

**BOROUGH OF NETCONG
THIRD ROUND HOUSING ELEMENT
AND FAIR SHARE PLAN**

Revised Through December 22, 2008

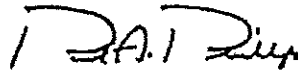
**Borough of Netcong Planning Board
Morris County, New Jersey**

In consultation with

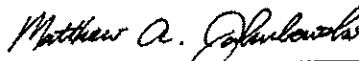
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Appendix: COAH Workbook A

1. INTRODUCTION

The Borough of Netcong Third Round Housing Element and Fair Share Plan amends the Borough of Netcong Master Plan. As the Borough has not previously prepared a First or Second Round Plan, this document is being submitted to the New Jersey Council on Affordable Housing (COAH) as part of its first petition for substantive certification. It has been prepared in accordance with the Municipal Land Use Law ("MLUL") per *NJSA 40:55D-28b.(3)* as well as the Third Round Substantive Rules (*NJAC 5:97*) and Procedural Rules (*NJAC 5:96*) of the New Jersey Council on Affordable Housing (COAH). COAH adopted its initial Third Round methodology and regulations on November 22, 2004, which became effective on December 20, 2004. However, in January 2007 the New Jersey Appellate Court invalidated portions of COAH's Third Round rules. As a result of the settlement, COAH adopted large-scale revisions to its rules effective June 2, 2008, with amendments effective October 20, 2008. In early 2009, COAH anticipates additional amendments to the Third Round rules to incorporate the details of P.L.2008, c.46, which among other things, eliminates the practice of Regional Contribution Agreements (RCA) and instates a Statewide 2.5% non-residential development fee.

COAH's Third Round "Growth Share" Approach

Through the period from 1987 to 1999, or COAH's First and Second Rounds, a municipality's COAH obligation was determined by a complex formula that assigned specific new build and rehabilitation component requirements. For its Third Round, COAH adopted a new approach, the basis of which links a municipal affordable obligation directly to new residential and non-residential construction. Although municipalities still must address a rehabilitation component and any remaining obligation from the First and Second Rounds, the new build component is now determined through "growth share," which COAH indicates "is generated by Statewide residential and non-residential growth during the period January 1, 2004 to December 31, 2018 based on individuals projected to need affordable housing from 1999 through 2018."

Amendments to the COAH rules stemming from the 2007 court settlement did not eliminate the growth share approach. However, the formula for determining growth share at the municipal level, formerly one affordable housing unit per every eight market rate housing units, and one affordable housing unit per every 25 new jobs, was amended. In the "revised" Third Round rules, COAH has increased the ratio of market rate development to affordable units, such that one affordable unit is generated per every four market rate units, and one affordable unit is generated per every 16 jobs produced from non-residential development. Newly-created jobs are measured by new or expanded non-residential construction within the municipality, with multipliers for different land uses based on specific "use groups" identified in the Uniform Construction Code (UCC). Newly-created jobs are divided by 16 to calculate projected affordable housing growth share.

COAH's complete Third Round methodology includes a *rehabilitation share* (or the estimated number of substandard municipal housing units), the remaining obligation from COAH's two *prior rounds* and future *growth share*. The Borough is responsible to certify any prior round units (if any) in the Third Round plan, identify existing and potential rehabilitated units, and address its Third Round obligation based on a projection of residential and non-residential growth occurring between January 1, 2004 and December 31, 2018.

COAH recalculated both the Borough's rehabilitation share and its baseline Third Round COAH obligation. In terms of rehabilitation share, the Borough proposes to utilize the Morris County Housing Rehabilitation Program as a means to administer the ongoing rehabilitation of Borough units. As discussed in the remainder of this report, COAH has determined that the Borough is responsible for a zero (0) unit prior round obligation and a 26-unit Third Round obligation. The Borough proposes to accept COAH's baseline 2018 projection of 26 affordable units.

COAH requires annual monitoring reports of municipal affordable housing trust funds and affordable units. In addition, COAH requires a "biennial plan evaluation" upon substantive certification to assure that actual growth reported through certificates of occupancy is on pace with the municipal construction of affordable units identified within a Fair Share Plan. In other words, a municipality must assure COAH that the affordable units identified in its plan are consistent with the actual growth occurring by way of new development.

2. HOUSING ELEMENT/FAIR SHARE PLAN REQUIREMENTS

The Fair Housing Act requires that a "municipality's Housing Element be designed to achieve the goal of access to affordable housing to meet present and prospective housing needs, with particular attention to low- and moderate-income housing". Further, the MLUL requires a Housing Element as part of a municipal Master Plan and as a prerequisite for municipal protection from "builder's remedy" lawsuits through the COAH process. The following items must be provided in order to fulfill the tenets of the Fair Housing Act and the purposes of the MLUL:

- An inventory of the municipality's housing stock by age, condition, purchase or rental value, occupancy characteristics, and type, including the number of units affordable to low- and moderate-income households and substandard housing capable of being rehabilitated.
- A projection of the municipality's housing stock, including the probable future construction of low- and moderate-income housing, for the next ten (10) years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development, and probable residential development trends.
- An analysis of the municipality's demographic characteristics, including, but not necessarily limited to, household size, income level, and age.
- An analysis of the existing and probable future employment characteristics of the municipality.
- A determination of the municipality's present and prospective fair share of low- and moderate-income housing and its capacity to accommodate its present and prospective housing needs, including its fair share of low- and moderate-income housing.
- A consideration of the lands most appropriate for construction of low- and moderate-income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low- and moderate-income housing, including a consideration of lands of developers who have expressed a commitment to provide low- and moderate-income housing.

In addition, per COAH's Third Round Substantive Rules (*NJAC 5:97*), a Housing Element and Fair Share Plan is required to address the entire Third Round (1987-2018) affordable housing obligation, which is composed of rehabilitation share, the municipal prior round obligation and projected Third Round Growth Share. The following items are to be submitted to the Council with the Housing Element and Fair Share Plan per the established COAH rules and appendices:

Per 5:97-2.3 (Content of a Housing Element)

- The minimum requirements prescribed by *NJSA 52:27D-310*; (the Fair Housing Act)
- The household projection for the municipality as provided in chapter Appendix F;
- The employment projection for the municipality as provided in Appendix F;

- The municipality's prior round obligation (from chapter Appendix C);
- The municipality's rehabilitation share (from chapter Appendix B); and
- The projected growth share in accordance with the procedures in *NJAC 5:97-2.4*.
- A copy of the most recently adopted municipal master plan and zoning ordinance; and
- A copy of the most up-to date tax maps of the municipality

Per 5:97-2.3 (Content of a Fair Share Plan)

- Descriptions of any credits intended to address any portion of the fair share obligation, which shall include all information and documentation required by *NJAC 5:97-4* for each type of credit;
- Descriptions of any adjustments to any portion of the fair share obligation, which shall include all information and documentation required by *NJAC 5:97-5* for each adjustment sought;
- Descriptions of any mechanisms intended to address the prior round obligation, the rehabilitation share, and the growth share obligation;
- An implementation schedule that sets forth a detailed timetable that demonstrates a "realistic opportunity" as defined under *NJAC 5:97-1.4* and a timetable for the submittal of all information and documentation
- Information and documentation regarding a municipal vacant land adjustment and/or a municipal adjustment of household and employment growth projections
- Draft and/or adopted ordinances necessary for the implementation of the mechanisms designed to satisfy the fair share obligation;
- A demonstration that existing zoning or planned changes in zoning provide adequate capacity to accommodate any proposed inclusionary developments pursuant to *NJAC 5:97-6.4*;
- A demonstration of existing or planned water and sewer capacity sufficient to accommodate all proposed mechanisms; and
- A spending plan pursuant to *NJAC 5:97-8.10*, if the municipality maintains or intends to establish an affordable housing trust fund; and
- Any other documentation pertaining to the review of the municipal Fair Share Plan as required by the substantive or procedural rules, or requested by COAH.

3. HOUSING STOCK AND DEMOGRAPHIC ANALYSIS

The following data provides analysis of housing, population, income, and employment information for the Borough of Netcong acquired from the 2000 United States Census. It should be noted that the Census Bureau erroneously attributed several census blocks in Netcong to the Township of Roxbury. While the Census Bureau recalculated total population and household information for the Borough, certain aspects of Netcong's demographic analysis were not corrected. While the Census analysis should be taken with the above information in mind, it is assumed that the "missing blocks" do not entirely skew the data. The tables are labeled with the appropriate information regarding the block information.

A. *Housing Stock Inventory*

According to the 2000 United States Census, there were 1,422 housing units in the Borough of Netcong, of which 54 or 4% were vacant. Of the 667 occupied units, 47% were owner occupied and 49% were renter occupied. See Table 1, Housing Tenure by Number of Units in Structure, 2000 for a detailed explanation of the housing units in 2000.

Table 1. Housing Tenure by Number of Units in Structure, 2000 (with missing blocks)

| <i>Type</i> | <i>Owner Occupied</i> | <i>Rental</i> | <i>Vacant</i> | <i>Total</i> |
|---------------------|-----------------------|---------------|---------------|--------------|
| 1, detached | 559 | 71 | 26 | 656 |
| 1, attached | 45 | 30 | 0 | 75 |
| 2 | 46 | 130 | 6 | 182 |
| 3 or 4 | 0 | 64 | 0 | 64 |
| 5 to 9 | 0 | 21 | 0 | 21 |
| 10 to 19 | 17 | 380 | 22 | 419 |
| 20 to 49 | 0 | 0 | 0 | 0 |
| 50 or more | 0 | 5 | 0 | 5 |
| Mobile home | 0 | 0 | 0 | 0 |
| Boat, RV, van, etc. | 0 | 0 | 0 | 0 |
| Total | 667 | 701 | 54 | 1,422 |

| | | <i>Percent</i> |
|--------------|--------------|----------------|
| Occupied | 667 | 47% |
| Renter | 701 | 49% |
| Vacant | 54 | 4% |
| Total | 1,422 | |

Source: 2000 United States Census

Table 2, Housing Units by Age of Structure, 2000, indicates the age of the Borough's housing stock. Not surprisingly, 61% of the housing units constructed in Netcong were completed prior to 1969. Overall, only 7% of the existing dwellings in the Borough were constructed between 1980 and 2000.

Table 2. Housing Units by Age of Structure, 2000 (with missing blocks)

| Year Built | Total Units | Percent of Total Units | Owner-Occupied | Percent of Total Units | Renter-Occupied | Percent of Total Units | Vacant |
|-----------------|--------------|------------------------|----------------|------------------------|-----------------|------------------------|-----------|
| 1990 to 2000 | 48 | 3% | 15 | 1% | 33 | 2.3% | N/A |
| 1980 to 1989 | 62 | 4% | 41 | 3% | 21 | 1.5% | N/A |
| 1970 to 1979 | 441 | 31% | 49 | 3% | 370 | 26.0% | N/A |
| 1960 to 1969 | 162 | 11% | 71 | 5% | 88 | 6.2% | N/A |
| 1950 to 1959 | 131 | 9% | 118 | 8% | 13 | 0.9% | N/A |
| 1940 to 1949 | 164 | 12% | 105 | 7% | 59 | 4.1% | N/A |
| 1939 or earlier | 414 | 29% | 268 | 19% | 117 | 8.2% | N/A |
| Totals | 1,422 | | 667 | | 701 | | 54 |

Note: Percentage totals may add up to greater than 100% due to rounding
 Source: 2000 United States Census

As seen in Table 3, Housing by Units in Structure, 2000, the Borough of Netcong contains a variety of housing unit types. Approximately 51% of the existing housing stock consists of single-family units, of which 46% are single-family detached units and 5% are single-family attached units. Two-family units comprise 13% of the overall dwelling units within the Borough and structures of three or more units make up approximately 36% of the total housing stock.

Table 3. Housing by Units in Structure, 2000 (with missing blocks)

| Type | Units in Structure | Percentage of Total |
|---------------------|--------------------|---------------------|
| 1, detached | 656 | 46% |
| 1, attached | 75 | 5% |
| 2 | 182 | 13% |
| 3 or 4 | 64 | 5% |
| 5 to 9 | 21 | 1% |
| 10 to 19 | 419 | 29% |
| 20 to 49 | 0 | 0% |
| 50 or more | 5 | 0.4% |
| Mobile home | 0 | 0% |
| Boat, RV, van, etc. | 0 | 0% |
| Total | 1,422 | |

Percent in structures
 3 units or more 36%

Note: Percentage totals may add up to greater than 100% due to rounding
 Source: 2000 United States Census

Table 4, Housing Units by Number of Rooms, 2000, shows that the majority (57%) of the Borough's housing stock contains six or more rooms and that 73% of housing within Netcong has at least five rooms. The data from this table appears to indicate the relative age of Netcong's housing stock as the majority of dwellings in the Borough were completed before current construction trends involving extremely large houses.

Table 4. Housing Units by Number of Rooms, 2000 (not available with missing blocks)

| Rooms | Number of Units | Percent |
|-----------------|------------------------|----------------|
| 1 room | 11 | 1% |
| 2 rooms | 10 | 1% |
| 3 rooms | 129 | 12% |
| 4 rooms | 118 | 11% |
| 5 rooms | 172 | 16% |
| 6 rooms | 303 | 29% |
| 7 rooms | 124 | 12% |
| 8 rooms | 99 | 9% |
| 9 or more rooms | 77 | 7% |
| Total | 1,043 | |

Note: Percentage totals may add up to greater than 100% due to rounding

Source: 2000 United States Census

Table 5 Housing Value, Owner Occupied Units, 1990 and Table 6, Housing Value, Owner Occupied Units, 2000 provide a detailed description of housing values within the Borough of Netcong. In 1990, 93% of the occupied housing stock was valued below \$200,000 and 7% was valued between \$200,000 and \$300,000. The 1990 median home value of housing units in the Borough was \$148,300, which measured below Morris County (median home value \$216,000) and the State of New Jersey (median home value \$161,200).

Housing data from the 2000 Census provides even greater detail concerning Borough home values, but indicates little change in Borough-wide housing values. The percentage of owner occupied housing units valued under \$200,000 remained at 93% between 1990 and 2000. The number of dwellings priced between \$200,000 and \$300,000 decreased slightly to 5%, due to a slight shift in dwellings priced greater than \$300,000 (2%). The median home value within the Borough decreased slightly from \$148,300 in 1990 to \$147,400 in 2000. In 2000, the median home value of owner occupied units in Netcong remained below Morris County (median home value \$257,400) and the State of New Jersey (median home value \$170,800).

Table 5. Housing Value, Owner-Occupied Units, 1990 (not available with missing blocks)

| <i>Home Value</i> | <i>Number</i> | <i>Percent</i> |
|------------------------|---------------|----------------|
| Less than \$200,000 | 534 | 93% |
| \$200,000 to \$300,000 | 38 | 7% |
| \$300,000 to \$400,000 | 0 | 0% |
| \$400,000 to \$500,000 | 0 | 0% |
| \$500,000 or more | 0 | 0% |
| Total | 572 | |

1990 Median Home Value Owner Occupied Housing Units
\$148,300

Morris County **1990**
Median Home Value \$216,400

New Jersey **1990**
Median Home Value \$161,200

Note: Percentage totals may add up to greater than 100% due to rounding

Source: 1990 US Census

Table 6. Housing Value, Owner-Occupied Units, 2000 (not available with missing blocks)

| <i>Home Value</i> | <i>Number</i> | <i>Percent</i> |
|--------------------------|---------------|----------------|
| Less than \$200,000 | 537 | 93% |
| \$200,000 to \$300,000 | 31 | 5% |
| \$300,000 to \$400,000 | 3 | 1% |
| \$400,000 to \$500,000 | 5 | 1% |
| \$500,000 to \$750,000 | 0 | 0% |
| \$750,000 to \$1,000,000 | 0 | 0% |
| \$1,000,000 or more | 0 | 0% |
| Total | 576 | |

2000 Median Home Value Owner Occupied Housing Units
\$147,400

Morris County **2000**
Median Home Value \$257,400

New Jersey **2000**
Median Home Value \$170,800

Note: Percentage totals may add up to greater than 100% due to rounding

Source: 2000 US Census

In 2000, average monthly contract rent in Netcong (not including utilities) was less than Morris County (\$732/month v. \$843/month). In 2000, approximately 74% of Netcong renters paid between \$500 per month and \$1,000 per month in rent and 13% of renters paid \$1,000 or more per month in

rent. Interestingly, while 60% of renters in the County paid less than \$500 per month, approximately 14% paid \$2,000 or more per month in rent. For detailed figures, see Table 7, Comparison of Borough of Netcong/Morris County Monthly Rental Cost, 2000.

Table 7. Comparison of Borough of Netcong/Morris County Monthly Rental Cost, 2000 (not available with missing blocks)

| <i>Contract Rent</i> | <i>Netcong</i> | <i>Percent</i> | <i>Morris County</i> | <i>Percent</i> |
|----------------------|----------------|----------------|----------------------|----------------|
| Less than \$500 | 47 | 13% | 3,678 | 60% |
| \$500 to \$1000 | 269 | 74% | 1,604 | 26% |
| \$1,000 to \$1,500 | 36 | 10% | - | 0% |
| \$1,500 to \$2,000 | 10 | 3% | - | 0% |
| \$2,000 or more | - | 0% | 877 | 14% |
| No Cash Rent | - | 0% | - | 0% |
| Total | 362 | | 6,159 | |

2000 Average Rent (Borough of Netcong)

\$732

2000 Average Rent (Morris County)

\$843

Note: Percentage totals may add up to greater than 100% due to rounding

Source: 2000 US Census

Further indication of the quality of the Borough's housing stock concerns the percentage of units that contain full plumbing and kitchen facilities. The 2000 Census indicated that zero housing units lack complete plumbing facilities, and 0.58% of all housing units (6 total) lack complete kitchen facilities. The high level of habitable dwelling units points to a well maintained housing stock.

Concurrently, while the Census Bureau has no actual definition for overcrowding (i.e. occupants per room), it is generally accepted that housing units with more than one occupant per room constitute an overcrowded dwelling unit. It appears that only 2.4% of all owner and renter occupied housing units in Netcong contain more than one occupant per room.

B. General Population Characteristics

According to the US Census, although a significant population increase occurred in the Borough during the 1970s, overall population decreased steadily since 1980 (approximately 321 persons or 9%). See Table 8, Borough of Netcong Population Growth, 1970-2000.

Table 8. Borough of Netcong Population Growth, 1970-2000 (with missing blocks)

| <i>Year</i> | <i>Population</i> | <i>Change</i> | <i>Percent Change</i> |
|-------------|-------------------|---------------|-----------------------|
| 1960 | 2,765 | --- | --- |
| 1970 | 2,858 | 93 | 3% |
| 1980 | 3,557 | 699 | 24% |
| 1990 | 3,311 | -246 | -7% |
| 2000 | 3,236 | -75 | -2% |

Note: Percentage totals may add up to greater than 100% due to rounding

Source: 1970, 1980, 1990, 2000 US Census

Netcong's age distribution, as seen in Table 9, Netcong Age Distribution, 1990-2000, indicates that 29% of residents are under age 24. The combined population of residents under age 24 and from age 35 to 54 comprised 61% of total Borough population. The percent change in age distribution from 1990 to 2000 also indicates a possible aging of the Borough's population. During the 1990s, the percent change of residents age 75 and above increased by 27%, while residents aged between 45 and 54 years increased by 38%. Although just 13% of the population was over age 65 in 2000, the sharp increase in residents above age 75, and the fact that a portion of residents within the age 45 to 54 category are reaching retirement, indicates that the Borough's current demographic shift is indeed toward an older overall population.

Table 9. Netcong Age Distribution, 1990-2000 (with missing blocks)

| <i>Age Group</i> | <i>1990</i> | <i>Percent</i> | <i>2000</i> | <i>Percent</i> | <i>Percent Change (1990-2000)</i> |
|-------------------|-------------|----------------|-------------|----------------|-----------------------------------|
| Under 5 | 239 | 7% | 176 | 5% | -26% |
| 5 - 14 | 356 | 11% | 416 | 13% | 17% |
| 15 - 24 | 427 | 13% | 341 | 11% | -20% |
| 25 - 34 | 748 | 23% | 522 | 16% | -30% |
| 35 - 44 | 525 | 16% | 609 | 19% | 16% |
| 45 - 54 | 312 | 9% | 430 | 13% | 38% |
| 55 - 64 | 320 | 10% | 312 | 10% | -3% |
| 65 - 74 | 223 | 7% | 225 | 7% | 1% |
| 75+ | 161 | 5% | 205 | 6% | 27% |
| Totals | 3,311 | | 3,236 | | |
| Median Age | N/A | | 38 | | |

Note: Percentage totals may add up to greater than 100% due to rounding

Source: 1990 and 2000 US Census

C. Household Characteristics

As defined by the Census Bureau, a household includes all persons who occupy a single housing unit, regardless of blood relation. Thus, a household may also include a group of unrelated

individuals sharing group quarters. A family is identified as a group of persons including a householder and one or more persons related by blood, marriage or adoption, all living in the same household. According to 2000 Census data, the Borough's household population consists of an average of 2.56 persons per household, and an average of 3.10 persons per family. Approximately, 67.6% of the Borough's total population resided within families. Of these family households, approximately 23% were comprised of married couples with or without children.

D. Income Characteristics

According to the 2000 Census, Netcong residents generally earn less income than the Morris County average. Median household income (\$55,000 in Netcong v. \$77,340 in Morris County) and median family income (\$65,833 in Netcong v. \$89,773 in Morris County) ranked below Morris County (\$77,340). Similarly, 36% of households in Morris County had incomes over \$100,000 compared to 14% of households in Netcong. On the other side of the income scale, 42% of households in Netcong received under \$50,000 in annual income, as opposed to 30% of households in Morris County. Table 10, Income-Netcong/Morris County, 2000 illustrates additional income categories.

Table 10. Income-Netcong/Morris County, 2000 (not available with missing blocks)

| | <i>Netcong Households</i> | <i>Percent</i> | <i>Morris County Households</i> | <i>Percent</i> |
|------------------------|---------------------------|----------------|---------------------------------|----------------|
| Less than \$15,000 | 95 | 9% | 9,442 | 6% |
| \$15,000 to \$20,000 | 50 | 5% | 4,068 | 2% |
| \$20,000 to \$25,000 | 52 | 5% | 4,948 | 3% |
| \$25,000 to \$30,000 | 44 | 4% | 5,405 | 3% |
| \$30,000 to \$35,000 | 54 | 5% | 6,123 | 4% |
| \$35,000 to \$40,000 | 52 | 5% | 6,244 | 4% |
| \$40,000 to \$45,000 | 38 | 4% | 6,992 | 4% |
| \$45,000 to \$50,000 | 47 | 5% | 6,068 | 4% |
| \$50,000 to \$75,000 | 248 | 25% | 32,678 | 19% |
| \$75,000 to \$100,000 | 189 | 19% | 26,978 | 16% |
| \$100,000 to \$150,000 | 116 | 12% | 31,791 | 19% |
| \$150,000 or more | 21 | 2% | 29,057 | 17% |
| Totals | 1,006 | | 169,794 | |

Note: Percentage totals may add up to greater than 100% due to rounding

Source: 2000 US Census

The poverty threshold, as defined by the 2000 U.S. Census, is \$8,959 for a one person household under age 65 and \$17,463 for a household that includes a family of four. Census data does not provide a breakdown of household income by household size. However, it does provide overall household poverty information. Upon review of these numbers, Census data indicates that approximately 3.7% of households in the Borough are classified as below the poverty level. This

percentage mirrors Morris County, in which approximately 3.6% of County residents fall below the Census poverty level.

E. Employment Characteristics

Table 11, Industry of Employed Netcong Residents, 2000 indicates the distribution of employment by industry for employed Borough of Netcong residents. The four industries that captured the largest portion of the employed population in Netcong were education, and health and social services workers at 18%, professional, scientific, management, administrative at 13%, manufacturing workers at 13% and retail trade workers at 12%.

Table 11. Industry of Employed Netcong Residents, 2000 (not available for missing blocks)

| <i>Industry</i> | <i>Number</i> | <i>Percent</i> |
|---|---------------|----------------|
| Agriculture, Forestry, Fishing and Hunting, and Mining | 5 | 0.4% |
| Construction | 82 | 6% |
| Manufacturing | 173 | 13% |
| Wholesale Trade | 40 | 3% |
| Retail Trade | 172 | 12% |
| Transportation and Warehousing, and Utilities | 74 | 5% |
| Information | 32 | 2% |
| Finance, Insurance, Real Estate, and Renting and Leasing | 127 | 9% |
| Professional, Scientific, Management, Administrative, and Waste Management Services | 181 | 13% |
| Education, Health and Social Services | 248 | 18% |
| Arts, Entertainment, Recreation, Accommodation and Food Services | 109 | 8% |
| Public Administration | 47 | 3% |
| Other | 94 | 7% |
| Total | 1,384 | |

Note: Percentage totals may add up to greater than 100% due to rounding

Source: 2000 US Census

Table 12, Occupation of Employed Netcong Residents, 2000 more specifically identifies the occupations of employed persons. The numbers indicate a large number of Netcong residents employed in management, professional and related occupations (31%) and sales and office occupations (27%). In 2000, the remaining 42% of the Borough's employed residents were employed in service occupations (18%), construction operations (9%) and production, transportation and material moving operations (14%).

Table 12. Occupation of Employed Netcong Residents, 2000 (not available with missing blocks)

| Sector Jobs | Number | Percent |
|---|---------------|----------------|
| Management, Professional, and Related Occupations | 434 | 31% |
| Service Occupations | 253 | 18% |
| Sales and Office Occupations | 370 | 27% |
| Farming, Fishing, and Forestry Occupations | 0 | 0% |
| Construction, Extraction, and Maintenance Occupations | 131 | 9% |
| Production, Transportation, and Material Moving Occupations | 196 | 14% |
| Total | 1,384 | |

Note: Percentage totals may add up to greater than 100% due to rounding

Source: 2000 US Census

4. POPULATION/HOUSEHOLD AND EMPLOYMENT PROJECTIONS

COAH's affordable growth share obligation for the Borough of Netcong (which has been determined for each municipality in the State of New Jersey within Appendix F of the Substantive Rules) utilizes available land capacity data to project potential residential population and employment figures. The Borough of Netcong accepts COAH's baseline residential and employment growth projection of 26 units for the COAH planning period of January 1, 2004 through December 31, 2018.

A. *COAH Household and Employment Growth Projections*

The COAH residential growth projection for Netcong reports an increase of 72 residential units between 2004 and 2018, from 1,085 units to 1,157 units. For every four market-rate units constructed, COAH assumes that one affordable housing unit is required to fulfill a municipality's affordable housing obligation. Considering that COAH numbers project total units, not just those resided in by market rate occupants, the number of projected units is divided by five. Applying these principles to the 72-unit projection, the Borough is required to account for a residential growth share of 14.4 affordable units.

In terms of employment, COAH predicts an increase of 178 jobs in the Borough of Netcong between 2004 and 2018. Accordingly, COAH has indicated that employment growth in the Borough will generate a non-residential growth share of 11.1 units. As shown in Table 13, Borough of Netcong COAH Growth Share Projection, the Borough's overall growth share obligation per COAH household and employment projections is 26 affordable units (result of rounding up from 25.5 units).

Table 13. Borough of Netcong COAH Growth Share Projection

| COAH Residential Growth Projection | | | | | |
|--|---|--------------------|---|-------------------------|-----------------------------|
| 2018 Units | - | 2004 Units | = | Net Change 2004-2018 | Residential Growth Share |
| 1,157 | - | 1,085 | = | 72 | 14.4 |
| COAH Employment Growth Projection | | | | | |
| 2018 Employment | - | 2004 Employment | = | Net Change 2004-2018 | Employment Growth Share |
| 1,045 | - | 867 | = | 178 | 11.1 |
| Total Affordable Housing Obligation | | | | | 25.5 |

B. Borough of Netcong – Historic and Actual Residential/Non-residential Growth

Although the Borough of Netcong is obligated to provide 26 overall affordable units, it must also take into account its “actual growth” as signified by residential and non-residential COs issued from January 1, 2004 through the present, minus any applicable demolitions or deductions. The Borough will be responsible during COAH’s biennial monitoring to cover any actual growth share generated. This does not mean that the Borough is responsible for providing additional COAH units above its 26-unit growth share obligation, rather it means the Borough is responsible for providing such units in response to its actual growth during required COAH monitoring periods.

In order to determine the Borough’s actual growth share number, COAH’s required residential and non-residential growth share ratios must be applied to CO and demolition data cataloged by the State of New Jersey Division of Codes and Standards. As discussed, COAH’s substantive rules state that for every five market-rate units issued a certificate of occupancy, one affordable unit must be provided. As such, the municipal growth share projection for the Borough of Netcong resulting from new residential units is determined by dividing net total residential growth by five. Non-residential growth share is determined in a somewhat different format through utilization of COAH square footage to jobs ratios. Under the COAH rules, the net amount of non-residential square footage granted COs is converted to jobs (per use group as indicated in Table 14, COAH Uniform Construction Code (UCC) Use Group Ratios) and divided by 16 to determine the required number of affordable units.

Table 14. COAH Uniform Construction Code (UCC) Use Group Ratios

| <i>Use Group</i> | <i>Employment Ratio</i> |
|-----------------------------------|--------------------------------|
| (B) Business - Office Uses | 2.8 jobs per 1,000 square feet |
| (M) Mercantile - Retail Uses | 1.7 jobs per 1,000 square feet |
| (F) Factory - Manufacturing Uses | 1.2 jobs per 1,000 square feet |
| (S) Storage - Warehouse Uses | 1.0 jobs per 1,000 square feet |
| (H) High Hazard Manufacturing | 1.6 jobs per 1,000 square feet |
| (A1) Assembly - Theater Uses | 1.6 jobs per 1,000 square feet |
| (A2) Assembly - Restaurant Uses | 3.2 jobs per 1,000 square feet |
| (A3) Assembly - Library Uses | 1.6 jobs per 1,000 square feet |
| (A4) Assembly - Arena Uses | 3.4 jobs per 1,000 square feet |
| (A5) Assembly - Stadium Uses | 2.6 jobs per 1,000 square feet |
| (E) Educational Uses | Excluded from growth share |
| (I) Institutional - Hospital Uses | 2.6 jobs per 1,000 square feet |
| (R1) Hotel Uses | 1.7 jobs per 1,000 square feet |
| (U) Utilities | Excluded from growth share |

Despite a spike of 39 residential units and 60,900 square feet of non-residential development in 2002, an historic review of monthly construction records (See Table 15, Netcong – Residential, Non-residential COs and Deductions/Demolitions) indicates very little residential or non-residential growth within the Borough since 2004. Factoring the six units of actual residential growth between 2004 and the present, minus one applicable deduction for a unit destroyed by fire, a residential growth share of one (1) unit is generated. Non-residential CO information indicates approximately 6,000 square feet of non-residential growth during the same period, which when applying the appropriate square footage to jobs ratio, translates into approximately eight jobs, or 0.5 affordable units.

Applying rounding principles to the Borough's overall residential and non-residential growth share, Netcong's required actual growth share between January 1, 2004 and the present is 2 units.

Table 15. Netcong – Residential, Non-residential COs and Deductions/Demolitions

| | Residential (units) | Applicable Residential Deductions (units) | Non-res. (GFA) - office "B" | Non-res. (GFA) - retail "A" | Non-res. (GFA) - "A1" | Non-res. (GFA) - "A2" | Non-res. (GFA) - "A3" | Non-res. (GFA) - "A4" | Non-res. (GFA) - "A5" | Non-res. (GFA) - multifamily/condo "R1" | Non-res. (GFA) - hotel "R1" | Non-res. (GFA) - industrial "P" | Non-res. (GFA) - hazardous "H" | Non-res. (GFA) - institutional "I" | Non-res. (GFA) - storage "S" |
|-------------------------------|---------------------|---|-----------------------------|-----------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|---|-----------------------------|---------------------------------|--------------------------------|------------------------------------|------------------------------|
| 1998 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 1999 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2000 | 2 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2001 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2002 | 39 | - | - | - | - | - | - | - | - | 60,923 | - | - | - | - | - |
| 2003 | 1 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2004 | 2 | - | - | - | - | - | 2,984 | - | - | - | - | - | - | - | - |
| 2005 | 1 | (1) | - | - | - | - | - | - | - | - | - | 2,844 | - | - | - |
| 2006 | 3 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2007 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2008 (to present) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total 1998-2004 | 41 | (1) | - | - | - | - | 2,984 | - | - | 60,923 | - | - | - | - | - |
| Total 2004-2008 | 6 | (1) | - | - | - | - | 2,984 | - | - | 60,923 | - | - | - | - | - |
| Growth Share 2004-2008 | 1.2 | (0.2) | - | - | - | - | 0.3 | - | - | - | - | - | 0.2 | - | - |
| Jobs 2004-2008 | - | - | - | - | - | - | 4.8 | - | - | - | - | - | 3.4 | - | - |

Source: New Jersey Division of Codes and Standards, New Jersey Construction Reporter (most recent data available)

Note: Figures in () represent a residential reduction the result of fire.

5. THIRD ROUND AFFORDABLE HOUSING PLAN

A. *Third Round Affordable Obligation*

As discussed, the Borough of Netcong has not previously petitioned COAH for substantive certification. Thus, the Borough is not claiming any credits, adjustments or surplus units from the prior round. The Borough of Netcong's Third Round affordable housing obligation consists of three parts: 1) rehabilitation share, 2) fulfillment of a prior round affordable housing obligation, and 3) Third Round Growth Share. COAH has calculated a ten-unit rehabilitation share in Appendix B and a zero-unit prior round obligation in Appendix C for the Borough of Netcong. Considering Netcong's 26-unit Third Round projected growth share, the Borough's cumulative affordable obligation for the period 1987 through 2018 is as indicated in Table 16, Recalculated Prior Round & Third Round Affordable Housing Obligation. It should be noted that the calculation of the Borough's actual growth in the previous section does not increase the Borough's Third Round growth share obligation above and beyond 26 units. The calculation of actual growth is most important during COAH monitoring periods, as this signifies actual COs issued for development.

Table 16. Recalculated Prior Round & Third Round Affordable Housing Obligation

| <i>Affordable Obligation</i> | <i>COAH Obligation</i> |
|------------------------------|------------------------|
| 1. Rehabilitation | 10 |
| 2. Prior Round Obligation | 0 |
| 3. Third Round Growth Share | 26 |

1. Rehabilitation Share

The Borough's COAH determined Third Round rehabilitation share is ten units. COAH rules indicate that any units rehabilitated in Netcong after April 1, 2000 can be credited against the Borough's Third Round obligation. Since April 1, 2000, the Morris County Department of Community Development has awarded low interest home improvement loans within its Housing Rehabilitation Program for qualified recipients which may be utilized for credit toward the Borough's Third Round rehabilitation share (See Table 17, Rehabilitated Units since April 1, 2000). COAH rules require that in order to receive credit for Third Round rehabilitated units, a minimum of \$10,000 per unit must be spent. While two rehabilitated units in Netcong received a loan below \$10,000, the overall average expenditure per unit in the Borough is approximately \$13,700. Thus, each of the eight units that received monies through the Housing Rehabilitation Program may be considered for credit.

Table 17. Rehabilitated Units since April 1, 2000

| ADDRESS | BLOCK | LOT | GRANT (\$) | # OF UNITS | FINAL INSPECTION | FUNDS EXPENDED |
|---------------------------------|-------|-------|---------------------|------------|-------------------|--|
| | | | | | DATE | |
| 84 Allen Street | 5 | 16 | \$12,597.00 | 1 | 6/25/08 | \$12,597 - Morris County Community Development Loan |
| 28 Old Budd Lake Road | 20 | 1 | \$21,285.00 | 1 | 4/19/00; 2/4/05 | \$21,285 - Morris County Community Development Loan |
| 27 Kings Road | 4 | 1 | \$8,194.00 | 1 | 3/23/05; 11/22/06 | \$8,194 - Morris County Community Development Loan |
| 81 Stoll Street | 9 | 4 | \$9,926.00 | 1 | 6/22/04 | \$9,926 - Morris County Community Development Loan |
| 56 Railroad Avenue | 45 | 3 | \$19,196.00 | 1 | 5/17/05 | \$19,196 - Morris County Community Development Loan |
| 15 Allen Street | 12 | 11 | \$12,525.00 | 1 | 8/29/01 | \$12,525 - Morris County Community Development Loan |
| 10 Togno Street | 43 | 17.01 | \$11,132.00 | 1 | 6/28/04 | \$11,132 - Morris County Community Development Loan |
| 21 Lackawanna Place | 19 | 22 | \$15,000.00 | 1 | 5/16/01 | \$15,000 - Morris County Community Development Loan |
| Total | | | \$109,855.00 | 8 | | |
| Average Expenditure/Unit | | | \$13,732 | | | |

2. Prior Round Obligation

As indicated, COAH has determined a zero-unit prior round obligation for the Borough.

3. Third Round Growth Share Plan – New Construction Obligation

Netcong is an established community with limited vacant land resources available for development. Since 1990, the United States Census Bureau actually reported a population decrease within the Borough of negative 7% in 1990 and negative 2% in 2000, an indication of the scarcity of buildable sites. Considering these factors, it is anticipated that all growth within the Third Round will occur within the Borough's two significant remaining buildable areas, the Station Area Redevelopment Area and the Stoll/Allen Street Redevelopment Area. In order to cover the Borough's actual growth in the near term, an accessory apartment program is proposed.

In terms of the Borough's two redevelopment areas, a redevelopment plan has been drafted and adopted for each. The Borough is currently in negotiations with the selected redeveloper of the Station Street Redevelopment Area to increase the required affordable housing set aside from 11% to 20%. The Borough anticipates when the Station Area is redeveloped, that the residential component of the project will include a 20% set aside. In regard to the Stoll/Allen Street Redevelopment Area, it should be noted that adopted redevelopment currently requires a 20% affordable set aside.

Considering the steps taken by the Borough within its designated redevelopment areas to comply with COAH, it is anticipated that the application of a 20% set aside will cover the extent of the Borough's affordable obligation in "actual growth". Since the anticipated development yield and corresponding affordable build out will likely exceed the Borough's 26-unit obligation, redevelopment is anticipated to provide a greater number of affordable units than required by COAH. Furthermore, the Borough may be eligible for a smart growth bonus/redevelopment bonus per 5:97-3.18 and 3.19

for the two redevelopment areas, further increasing the number of potential COAH affordable credits.

The following section provides a description of each mechanism proposed to meet the Borough's affordable obligation. All units will be constructed pursuant to the required COAH affordability controls, such as low/moderate income split, bedroom distribution, unit phasing, income eligibility standards, sales and rental requirements.

1. Accessory Apartment Program

The Borough proposes to commence an accessory apartment program in order to cover its two-unit actual growth share as generated by residential and non-residential COs issued by the Borough.

2. Station Area Redevelopment Area

(Block 19, Lots 20, 21.01, 22, 28, 28.01, 29, 30, 34.02, 35-39)

The specific project area boundary of the Station Area Redevelopment Area consists entirely of the above-mentioned lots and occupies 12.8 acres ("the Station site"). The Station site is generally bounded by NJ State Highway Route 46, Flanders Road, Bank Street and Main Street, and includes the Borough's active NJ Transit train station. Although a large part of the Station site contains vacant and underutilized parcels, its position adjacent to Downtown Netcong makes it a prime location for development. Land uses in the project area include a mixture of vacant land, industrial property, railroad property (owned by NJ Transit and Conrail), office and residential uses. Over the years, the Borough's Master Plan has been revised to reflect the fact that industrial and general commercial land uses are inappropriate for the area. The State Development and Redevelopment Plan (SDRP) which designated the majority of the Borough in suburban planning area (PA2), has considered the Borough as a State designated Town Center since 2001, the heart of which consists of the area surrounding the Netcong train station. Considering that the Station site is located within the core of Netcong, it was deemed suitable for mixed-use redevelopment.

The redevelopment plan proposes to "create an entirely new neighborhood...that will help bring activity and a sense of place to the station area." In addition, the "critical mass of new housing will also provide a market for a cluster of new retail development planned around the station area. At the station, ground-floor retail will provide convenient shopping and services for transit riders, local residents, and visitors alike." The current development yield is anticipated to include approximately 136 residential units (mixed between multi-family condominiums, townhouses and semi-attached housing) and 10,500 square feet of office and/or retail development. While the adopted redevelopment plan includes an 11% affordable housing set aside, the Borough is currently in negotiations with the selected redeveloper to increase the affordable set aside to 20%. As discussed, the Borough anticipates that all residential units will be constructed at a 20% set aside. In addition, all affordable units will be constructed pursuant to the required low/moderate income split,

bedroom distribution, unit phasing, income eligibility standards, sales and rental requirements, and various other affordability controls.

The Station site contains an existing intermittent stream wetland constraint. However, this feature is proposed for inclusion as an open space greenway. It should also be noted that the Station site is adequately served by existing sewer and other utilities.

3. Stoll/Allen Street Redevelopment Area

(Block 8, Lots 15, 16, 17, 23.01, 24, 24.02, 24.03, 27, 28, 29, 30, 32)

The Stoll/Allen Street Redevelopment Area, which consists of Block 8, Lots 15, 16, 17, 23.01, 24, 24.02, 24.03, 27, 28, 29, 30 and 32 ("the Stoll Street site"), is generally bounded by Stoll Street, Allen Street and existing railroad right-of-way. The Stoll Street site, designated by the SDRP within suburban planning area (PA2), is located less than $\frac{3}{4}$ of a mile from the Borough train station and occupies approximately 10.2 acres. As indicated above, since 2001, the Borough has also been recognized as a State designated Town Center. The plan area, which is adequately served by existing sewer and other utilities, is characterized by a number of obsolete structures and/or deleterious land uses, and contains a mixture of residential, commercial, industrial and vacant parcels.

The proposed development program is anticipated to include approximately 112 stacked multi-family condominium units, and includes a required 20% set aside for all development consistent with COAH's rules. As discussed, all affordable units will be constructed pursuant to the required low/moderate income split, bedroom distribution, unit phasing, income eligibility standards, sales and rental requirements, and various other affordability controls.

- **Rental Component**

The Borough proposes to satisfy its 25% rental obligation through construction of affordable rental units within its redevelopment areas.

- **Very Low Income Component**

The Borough proposes that at least 13% of the overall affordable units constructed within the Borough's proposed redevelopment areas will be very low income units.

Table 18. Borough of Netcong - Third Round Growth Share Plan

| <u>Development</u> | <u>Affordable Units</u> |
|---|---|
| Accessory Apartment Program | 2 units |
| Station Area Redevelopment Area | To be determined based on a 20% set aside for each redevelopment area and potential redevelopment/smart growth bonus credits per 5:97-3.18 and 3.19 |
| Stoll Street Redevelopment Area | |
| Total | Minimum 26 units |
| <u>Third Round Rental Obligation</u> | <u>Units</u> |
| Total (25% of obligation) | Minimum 7 units to be constructed within the Borough's redevelopment areas |
| <u>Third Round Very Low Income Obligation</u> | <u>Rental Units</u> |
| Total (13% of obligation) | Minimum 4 units to be constructed within the Borough's redevelopment areas |

Note: The development program has not been finalized for each of the redevelopment areas. As discussed, the Borough anticipates that when buildout of the Station Area and Stoll/Allen Street Redevelopment Areas are achieved, the number of affordable units will likely exceed COAH's required baseline obligation for the Borough.

B. Demonstration that Existing Zoning or Planned Changes in Zoning Provide Adequate Capacity to Accommodate any Proposed Inclusionary Developments

The Borough anticipates that it will meet the extent of its Third Round obligation by way of a 20% affordable housing set aside within the Borough's Station Area and Stoll Street/Allen Street redevelopment areas.

C. Water and Sewer Capacity

Each of the Borough's redevelopment areas is connected to existing water and sewer utilities.

D. Development Fee Ordinance and Spending Plan

The Borough of Netcong does not currently have an adopted development fee ordinance that establishes standards for the collection, maintenance and expenditure of development fees for low and moderate-income affordable housing. The Borough proposes to adopt a development fee ordinance that permits the collection of residential development fees equal to 1.5% of the equalized

assessed value for development, with a permitted maximum development fee of 6% in the event of a "d" variance. The ordinance will also only permit non-residential development fees at a rate equal to 2.5% of the equalized assessed value for development in accordance with P.L.2008, c.46.

Pursuant to COAH's Third Round regulations, Netcong is required to create a detailed spending plan that highlights projected development fee revenue and expenditures. As the Borough has not historically collected development fees, no monies are currently available within an affordable housing trust fund. It should also be noted that since the two redevelopment areas are proposed to contain onsite affordable units, and since mixed-use transit village projects are exempt from non-residential development fees, none of the anticipated development fee funds come from these projects. Excluding the two redevelopment areas from consideration of development fees, and considering the almost non-existent growth within the Borough over the past several years, it is assumed only five residential units and roughly 5,000 square feet of non-residential development will be constructed through the remainder of the Third Round planning period. It is anticipated that the Borough will generate approximately \$40,625 in development fees during the Third Round.

The \$40,625 figure is based upon the following assumptions: (1) that approximately 5 units eligible for the collection of development fees will be constructed over the next 10 years; (2) at an average value of \$375,000 per dwelling, the required 1.5% development fee for residential construction will generate approximately \$28,125 in development fee revenues ($5 \times \$375,000 = \$1,850,000 \times 1.5\% = \$28,125$); (3) that roughly 5,000 square feet of non-residential development eligible for the collection of development fees will occur over the next 10 years; and (4) at an average value of \$100 per square foot, the required 2.5% development fee for non-residential development will generate approximately \$12,500 in development fee revenues ($5,000 \text{ sf} \times \$100/\text{sf} = \$500,000 \times 2.5\% = \$12,500$).

The Borough proposes to utilize any funds generated from the proposed development fee ordinance to aid in the funding of two accessory apartment units. These units are anticipated to fulfill the Borough's two-unit actual growth share obligation from 2004 through 2008. According to COAH rules, a minimum \$25,000 subsidy is required for low-income accessory units and a minimum \$20,000 subsidy is required for moderate-income accessory units. As the proposed two-unit accessory apartment program will require a minimum \$45,000 subsidy, and the Borough expects just under \$41,000 in development fees, it is anticipated that the Borough will adopt a resolution of intent to bond unless County, State or Federal funding sources are obtained by the Borough to meet the funding need for the accessory apartment program.

Table 19. Projected Third Round Development Fee Expenditures

| Projected Development Fee Funds through 2018 | |
|---|----------|
| \$40,625 | |
| Third Round Expenditures | |
| 2 unit Accessory Apartment Program | \$45,000 |
| Outstanding funds needed by resolution of intent to bond, or County, State or Federal Funding | \$4,375 |

E. Affordable Housing and Affirmative Marketing Plan

The Borough of Netcong proposes to adopt an affordable housing ordinance to regulate affordable housing for all inclusionary developments within the Borough. The ordinance is anticipated to include, among other items, regulations regarding low/moderate income split, bedroom distribution, unit phasing, income eligibility standards, sales and rental requirements, and various other affordability controls.

The Borough also proposes to adopt an affirmative marketing plan for all inclusionary housing developments within Netcong. The Borough of Netcong, direct developers/sponsors, or any applicable outside agency shall have primary responsibility for developing and implementing the affirmative marketing program per COAH rules. The Borough, developer or outside agency shall actively market inclusionary units to appropriate representative groups, screen potential residents, offer occupancy and select income eligible households accordingly. The Borough will utilize any pertinent affirmative marketing manuals from COAH or Morris County, and utilize any and all resources from COAH or Morris County for the marketing and administration of affordable units.

F. Progress and Monitoring Periods

Pursuant to COAH rules, the Borough of Netcong is required to complete annual monitoring in regard to its inventory of affordable units, and the amount of money within its affordable housing trust fund. COAH also requires "biennial monitoring" of actual growth share in order to compare the Third Round predicted growth share projection with actual COs issued. If the projected growth share obligation within the Fair Share Plan differs from the actual number of units constructed and issued COs, the Borough may be required to amend its Housing Element and Fair Share Plan to meet these standards.

G. Summary and Implementation Schedule

The Borough of Netcong Third Round Housing Element and Fair Share Plan represents the Borough's first COAH petition for substantive certification. Although the Borough has a zero-unit

prior round obligation, Netcong's ten-unit rehabilitation share, and 26-unit Third Round growth share must be addressed. In terms of the Borough's rehabilitation share, eight qualifying units have received low interest loans for rehabilitation from the County since 2001. The Borough anticipates continued funding from Morris County Community Development for the ongoing rehabilitation of units through 2018.

Considering the scarcity of developable land within Netcong, only the Borough's two redevelopment areas are anticipated to receive growth. As the Borough has addressed affordable housing within both the Station Area Redevelopment Plan and Stoll/Allen Street Redevelopment Plan, the Borough is not only in the position to meet its required 26-unit growth share, but will likely exceed this number. In other words, the Borough will cover its actual growth share through existing inclusionary mechanisms already in place within its redevelopment areas, and due to the development yield likely to occur, the number of affordable units produced will likely be in excess of COAH requirements. In each redevelopment area, the Borough anticipates a minimum 20% affordable set aside.

Finally, the Borough proposes adoption of a development fee ordinance, that while generating only a modest amount of development fees, may be utilized to support an accessory apartment program within the Borough. The Borough proposes to create two accessory apartment units to capture the two units of growth generated from COs issued between 2004 and the present.

Table 20, Projected Borough Affordable Housing Implementation Schedule provides the timeline by which the Borough anticipates each of the proposed Third Round affordable housing programs to be substantially complete. It is not anticipated that redevelopment will occur immediately within the Borough, however, the two proposed accessory apartment units are anticipated for completion in the near term.

Table 20. Projected Borough Affordable Housing Implementation Schedule

| Program | Number of Units | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|--|-----------------|------|------|------|------|-------------------------------|------|-------------------------------|------|------|------|
| Third Round Obligation | | | | | | | | | | | |
| Accessory Apartment Program | | | 2 | | | | | | | | |
| Station Area Redevelopment Area | | | | | | Number units to be determined | | | | | |
| Stoll Street Redevelopment Area | | | | | | | | Number units to be determined | | | |
| Total units needed for Third Round Plan | Min. 26 | | | | | | | | | | |

Appendix

**COAH Workbook A
(Growth Share Determination Using Published Data)**

Worksheet A: Growth Share Determination Using Published Data
 (Appendix F(2), *Allocating Growth To Municipalities*)

| |
|--|
| COAH Growth Projections Must be used in all submissions |
|--|

Municipality Name: *Borough of Netcong*

Enter the COAH generated growth projections from Appendix F(2) found at the back of N.J.A.C. 5:97- seq. on Line 1 of this worksheet. Used the Tab at the bottom of this page or the links within the page to the exclusions portion of this worksheet. After entering all relevant exclusions, return to this page to view the growth share obligation that has been calculated based on the above information.

| | Residential | Non-Residential |
|---|--|------------------------------|
| 1 Enter Growth Projections From Appendix F(2)* | 72 | 178 |
| 2 Subtract the following Residential Exclusions pursuant to 5:97-2.4(a) from Exclusions" tab | Click Here to Enter Prior Round Exclusions | |
| COs for prior round affordable units built projected to be built post 1/1/04 | 0 | |
| Inclusionary Development | 0 | |
| Supportive/Special Needs Housing | 0 | |
| Accessory Apartments | 0 | |
| Municipally Sponsored or 100% Affordable Assisted Living | 0 | |
| Other | 0 | |
| Market Units in Prior Round Inclusionary development built post 1/1/04 | 0 | |
| 3 Subtract the following Non-Residential Exclusions (5:97-2.4(b)) | | |
| Affordable Units | 0 | |
| Associated Jobs | | 0 |
| 4 Net Growth Projection | 72 | 178 |
| 5 Projected Growth Share (Conversion to Affordable Units Divide HH by 5 and Jobs 16) | 14.4 Affordable Units | 11.1 Affordable Units |
| 6 Total Projected Growth Share Obligation | | Affordable 25.5 Units |

Affordable and Market-Rate Units Excluded from Growth
Municipality Name: *Borough of Netcong*

Prior Round Affordable Units NOT included in Inclusionary Developments Built Post 1/1/04

| Development Type | Number of COs Issued and/or Projected |
|---|--|
| Supportive/Special Needs Housing | |
| Accessory Apartments | |
| Municipally Sponsored and 100% Affordable | |
| Assisted Living | |
| Other | |
| Total | 0 |

Market and Affordable Units in Prior Round Inclusionary Development Built post 1/1/04
N.J.A.C. 5:97-2.4(a)
(Enter Y for yes in Rental column if rental units resulted from N.J.A.C. 5:93-5.15(c)5 incentives)

| Development Name | Rentals? (Y/N) | Total Units | Market Units | Affordable Units | Market Units Excluded |
|-------------------------|-----------------------|--------------------|---------------------|-------------------------|------------------------------|
| | | 0 | | | 0 |
| | | 0 | | | 0 |
| | | 0 | | | 0 |
| | | 0 | | | 0 |
| | | 0 | | | 0 |
| | | 0 | | | 0 |
| | | 0 | 0 | 0 | 0 |
| Total | | 0 | 0 | 0 | 0 |

Jobs and Affordable Units Built as a result of post 1/1/04 Non-Residential Development
N.J.A.C. 5:97-2.4(b)

| Development Name | Affordable Units Provided | Permitted Jobs Exclusion |
|-------------------------|----------------------------------|---------------------------------|
| | | 0 |
| | | 0 |
| | | 0 |
| | | 0 |
| | | 0 |
| | | 0 |
| Total | 0 | 0 |

When finished click her to return to Worksheet A