.J.A.C. 5:97-5.6.

STATUS OF THE TOWNSHIP'S THIRD ROUND AFFORDABLE HOUSING PLAN

On December 22, 2008 the Wayne Township Planning Board adopted the 2008 Housing Element and Fair Share Plan (the "2008 Housing Plan") as an element of the Wayne Township Master Plan. The 2008 Housing Plan addressed an adjusted¹ third round affordable housing obligation comprised of a rehabilitation share of 13 dwelling units and a growth share obligation of 320 new construction dwelling units, which was based on the Township's analysis of its development capacity. On December 29, 2008 the Wayne Township Municipal Council adopted a resolution endorsing the 2008 Housing Plan and petitioning COAH for third round substantive certification. The Township filed its petition for substantive certification and 2008 Housing Plan with COAH on December 30, 2008; thus the Township remained under COAH's jurisdiction.

On March 25, 2009 COAH acknowledged receipt of the Township's December 30, 2008 petition and requested additional documentation and information. The Township filed the information, as requested, on May 8, 2009 and on May 11, 2009 COAH deemed the Township's petition for substantive certification to be complete. Notice of the petition was published in accordance with COAH rules, which commenced a 45-day public comment period.

Three objections and one comment were filed with COAH in reference to the 2008 Housing Plan. The objections largely involved questions as to whether the Township's prior round obligation had been satisfactorily addressed and whether the Township's proposal to satisfy the third round growth share obligation with a Township-supported, 100% affordable rental development to be located on Township-owned property, known as the Wayne Transit Zone site, was permissible.

Mediation was conducted by COAH in late 2009 and early 2010 in an attempt to resolve the objections to Wayne's plan. As part of the mediation process, COAH staff worked with Township staff to analyze: (1) the need for rehabilitation of existing substandard housing; (2) the allocation of credits for past housing activity; and (3) the Township's growth share obligation. Those issues have been resolved and the Township will continue its support for the development of a 100%

¹ Pursuant to N.J.A.C. 5:97-5.6 the Township sought an adjustment of the COAH-determined growth share obligation due to the lack of vacant developable land.

affordable rental project of sufficient size on the Wayne Transit Zone site to address the third round growth share obligation.

ALLOCATION OF CREDITS TO SATISFY THE PRIOR ROUND OBLIGATION

The prior round *Mt. Laurel* fair share obligation represents the cumulative 1987-1999 new construction component of the affordable housing obligation. According to Appendix C of N.J.A.C. 5:97 the Township had a prior round new construction obligation of 1158 new units, prior to any reductions associated with a vacant land adjustment. However, the Superior Court initially approved and COAH subsequently determined that a downward adjustment of the prior round fair share obligation was appropriate based on the lack of developable land available within the Township (vacant land adjustment). The vacant land adjustment resulted in a revised new construction obligation of 893 units. The balance of the original 1158-unit obligation, or 265 units, was deemed to be “unmet need.”

The Township has implemented its prior round certified affordable housing plan and supported additional affordable housing, which was not previously included in the plan. In addition, COAH rules permit bonus credits and credits for additional housing established to support individuals with special needs, such as group homes. Notwithstanding the aforesaid vacant land adjustment, in total, the Township is entitled to sufficient credits to satisfy the entire 1158-unit obligation as displayed in the following table.

ALLOCATION OF HOUSING CREDITS TO THE PRIOR ROUND AFFORDABLE HOUSING OBLIGATION

Affordable Housing	Prior Round Obligation: 1158 units	
	Affordable Units (R = rentals)	Rental Bonus Calculation
Regional Contribution Agreement w/ Paterson	476	
Sienna Village Senior Citizens	125 R	60 units x .33 = 20
Lincoln Crossing	42 R	42 units x 1.0 = 42
Brittany Chase	50 R	50 units x 1.0 = 50
Crescent Court	20	
Parkside Court	12	
Nellis Commons	94 R	94 units x 1.0 = 94
Summer Hill Senior Citizens*	45 R	
Group Home bedrooms credited in certified plan**	23 R	23 units x 1.0 = 23
Group Home bedrooms not previously credited**	21 R	21 units x 1.0 = 21
Rental Bonus		290 units = 250 bonus
SUBTOTAL	908 units	250 rental bonus
TOTAL UNITS AND BONUS CREDITS	908 + 250 = 1158	

* Summer Hill Senior Citizens consists of 164 units. Only 45 units may be applied to the prior round obligation without exceeding age-restricted housing limits. The remaining 119 units are available to address the growth share and/or future housing obligation, subject to limits on age-restricted housing.

** Each bedroom occupied by an individual with special needs in a group home is counted as one unit.

Credits displayed in the table above take into consideration the following requirements and limitations associated with the prior round obligation:

1. The rental requirement is: $1158 \times 25\% = 289.5$ or 290 units (rounded up).
2. The maximum number of units that may be age-restricted (i.e. senior housing) is: 1158 less 476 RCA units = $682 \times 25\% = 170.5$ or 170 units (rounded down).
3. The maximum number of units that may receive a rental bonus is 290 units.
4. The rental bonus is 1:1 for non-age-restricted units and 0.33:1 for age-restricted units.
5. The maximum number of senior citizens units for which a rental bonus may be calculated is: $290 \times 50\% = 145$ units.

Credit for group homes in the certified prior round plan was based on 23 bedrooms in four homes. An additional 16 homes with a total of 41 bedrooms serving individuals with special needs have been identified by the Township. Credit for 21 bedrooms should be applied to the prior round obligation. The balance (20 bedrooms) should be applied to satisfy a portion of the third round growth share obligation. The group homes are operated by three special needs housing providers: Community Options, the Diocese of Paterson and SERV Behavioral Services of Passaic County. The Township will provide documentation required by COAH to obtain credit for this housing.

THIRD ROUND FAIR SHARE OBLIGATION

The third round obligation is made up of two components: the need for rehabilitation and the projected growth share obligation. COAH staff reviewed the Township's Plan to address the rehabilitation component and the Township's assessment of its growth capacity, and in particular, the township's vacant land analysis, which formed the basis for the Township's growth share obligation. COAH requested further documentation to review and determine the Township's adjusted third round obligation.

Rehabilitation Share: 23 units

COAH staff requested the Township to prepare an analysis of the need for rehabilitation based on a survey of the existing housing stock. Wayne staff completed a windshield survey in November 2009 and identified 36 housing units, which qualified as being in need of rehabilitation utilizing COAH's methodology and forms. Applying the 0.639 low/moderate income share percentage (which, according to COAH, is the likely percentage of substandard units occupied by low or moderate income households) to the total number of substandard units yields a total rehabilitation need of 23 units. The Township will address this need in accordance with its Housing Improvement Program.

New Construction - Adjusted Projected Growth Share: 394 units

COAH staff also requested the Township to prepare a revised vacant land analysis utilizing COAH Workbook C. The analysis was submitted in November 2009 and subsequently reviewed by COAH staff during mediation. In January 2010 COAH staff concluded that the final adjusted growth share obligation should be 394 units based on its adjustments to Workbook C and based upon COAH staff's opinion that the Township's proposed 100% affordable housing development must be included as a component of future growth (i.e., assessing an affordable housing obligation to the township's proposed affordable housing project). The following COAH requirements and limitations must be taken into consideration in addressing the 394-unit obligation:

1. The rental requirement is: $394 \times 25\% = 98.5$ or 99 (rounded up).
2. The limit on age-restricted housing (i.e. senior housing) is: $394 \times 25\% = 98.5$ or 98 (rounded down).
3. The maximum rental bonus is: $394 \times 25\% = 98.5$.

4. The rental bonus is 1:1 for each family unit *exceeding* the minimum rental requirement, provided at least 50% of rental reqt. is satisfied with family rentals. Special needs housing is eligible for a rental bonus of 0.25 for each bedroom.

The projected growth share obligation can be offset by credit for “surplus” (i.e. units not previously credited) affordable housing that meets COAH requirements: 98 of the remaining Summer Hill Senior Citizens units and 20 bedrooms in group homes not already credited to the prior round. The Township-supported rental development to be constructed on the Wayne Transit Zone site will consist of 185 units. The units will not be subject to age-restrictions. With its commitment to the project, and its successful track record in affordable rental housing construction (i.e. the prior round Nellis Commons project), Wayne is eligible for rental bonus credits. The breakdown of units/credits addressing the growth share obligation is as follows:

**UNITS/CREDITS ADDRESSING
THE GROWTH SHARE OBLIGATION**

Affordable Housing	Projected Growth Share Obligation: 394 (R = rentals)
Group Home bedrooms not previously credited	20 R
Summer Hill Senior Citizens*	98 R
Township-sponsored housing (Wayne Transit Site)	185 R
3 rd round rental bonus (units exceeding min. rental reqt.)	
▪ Township-supported housing: 86 units x 1.0	86
▪ Bedrooms in group homes: 20 units x 0.25	5
TOTAL UNITS AND CREDITS	394

* Summer Hill Senior Citizens consists of 164 units: 45 units were credited to the prior round; 98 units are credited to growth share; the balance of 21 units may be carried forward to a future housing obligation.

CONCLUSION

With the adoption of this amendment to the 2008 Housing Element and Fair Share Plan, the Township has demonstrated that it has provided a realistic opportunity for its fair share of affordable housing and satisfactorily addressed its constitutional *Mt. Laurel* obligation as follows:

1. The prior round obligation of 1158 affordable units has been fully satisfied with credits for affordable housing completed and bonus credits in accordance with applicable COAH rules.
2. The 23-unit third round rehabilitation obligation will be addressed by the Wayne Township Housing Improvement Program.
3. The 394-unit third round growth share obligation will be addressed with the following:
 - 20 credits for existing group homes.
 - 98 units of existing senior citizens housing in the Summer Hill development.
 - 185 units of new construction – a 100% affordable rental development to be located on the Wayne Transit Zone site.
 - 91 rental bonus credits.