

**Hillsborough Township  
Affordable Housing  
Proposed Plan  
November, 2008**

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**EXECUTIVE SUMMARY**

The Hillsborough Township's Affordable Housing Consultant, at the direction of the Hillsborough Planning Board, has prepared this Housing Plan Element and Fair Share Plan in accordance with the December 31, 2008 deadline for submission set forth by the Council on Affordable Housing ("COAH") in order to comply with the revised third round rules known as N.J.A.C. 5:96 and N.J.A.C. 5:97. This Plan satisfies all applicable requirements set forth within COAH's regulations and the Affordable Housing Reform Statute, P.L. 2008, c.46, which became effective on July 17, 2008.

The Housing Plan Element (Section II) portion of this Plan satisfies all of the applicable requirements set forth within the Fair Housing Act at N.J.S.A. 52:27D-310 and COAH's regulations. In addition to the required inventory of the municipal housing stock, demographic characteristics and employment characteristics, the Housing Plan Element contains a growth share calculation. This growth share calculation is based upon COAH's projections. The COAH mandated growth share obligation calculated based upon COAH's projections for the Township of Hillsborough is 650 affordable housing units/credits.

The Fair Share Plan (Section III) portion of this Plan describes the mechanisms and the funding sources, by which the Township proposes to address its COAH mandated affordable housing obligations and presents the draft ordinances necessary to implement the plan.

The Fair Share Plan is broken up into three sections. First, the plan identifies the Township's fair share obligation for all the three housing cycles and the basis for the determination. Second, the Plan explains the limitations on how the Township may satisfy its remaining Cycle I / Cycle II responsibilities and how, within the confines of those limitations, the Township is satisfying that portion of its fair share attributable to the first two housing cycles. Third, the Plan sets forth the limitations on how the Township may satisfy its remaining Cycle III

responsibilities and how, within the confines of those limitations, the Township is satisfying that portion of its fair share attributable to the third housing cycle.

The rehabilitation share, the prior round obligation, and growth share obligation are the three components of a municipal fair share obligation. Table 1, below, summarizes the COAH mandated affordable housing obligations for the Township for each component identified above.

<b>Table 1</b>	
<b>Total 1987-2018 Fair Share Obligation</b>	
Prior Round Obligation (1987-1999)	461
Rehabilitation Share	19
Growth Share Projection utilizing COAH Projections (Appendix F)	650
<b>Total 1987-2018 Fair Share Obligation</b>	<b>1,130</b>

The 19-unit rehabilitation obligation is proposed to be satisfied by rehabilitating 19 units through the Hillsborough Township Housing Rehabilitation Program. Hillsborough Township proposes to satisfy the entire 461-unit COAH mandated prior round obligation through 461 affordable housing credits from the Township’s 2002 Fair Share Plan. Additionally, the Township proposed to satisfy its entire 650-unit COAH mandated growth share obligation through credits for the previously approved and/or constructed 150 affordable rental units and 18 owner-occupied affordable units from its 2002 Fair Share Plan, 290 newly proposed affordable rental units, 162 rental bonus credits, and 6 existing owner-occupied affordable units that will be converted through the market to affordable housing program.

It is important to note that only 296 new affordable housing units are proposed within this Fair Share Plan. These 296 units are comprised of the 290 newly proposed affordable rental units and 6 existing owner-occupied affordable units that will be converted, as identified above. In addition, a total of 437 market rate units are proposed to be constructed in association with the 296 affordable units, which yields a total of 733 residential units proposed. Therefore, this Fair Share Plan is only anticipated to generate an additional 733 residential units within the Township.

In contrast, if the 650-unit COAH mandated growth share obligation were not addressed in the manner described above, a total of 3,250 total residential units could potentially be constructed. These 3,250 residential units would consist of 650 affordable units and up to 2,600 associated market rate units, which would be implemented as a result of developers utilizing the densities and market rate bonus provisions set forth within COAH’s regulations. Therefore, as only 733 total residential units are anticipated to be realized within the Township as a result of the implementation of this Fair Share Plan, this Plan provides an efficient, cost effective and low-impact means of satisfying the Township’s COAH mandated affordable housing obligations. Detailed information about all of the

projects and programs included within the Township’s Fair Share Plan is included within Section III of this Plan.

<b>Table 1: Summary of Proposed New Projects Within the Plan</b>				
<b>Projects</b>	<b>Total Units</b>	<b>Market Rate</b>	<b>Affordable</b>	<b>Credits</b>
Amwell Road East Site (Block 199, Lots 51 & 52)	108	0	108	108
Route 206 Site (Block 141, Lot 30)	490	352	138	138
Amwell Road West Site (Block 163, Lots 8, 9, 10, 11 & 12)*	129	85	44	68
Market to Affordable Program	6	0	6	6
<b>Totals</b>	<b>733</b>	<b>437</b>	<b>296</b>	<b>320</b>
<b>Cycle III Plan Calculations</b>				
Credits from Proposed New Affordable Housing Projects				320
Rental Bonus Credits (With 2-for-1 Rental Bonus Credit)				162
Credits from Existing and Approved Projects in Cycle III Plan				168
<b>Total Credits Provided</b>				<b>650</b>
<b>COAH Mandated Municipal Growth Share Obligation</b>				<b>650</b>
* The Amwell Road West Site contains 20 affordable rental units and 24 affordable special needs rental units, which comprise a total of 44 affordable units. However, as the 24 special needs rental units are comprised of a total of 48 bedrooms, the proposed project will yield a total of 68 affordable housing credits (20 rental units + 48 special needs bedrooms = 68 affordable housing credits).				