



2018

Amended Third Round Housing Element & Fair Share Plan

February 19, 2019

Adopted: March 14, 2019

Hamilton Township, Mercer County, New Jersey

Prepared by:

Clarke Caton Hintz | 100 BARRACK STREET | TRENTON, NJ | 08608



Amended Housing Element & Fair Share Plan

Hamilton Township, Mercer County, New Jersey

Adopted by the Planning Board on March 14, 2019.

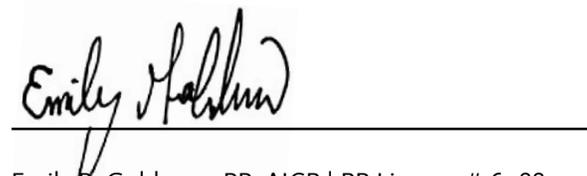
Endorsed by the Township Council on March 19, 2019.

Prepared for Hamilton Township by

Clarke Caton Hintz:



Elizabeth K. McManus, PP, AICP, LEED AP | PP License # 5915



Emily R. Goldman, PP, AICP | PP License # 6088

A signed and sealed version is available at the municipal building.



PLANNING BOARD

Joseph Bellina, Chairman
Michael Maloney, Vice Chair
Charles Whalen
Robert Calabro
Haig Kasabach
John Riggi
Jeffrey Martin, Council Member
Carrie Feuer, Director WPC
Joseph Abbott, Alternate No. 1
Vincent DiDonato, Alternate No. 2
Martin Flynn, Mayors Designee

Terejona “Tee” Acosta, Planning Board Secretary
Jerry Dasti, Esq., Planning Board Attorney
Richard S. Williams, Director, Department of Community Planning and Compliance
Michael Guhanick, Land Use Coordinator
Robert C. Poppert, PP, AICP, Supervising Planner, Municipal Housing Liaison
Richard S. Williams, PE, PP, CME, Municipal Engineer

MAYOR & TOWNSHIP COUNCIL

Kelly Yaede, Mayor
Anthony Carabelli, Jr., Council President
Jeffery Martin, Council Vice President
Ileana Schrimmer
Richard Tighe
Ralph Mastrangelo

Eileen Gore, RMC, CMC, Municipal Clerk
David Kenny, Business Administrator
Lindsay L. Burbage, Esq., Director, Department of Law, Township Attorney
Gerald Muller, Esq., Affordable Housing Attorney



TABLE OF CONTENTS

| | |
|---|----|
| Executive Summary..... | 5 |
| Judicial & Legislative Background..... | 2 |
| Affordability Requirements..... | 7 |
| Housing Element & Fair Share Plan Requirements | 9 |
| Hamilton Township’s Affordable Housing History..... | 10 |
| Consideration of Lands Appropriate for Affordable Housing..... | 12 |
| Hamilton’s Affordable Housing Obligation | 13 |
| Hamilton’s Affordable Housing Plan..... | 14 |
| Satisfaction of the Third Round Obligation | 23 |
| Income Distribution | 37 |
| Affordable Housing Administration & Affirmative Marketing | 41 |
| Affordable Housing Trust Fund | 42 |
| Cost Generation..... | 44 |

APPENDICES TO THE HOUSING ELEMENT & FAIR SHARE PLAN

- | | |
|---|---|
| 1. 2016 Settlement Agreement | 11. Eden – 3 Blue Devil Lane |
| 2. Planning Board Resolution | 12. Eden – 433 Princeton Avenue |
| 3. Governing Body Resolution | 13. Enable – Flock Road |
| 4. Housing, Demographic & Employment Analysis | 14. Enable – Gallavan Way |
| 5. Rehabilitation Program | 15. Enchantment Villas |
| 6. Allies Inc. – 331 Redfern Avenue | 16. GP&TL Connecticut Avenue |
| 7. Allies Inc. – 423 Wilfred Avenue | 17. Hamilton Senior Living |
| 8. Brandywine Woods | 18. HomeFront II – 322 & 330 Connecticut Avenue |
| 9. Capstone Infill Housing | 19. HomeFront IV – 40 Francis Avenue |
| 10. Credits without Controls | 20. HomeFront IV – 116 Moffat Avenue |



21. HomeFront VI – 141 Francis Avenue
22. HomeFront VI – 87 Newkirk Avenue
23. HomeFront IX – 1782 & 1786
Greenwood Avenue
24. HomeFront X – 1778 Greenwood
Avenue
25. HomeFront XI – 117 Moffat Avenue
26. HomeFront Transitional – 129 Moffat
Avenue
27. Homestead (Paradise Garden Village;
JDME Acquisitions)
28. Mercer ARC – 12 Compton Lane
29. Mercer ARC – Cedar Lane
30. Mercer ARC – Route 156
31. Mercer ARC – 236 Murray
32. Mercer County Veteran Center
33. Mill One
34. Options
35. Project Freedom – Kuser Road
36. Project Freedom – Samuel Alito Drive
37. Red Oak Apartments
38. Regional Contribution Agreements
39. SERV – 2 Bainbridge Court
40. SERV – 117 Colonial Avenue
41. SERV – 6 Lohli Drive
42. Society Hill I & II
43. State Street
44. Twin Ponds
45. Vintage Court
46. Visitation Homes – 355 Yardville-
Allentown Road
47. Visitation Homes – 405 Yardville-
Allentown Road
48. Visitation Homes – 417 Yardville-
Allentown Road
49. VOCA
50. 2004 COAH Compliance Report
51. Spending Plan
52. Affordable Housing
Regulation Amendments
(administration, affirmative marketing,
development fees)
53. Community Options – 25 Tattletown
Road
54. Mercer ARC – 11 Phaeton Drive

EXECUTIVE SUMMARY

Hamilton Township is New Jersey’s ninth largest municipality by population and spans more than 40 square miles in the southeastern corner of Mercer County. By virtue of its size and geography, Hamilton is one of the most diverse municipalities in the region. The northwest portion of the Township, adjacent to the City of Trenton, has an urban form that consists of dense development with a mixture of land uses. This area represents a traditional urbanized pattern of development where residential, commercial and industrial land uses are located in close proximity and streets are plotted in a grid. This development pattern and density dissipates as one moves south in the Township. The central portion of the Township has a lower density with predominantly 20th century construction and is more suburban in nature with a greater separation of residential and commercial/industrial uses. The southern part of the Township has a distinctly different character than the northern and central portions of the Township; this area features agriculture and open space, with an occasional low density residential subdivision, and retains a rural and agricultural character.

The Township has excellent regional highway access stemming from the regional highways that traverse it – State Highway Routes 29, 33, 130 and the New Jersey Turnpike and Interstates 295 and 195. Additionally, the Township enjoys excellent mass transit access with the Hamilton Train Station, one of the busiest stops on NJ Transit’s Northeast Corridor line. Hamilton is centrally located between the New York and Philadelphia markets, and its regional access provides convenient access to both metropolitan areas.

This Amended Third Round Housing Element and Fair Share Plan supersedes all previously adopted housing plans. It has been prepared pursuant to a 2016 Settlement Agreement between Hamilton Township and Fair Share Housing Center (hereinafter “FSHC”). FSHC is an interested party in the Township’s declaratory judgment filed in Superior Court on July 8, 2015 as permitted by the March 10, 2015 NJ Supreme Court decision known as “Mount Laurel IV.” This Plan will serve as the foundation for the Township’s application for a Judgment of Compliance and Order of Repeal by the Court.

There are three (3) components to a municipality’s affordable housing obligation: the rehabilitation share, the Prior Round obligation, and the Third Round obligation. The Settlement Agreement identifies a 310-unit rehabilitation, or present need, obligation, a 705-unit Prior Round obligation, and a 521-unit Third Round obligation.

The Township satisfies the Prior Round and Third Round obligations with RCA credits, Prior Cycle credits, special needs facilities, inclusionary and 100% affordable housing developments, market-to-affordable units, extensions of expiring controls, and rental bonus credits.

Hamilton’s Affordable Housing Obligation:

- Rehabilitation Share: 310 units
- Prior Round Obligation: 705 units
- Third Round Obligation: 521 units

JUDICIAL & LEGISLATIVE BACKGROUND

In its landmark 1975 decision, now referred to as “Mount Laurel I”, the NJ Supreme Court ruled that developing municipalities have a constitutional obligation to provide variety and choice of housing types affordable to low and moderate income households. In its 1983 “Mount Laurel II” decision, the NJ Supreme Court extended the regional fair share obligation to all municipalities with any “growth area” as designated in the State Development Guide Plan (NJDCG 1978) and determined that each municipality would have to establish its fair share obligation and provide zoning mechanisms to create a realistic opportunity for fulfillment of the fair share obligation. Mount Laurel II also gave developers, under appropriate circumstances, the opportunity to secure a builder’s remedy. A builder’s remedy is a mechanism that grants a developer that is successful in such exclusionary zoning litigation the right to develop what is typically a higher density multifamily project on land not zoned to permit the use at the time of the suit, and where a “substantial” percentage of the units will be reserved for low- and moderate-income households.

In 1985, the Legislature enacted the Fair Housing Act in response to Mount Laurel II. The Fair Housing Act created the Council on Affordable Housing (hereinafter “COAH”) and an administrative alternative to compliance in a court proceeding. The Legislature conferred “primary jurisdiction” on COAH and charged COAH with promulgating regulations: (i), to establish housing regions; (ii), to estimate low- and moderate-income housing needs; (iii), to set criteria and guidelines for municipalities to determine and address their fair share numbers, and (iv) to create a process for the review and approval of appropriate housing elements and fair share plans.

As will be further discussed, COAH has since been declared a moribund agency, which has forced the NJ Supreme Court to reactivate a judicial process in the review and approval of affordable housing plans. This document is being created to submit to the judicial process for determining affordable housing allocations and responses and, ultimately, to receive a Third Round Judgment of Repose for a 10-year period. This Judgment of Compliance and Repose will provide protection from builder’s remedy suits through July 1, 2025.

COAH’s First and Second Rounds

COAH created the criteria and guidelines for municipalities to determine and address their respective affordable housing obligation, or number of affordable dwellings. COAH originally established a formula for determining municipal affordable housing obligation for the six-year period between 1987 and 1993 (*N.J.A.C. 5:92-1 et seq.*), which became known as the “First Round.” These rules established an existing need where sub-standard housing was being occupied by low- and moderate-income households (variously known as “present need” or “rehabilitation share”) and future demand to be satisfied with new construction (“prospective need” or “fair share”).

The First Round formula was superseded by COAH regulations in 1994 (*N.J.A.C. 5:93-1.1 et seq.*). The 1994 regulations recalculated a portion of the 1987-1993 affordable housing obligations for each municipality and computed the additional municipal affordable housing need from 1993 to 1999 using 1990 U.S. Census data. The regulations COAH adopted in 1994 to identify a municipality's "cumulative" obligations for the First and Second Rounds are known as "the Second Round" regulations. Under regulations adopted for the Third Round, the obligation of municipalities to create new affordable housing for the First and Second Rounds is referred to as the "Prior Round" obligation. This plan will refer to the new construction obligation for the First and Second housing cycles as the "Prior Round" obligation.

COAH's Third Round and Related Judicial Activity

On December 20, 2004, COAH's first version of the Third Round rules became effective some five years after the end of round two in 1999. At that time, the Third Round was defined as the time period from 1999 to 2014, but condensed into an affordable housing delivery period from January 1, 2004 through January 1, 2014. In other words, 15 years of necessary affordable housing activity was to take place in 10 years. The Third Round rules marked a significant departure from the methods utilized in COAH's Prior Round. Previously, COAH assigned an affordable housing obligation as an absolute number to each municipality. These Third Round rules implemented a "growth share" approach that linked the production of affordable housing to residential and non-residential development within a municipality.

However, on January 25, 2007, the New Jersey Appellate Court decision, *In re Adoption of N.J.A.C. 5:94 and 5:95*, 390 *N.J. Super.* 1, invalidated key elements of the first version of the Third Round rules, including the growth share approach. The Court ordered COAH to propose and adopt amendments to its rules within six months to address the deficiencies identified by the Court. COAH missed this deadline, but did issue revised rules effective on June 2, 2008 (as well as a further rule revision effective on October 20, 2008). COAH largely retained the growth share approach, but implemented several changes intended to create compliance with the 2007 Appellate Court decision. Additionally, the Third Round was expanded from 2014 to 2018. As such, this required 19 years of necessary affordable housing activity (1999-2018) to take place during a 10-year delivery period (2008-2018).

Just as various parties challenged COAH's initial Third Round regulations, parties challenged COAH's 2008 revised Third Round rules. On October 8, 2010, the Appellate Division issued its decision, *In re Adoption of N.J.A.C. 5:96 and 5:97*, 416 *N.J. Super.* 462, with respect to the challenge to the second iteration of COAH's third round regulations. The Appellate Division upheld the COAH Prior Round regulations that assigned rehabilitation and Prior Round numbers to each municipality, but invalidated the regulations by which the agency assigned housing obligations in the Third Round. Specifically, the Appellate Division ruled that COAH could not allocate obligations through a "growth share" formula. Instead, COAH was directed

to use similar methods that had been previously used in the First and Second rounds. The Court gave COAH five months to address its ruling and provide guidance on some aspects of municipal compliance.

Judicial Activity from 2011 to the Present

COAH sought a stay from the NJ Supreme Court of the March 8, 2011 deadline that the Appellate Division imposed in its October 2010 decision for the agency to issue new Third Round housing rules. The NJ Supreme Court granted COAH's application for a stay and granted petitions and cross-petitions to all of the various challenges to the Appellate Division's 2010 decision. The NJ Supreme Court heard oral argument on the various petitions and cross-petitions on November 14, 2012.

On September 26, 2013, the NJ Supreme Court upheld the Appellate Court decision in In re Adoption of N.J.A.C. 5:96 and 5:97 by New Jersey Council On Affordable Housing, 215 N.J. 578 (2013), and ordered COAH to prepare the necessary rules. Subsequent delays in COAH's rule preparation and ensuing litigation led to the NJ Supreme Court, on March 14, 2014, setting forth a schedule for adoption.

Although ordered by the NJ Supreme Court to adopt revised new rules on or before October 22, 2014, COAH deadlocked 3-3 at its October 20th meeting and failed to adopt the draft rules it had issued on April 30, 2014. In response, FSHC filed a motion in aid of litigant's rights with the NJ Supreme Court, and oral argument on that motion was heard on January 6, 2015.

On March 10, 2015, the NJ Supreme Court issued a ruling on the Motion In Aid of Litigant's Rights (In re Adoption of N.J.A.C. 5:96 & 5:97, 221 NJ 1, aka "Mount Laurel IV"). This long-awaited decision provides a new direction for how New Jersey municipalities are to comply with the constitutional requirement to provide their fair share of affordable housing. The Court transferred responsibility to review and approve housing elements and fair share plans from COAH to designated Mount Laurel trial judges. The implication of this is that municipalities may no longer wait for COAH to adopt Third Round rules before preparing new Third Round housing elements and fair share plans and municipalities must now apply to the Courts, instead of COAH, if they wish to be protected from exclusionary zoning lawsuits. These trial judges, with the assistance of an appointed Special Master to the Court, should review municipal plans much in the same manner as COAH previously did. Those towns whose plans are approved by the Court should receive a Judgment of Compliance and Repose, the court-equivalent of COAH's substantive certification.

While the NJ Supreme Court's decision set a process in motion for towns to address their Third Round obligations, it did not assign those obligations. Instead, that must be done by the trial courts. Additionally, the Court stated that municipalities should rely on COAH's Second Round rules (N.J.A.C. 5:93) and those components of COAH's 2008 regulations that were specifically upheld (including but not limited to Redevelopment Bonuses), as well as the Fair

Housing Act (*N.J.S.A. 52:27D – 301 et seq.*), in their preparation of Third Round housing elements and fair share plans. This plan is prepared in response to and in compliance with the March 10, 2015 NJ Supreme Court decision.

On January 17, 2017, the NJ Supreme Court rendered a decision, *In Re Declaratory Judgment Actions Filed By Various Municipalities*, 227 N.J. 508 (2017), that found that the “gap period,” defined as 1999-2015, generates an affordable housing obligation. This obligation requires an expanded definition of the municipal Present Need obligation to include low- and moderate-income households formed during the gap period; however, this component of the obligation is a new-construction obligation rather than a rehabilitation obligation. Accordingly, the municipal affordable housing obligation is now composed of the following four (4) parts: Present Need (rehabilitation), Prior Round (1987-1999, new construction), Gap Present Need (1999-2015, new construction), and Prospective Need (Third Round, 2015 to 2025, new construction). While the structure of the obligation established through the Township’s Settlement Agreement with FSHC is different from the findings of this recent Supreme Court decision (i.e. no redefined Present Need (1999-2015) and a Prospective Need specific to 2015-2025), the Township’s obligation therein reflects that which was calculated for the entire third round period (1999-2025).

Legislative Activity

In addition to the State agency negotiation and judicial decisions, the New Jersey Legislature has amended the Fair Housing Act in recent years. On July 17, 2008, Governor Corzine signed P.L. 2008, c. 46 (referred to as the “Roberts Bill”, or “A500”), which amended the Fair Housing Act in a number of ways. Key provisions of the legislation included the following:

- It established a statewide 2.5% nonresidential development fee instead of requiring nonresidential developers to provide affordable housing;
- It eliminated new regional contribution agreements (hereinafter “RCAs”) as a compliance technique available to municipalities whereby a municipality could transfer up to 50% of its fair share to a so called “receiving” municipality;
- It added a requirement that 13% of all affordable housing units and 13% of all similar units funded by the state’s Balanced Housing Program and its Affordable Housing Trust Fund be restricted to very low-income households (30% or less of median income); and
- It added a requirement that municipalities had to commit to spend development fees within four (4) years of the date of collection after its enactment, which commenced on the four-year anniversary of the law (July 17, 2012).

These amendments to the Fair Housing Act are not promulgated in any valid COAH regulations. However, the requirement to expend development fees within four-years of their collection was determined in a Middlesex County Superior Court case to instead have the first

four-year period to begin upon a Judgment of Repose, or upon a finding by the Court that the municipality is determined to be non-compliant (IMO of the Adoption of the Monroe Township Housing Element and Fair Share Plan and Implementing Ordinances). Superior Courts around the State have been guided by this decision.

AFFORDABILITY REQUIREMENTS

Affordable housing is defined under New Jersey’s Fair Housing Act as a dwelling, either for sale or rent, that is within the financial means of households of low- or moderate-income, as is measured within each housing region. Hamilton Township is in COAH’s Region 4, which includes Mercer, Monmouth, and Ocean counties. Moderate-income households are those with annual incomes greater than 50%, but less than 80% of the regional median income. Low-income households are those with annual incomes that are 50% or less than the regional median income. Very low-income households are a subset of “low-income” households and are defined as those with incomes 30% or less than the regional median income.

Income Categories

Moderate = 50% - 80% regional median income

Low = 50% regional median income or less

Very Low = 30% regional median income or less

The Uniform Housing Affordability Controls (hereinafter “UHAC”) at N.J.A.C. 5:80-26.3(d) and (e) requires that the maximum rent for a qualified unit be affordable to households with incomes 60% or less than the median income for the region. The average rent must be affordable to households with incomes no greater than 52% of the median income. The maximum sale prices for affordable units must be affordable to households with incomes 70% or less than the median income. The average sale price must be affordable to a household with an income of 55% or less than the median income.

The regional median income is defined by COAH using the federal income limits established by Department of Housing and Urban Development (hereinafter “HUD”) on an annual basis. In the spring of each year, HUD releases updated regional income limits, which COAH reallocates to its regions. It is from these income limits that the rents and sale prices for affordable units are derived. However, COAH has not published updated income limits or rent increases since 2014.

On December 16, 2016, Judge Douglas K. Wolfson entered a Consent Order in the case entitled In the Matter of the Township of East Brunswick for a Judgement of Compliance of its Third Round Housing Element and Fair Share Plan that approved the Township of East Brunswick’s methodology for updating its income limits, which adhered to COAH’s Prior Round methodologies. Included in this Consent Order are updated 2016 regional income limits for all COAH regions calculated using HUD’s determination of the median income for fiscal year 2016 and the methodology outlined above. These income limits for Region 4 will be utilized by Hamilton until the Courts formally approve updated income limits for 2016 and/or 2017. See Table 1 for 2016 income limits for Region 4.

| Household Income Levels | 1-Person Household | 2-Person Household | 3-Person Household | 4-Person Household | 5-Person Household |
|-------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Moderate | \$55,557 | \$63,494 | \$71,431 | \$79,431 | \$85,717 |
| Low | \$34,723 | \$39,684 | \$44,644 | \$49,605 | \$53,573 |
| Very Low | \$20,834 | \$23,810 | \$26,787 | \$29,763 | \$32,144 |

Source: 2018 Income Limits prepared by Affordable Housing Professionals of New Jersey.

Tables 2 and 3 provide illustrative sale prices and gross rents for 2018. The sample rents and sale prices are illustrative and are gross figures, which do not account for the specified utility allowances for rental units or for specific mortgage rates, taxes, etc. for sales units. As a note, rents have increased by a collective 5.1% in 2015, 2016 and 2017 and by 2.2% in 2018.

| Household Income Levels (% of Median Income) | 1-Bedroom Unit Rent | 2-Bedroom Unit Rent | 3-Bedroom Unit Rent |
|---|------------------------|------------------------|------------------------|
| Moderate | \$1,116 | \$1,339 | \$1,548 |
| Low | \$930 | \$1,116 | \$1,290 |
| Very Low | \$558 | \$670 | \$774 |

Source: 2018 Affordable Housing Pricing Calculator: General Affordable Housing Rental Rate Calculators for New Construction prepared by Affordable Housing Professionals of New Jersey.

| Household Income Levels (% of Median Income) | 1 Bedroom Unit Price | 2 Bedroom Unit Price | 3 Bedroom Unit Price |
|---|-------------------------|-------------------------|-------------------------|
| Moderate | \$150,759 | \$180,911 | \$209,053 |
| Low | \$114,211 | \$137,054 | \$158,373 |
| Very Low | \$68,527 | \$82,232 | \$95,024 |

Source: 2018 Affordable Housing Pricing Calculator: General Affordable Housing Unit Sales Price Calculators for New Construction prepared by Affordable Housing Professionals of New Jersey.

HOUSING ELEMENT & FAIR SHARE PLAN REQUIREMENTS

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

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

This portion of the Housing Plan Element can be found in the "Appendices to the Housing Element and Fair Share Plan."

See the section titled "Hamilton's Affordable Housing Plan" for information on the Township's fair share of low- and moderate-income housing.

See the section titled "Consideration of Lands Appropriate for Affordable Housing" for this information.

HAMILTON TOWNSHIP'S AFFORDABLE HOUSING HISTORY

On February 17, 1987, Hamilton Township filed a First Round Housing Element and Fair Share Plan with COAH. This First Round Plan addressed an affordable housing obligation of 999 units, of which 299 were new construction units and 700 were rehabilitation units. Prior to Hamilton's conversion of the filing into a petition for substantive certification, on March 6, 1991, Parker Partners sued the Township for exclusionary zoning. The case was subsequently transferred to COAH for review and mediation.

On July 7, 1993, the Township received substantive certification of a Housing Element and Fair Share Plan that reflected the mediation with Parker Partners. This Plan addressed the Township's new construction obligation of 299 units. Hamilton was later granted an amendment to its First Round certified Plan on March 4, 1998.

On August 12, 1999, the Planning Board adopted a Second Round Housing Element and Fair Share Plan; this Plan was endorsed by the Township Council on September 7, 1999. The Township petitioned for Second Round substantive certification on September 8, 1999. The Township was eventually granted Second Round substantive certification on November 22, 2004. This Plan addressed an obligation of 355 rehabilitation units and 705 new construction units.

The Township petitioned COAH for Third Round substantive certification on December 20, 2005. However, COAH did not conduct a substantive review of the 2005 Housing Element and Fair Share Plan prior to the 2007 Appellate Division decision overturning COAH's 2004 Third Round rules. On December 11, 2008, Hamilton adopted a 2008 Third Round Housing Element and Fair Share Plan consistent with COAH's second iteration of Third Round rules. The Township submitted the 2008 Plan to COAH on December 30, 2008 as part of its second petition for Third Round substantive certification; the petition was deemed complete by COAH on February 23, 2009. The Township's 2008 Plan did not receive substantive certification prior to the 2010 Appellate Division decision invalidating COAH's second iteration of Third Round rules.

Subsequent to the 2010 Appellate Division decision and in the absence of Third Round substantive certification, Hamilton Township continued to provide funding for the production of affordable housing. On March 22, 2011, COAH approved an amendment to the Township's 2008 Spending Plan, which identified two (2) additional projects not previously included in the 2008 Plan.

In 2012, the Township again sought to provide funding for projects not specifically identified in the 2008 Plan. The Township adopted a Spending Plan on May 31, 2012 and submitted it to COAH for approval on June 12, 2012. The Township further amended the 2012 Spending Plan on May 14, 2013 and submitted it to COAH on August 1, 2013. However, COAH did not act on the approval prior to the 2015 Appellate Division decision that transferred jurisdiction

over the use and disposition of affordable housing trust funds from COAH to the Mount Laurel designated trial judges.

To comply with the March 10, 2015 Mount Laurel IV decision, Hamilton petitioned to the Superior Court on July 8, 2015 for a declaratory judgment and temporary immunity from builder's remedy suits. Fair Share Housing Center (FSHC) is an interested party in its declaratory judgment, and in 2016, the Township entered into successful negotiations with FSHC to identify its fair share obligation and preliminarily determine how that obligation would be satisfied. These negotiations resulted in a Settlement Agreement between the Township and FSHC that was executed by the Township on December 29, 2016 (see the Housing Element and Fair Share Plan Appendices for a copy of this Settlement Agreement). The Court issued an Order on March 31, 2017 stating that the Settlement Agreement was fair to the interests of low and moderate income households. The Court also preliminarily found that the manner in which the Settlement Agreement satisfied the obligation was reasonable, subject to several conditions. This 2019 Third Round Housing Element and Fair Share Plan incorporates and implements the terms of the 2016 Settlement Agreement between the Township and FSHC and will serve as the foundation for the Township's application for a Judgment of Compliance and Repose by the Court. Notwithstanding, this Housing Plan satisfies the obligation somewhat differently from how it was anticipated to be satisfied in the Settlement Agreement in order to address the conditions in the Order addressing Fairness and to account for new sites and information that arose during the time preparing this final plan.

CONSIDERATION OF LANDS APPROPRIATE FOR AFFORDABLE HOUSING

As part of this Plan, the Township has considered land that is appropriate for the construction of low- and moderate-income housing. Although, Hamilton has known contaminated sites and many environmental constraints including wetlands, floodplains, and steep slopes, neither these environmentally sensitive lands nor contaminated sites will preclude the Township's from addressing its affordable housing obligation. The Township's zoning supports residential development at moderate to high densities throughout the majority of the residential districts that are served by public sewer and water systems.

One site was offered for inclusion in the Township's housing plan – a 57-acre property located in the Research and Development district behind the Hamilton Marketplace Shopping Center, adjacent to an age restricted development, and adjacent to Interstate 295. The site is located in proximity to Route 130 on Block 2613, Lot 1.06. This site has no road frontage, with the exception of Interstate 295 which is a limited access highway (and for which no access was proposed). The site was not selected, not only because it is not needed to satisfy the Township's affordable housing obligation, but also due to its lack of road access, location in a commercial district, and inconsistency with the Township's land use policies. More specifically the Township objects to access to the residential development via the existing shopping center and objects to creating access through the adjacent residential community. This area remains zoned for commercial development and part of the Township's vision for a thriving commercial corridor along Route 130.

The Township believes that the mechanisms proposed in this document represent the best options for affordable housing in Hamilton. The mechanisms entirely satisfy the Township's affordable housing obligations as established through the Settlement Agreement. While the Township recognizes that developers may, in the future, present sites that possess characteristics that could lend themselves to affordable housing development, additional sites are not needed to satisfy the obligation at this time. Additionally, the Township may consider sites or projects in the future for an inclusionary or 100% affordable housing project.

HAMILTON'S AFFORDABLE HOUSING OBLIGATION

Rehabilitation Obligation

The rehabilitation obligation can be defined as an estimate of the number of deteriorated housing units existing in Hamilton Township that are occupied by low- and moderate-income households. The Settlement Agreement with FSHC establishes Hamilton's rehabilitation obligation as 310 units. The basis for this obligation is FSHC's July 2015 calculations, which used the most recent decennial census year, 2010, as the point in time in determining the number of deteriorated housing units.

**Rehabilitation
Obligation:.....310**

**Prior Round
Obligation:.....705**

**Third Round
Obligation:..... 521**

Prior Round Obligation

The Prior Round obligation can be defined as the cumulative 1987 through 1999 new construction affordable housing obligation. This time period corresponds to the First and Second Rounds of affordable housing. FSHC's July 2015 calculations, as well as the Settlement Agreement with FSHC, establish Hamilton's Prior Round obligation as 705 units. The July 2015 calculations adhere to the Prior Round obligations, as calculated in 1993-1994, and published by COAH in 2008.

Third Round Obligation

The future demand for affordable housing includes the portion of the Third Round (1999- 2015) that has already passed, as well as a 10-year projection into the future (2015-2025). The 10-year period is derived from the Fair Housing Act that, when amended in 2001, set the projection for this length of time (*N.J.S.A. 52:27D-310*). As established by the Township's 2016 Settlement Agreement with FSHC, Hamilton's Third Round obligation (1999-2025) is 521 units; this represents a 30% reduction in the number calculated (744 units) by FSHC in July 2015.

HAMILTON'S AFFORDABLE HOUSING PLAN

Satisfaction of the Rehabilitation Obligation

As stated, Hamilton's rehabilitation obligation is 310 units. In order to address this obligation, the Township will continue that is open to both owner- and renter-occupied units. The owner-occupied program will utilize CDBG funds and the renter-occupied program will utilize the affordable housing trust fund. All rehabilitated units will comply with the definition of a substandard unit in *N.J.A.C. 5:93-5.2(b)*, which states, "a unit with health and safety code violations that require the repair or replacement of a major system." Major systems include weatherization, roofing, plumbing, heating, electricity, sanitary plumbing, lead paint abatement and/or load bearing structural systems. All rehabilitated units shall meet the applicable construction code. Additionally, all rehabilitated units shall be occupied by low- or moderate-income households and subject to 10-year affordability controls, which shall be placed on the property in the form of a lien or deed restriction. The maximum allocation of hard costs per unit is \$15,000 and the average hard cost will be at least \$10,000. Additionally, the Township participates in the Mercer County Housing Rehabilitation Program. This program offer's rehabilitation funds for income qualified owner-occupied units.

Satisfaction of the Prior Round Obligation

As confirmed in the Settlement Agreement, Hamilton's Prior Round obligation (1987-1999) is 705 units. COAH permits new construction credits and bonuses addressing a First or Second Round affordable housing obligation to be used to address the Prior Round obligation.

In addition to satisfying the total obligation, the Township must also adhere to a minimum rental obligation and maximum number of age-restricted units.

As demonstrated in the Summary Tables at the end of this section, the Township has satisfied its Prior Round obligation with RCA credits, Prior Cycle credits, special needs facilities, a 100% affordable housing development, and rental bonus credits. The rental obligation is satisfied with the

Prior Round Rental Obligation = 142 units

0.25 (precredited need – Prior Cycle credits – impact of the 20% cap – impact of the 1,000-unit cap – rehabilitation obligation)

$$= 0.25 (1,015 - 137 - 0 - 0 - 310) = 142$$

Prior Rental Credits:

A rental unit available to the general public receives one (1) rental bonus;

An age-restricted unit receives a 0.33 rental bonus, but no more than 50% of the rental obligation shall receive a bonus for age-restricted units; and

No rental bonus is granted in excess of the rental obligation.

Prior Round Maximum Age-Restricted = 65 units

0.25 (precredited need – rehabilitation obligation – Prior Cycle credits – transferred Prior Round RCAs)

$$= 0.25 (1,015 - 310 - 137 - 308) = 65$$

special needs facilities, 100% affordable housing projects and one inclusionary site – Enchantment Villas.

PRIOR CYCLE CREDITS

Society Hill I and II

Society Hill I and II is an inclusionary development that was completed in 1981 and contains a total of 800 units, of which 80 are family affordable for-sale units. The project is located along Cypress Lane at Block 2167, Lot 818 and Block 2167, Lot 62. COAH granted credit for this project in the First Round. The affordable housing units in this development are administered by the Township's Administrative Agent (Piazza and Associates) and this development contributes 80 credits toward the Prior Round obligation.

Prior Cycle Credits

A one-for-one credit for low- and moderate-income housing units constructed between April 1, 1980 and December 15, 1986, before the beginning of the First Round (1987-1993).

Credits without Controls

The Township was granted 45 credits without controls as part of COAH's 2004 substantive certification. This determination was based on COAH's staff recommendation as set forth in a May 15, 2002 report. Credits without controls units are defined as prior cycle credit units which are not subject to deed restrictions to control affordability but which at the time of the petition for substantive certification are occupied by low and moderate income households and have a value which is affordable to low and moderate income households. The housing developments from where these credits came from include the following: Society Hill I, Abbott Commons, Pebble Creek, Briarwood, Granville, and single family homes outside of an association. All of these units are family for-sale units. This program contributes 45 credits toward the Prior Round obligation.

Mercer County ARC – Cedar Lane and Route 156

Mercer County ARC has two (2) group homes in Hamilton Township, which were credited by COAH during Second Round certification. Each home has six (6) bedrooms that are for rent. One group home is located on Cedar Lane and was issued a certificate of occupancy on October 16, 1981. The group home located on Route 156 was issued a certificate of occupancy on February 8, 1983. Mercer ARC is the administrative agent for both homes. Together, these two (2) facilities will contribute 12 credits toward the Prior Round obligation.

REGIONAL CONTRIBUTION AGREEMENT (RCA)

The Township previously entered into two (2) RCAs with the City of Trenton for a total of 308 units. The Township entered into a First Round RCA in 1993 with the City of Trenton for 69 units; this agreement was approved by COAH during the First Round. The total cost of the transfer was \$793,500, or a per unit cost of \$11,500. Hamilton has made all required payments with funds from a settlement with Parker Partners, a plaintiff from the First Round exclusionary zoning lawsuit. In 2004, Hamilton entered into second RCA with the City of Trenton for 239 units. The RCA was approved by COAH in 2004 for a total cost of \$4,780,000, or a per unit cost of \$20,000.

Regional Contribution Agreement

The transfer of up to 50% of a municipality's fair share obligation to another municipality within its housing region by means of a contractual agreement into which two municipalities voluntarily enter.

SPECIAL NEEDS FACILITIES

Allies Inc. – 331 Redfern Avenue

Located at 331 Redfern Avenue (Block 2102/Lot 75), the certificate of occupancy was issued on April 19, 2010. The home is deed-restricted as family affordable for-sale units; however, it is used as a three-bedroom group home. These units are occupied by very low income individuals with developmental disabilities. An amended deed restriction executed in 2018 provides for 30-year affordability controls. The Township committed funding to the project in exchange for 30-year affordability controls. The Township is seeking rental credits for the site.

Alternative Living Arrangement / Supportive & Special Needs Housing

A structure in which households live in distinct bedrooms, but share kitchen and plumbing facilities, central heat and common areas.

They may be restricted to special needs groups, such as persons with developmental disabilities, veterans and their families, and victims of domestic abuse.

Allies Inc. – 423 Wilfred Avenue

Located at 423 Wilfred Avenue (Block 2323/Lot 6), the certificate of occupancy was issued on April 19, 2010. The home is deed-restricted as family affordable for-sale units; however, it is used as a three-bedroom group home. These units are occupied by very low income individuals with developmental disabilities. An amended deed restriction executed in 2018 provides for 30-year affordability controls. The Township committed funding to the

project in exchange for 30-year affordability controls. The Township is seeking rental credits for the site.

Community Options – 25 Tattletown Road

Community Options currently owns a single family home at 25 Tattletown Road. The Organization recently received approval for \$60,000 in Township affordable housing trust fund money for conversion of the residence to a four (4) bedroom group home. A 30 year deed restriction will be placed on the property. An agreement and the affordability controls will be forthcoming.

EDEN – 3 Blue Devil Lane

EDEN currently owns a group home at 3 Blue Devil Lane. This facility contains four (4) rental bedrooms each and will be eligible for rental bonus credits. EDEN, the provider, has indicated all bedrooms are occupied by very low-income individuals. While this facility had 20-year affordability controls, the Township has committed to \$200,000 in exchange for 30 year controls and thereafter until terminated by Hamilton. EDEN has agreed to such an arrangement. As such, this facility is eligible for four (4) affordable housing credits and is eligible to meet a portion of the rental obligation.

EDEN – 433 Princeton Avenue

EDEN currently owns a group home at 3 Blue Devil Lane. This facility contains four (4) rental bedrooms each and will be eligible for rental bonus credits. EDEN, the provider, has indicated all bedrooms are occupied by very low-income individuals. While this facility had 20-year affordability controls, the Township has committed to \$200,000 in exchange for 30 year controls and thereafter until terminated by Hamilton. EDEN has agreed to such an arrangement. As such, this facility is eligible for four (4) affordable housing credits and is eligible to meet a portion of the rental obligation.

Enable – Gallavan Way

This special needs facility contains four (4) rental bedrooms and is located at 11 Gallavan Way (Block 1928/Lot 9). The facility was issued a certificate of occupancy on January 14, 1998 and is administered by the provider. COAH granted credit to the facility in 2004. As such, this facility is eligible for four (4) affordable housing credits and is eligible to meet a portion of the rental obligation.

Enable – Flock Road

This special needs facility contains three (3) rental bedrooms, is located at 588 Flock Road (Block 1375/Lot 5) and is administered by the provider. A certificate of occupancy was issued

on July 2, 1996 and COAH granted credit to the facility in 2004. Each bedroom is eligible for one (1) credit and is eligible to meet the rental obligation.

Mercer ARC – 12 Compton Way

Mercer ARC owns and will operate a 3-bedroom group home at 12 Compton Way, Block 1845, Lot 11. The group home is occupied by very low income individuals with developmental disabilities. The property has 30-year affordability controls in place. Pursuant to an agreement between Mercer ARC and Hamilton Township, as well as the Spending Plan, the Township is providing a subsidy of \$90,000 in order for Mercer ARC to acquire and rehabilitate an existing single-family home for the purpose of providing affordable housing to those with special needs. The group home shall comply with the UHAC rules, N.J.A.C. 5:80-26.1, to the extent applicable. Each bedroom is eligible for one (1) credit and is eligible to meet a portion of the rental obligation.

Mercer ARC – 236 Murray Avenue

Mercer ARC opened a third group home within Hamilton at 236 Murray Avenue. The facility is a four (4) bedroom group home serving adults with developmental disabilities and which have very-low incomes. The Township provided \$125,000 for the purchase and renovation of the property in exchange for affordability controls which render the site eligible for affordable housing credit. The home has 30 year affordability controls in place. This facility is eligible for four (4) affordable housing credits and to meet a portion of the rental obligation.

Mercer ARC – 11 Phaeton Drive

Mercer ARC currently owns a single family home at 11 Phaeton Drive. The organization recently received approval for \$120,000 in Township affordable housing trust fund money for conversion of the residence to a five (5) bedroom group home. A 30 year deed restriction will be placed on the property. An agreement and the affordability controls will be forthcoming.

Mercer County Veterans Center

This special needs facility contains five (5) rental bedrooms. The group home is for veterans, is non-age-restricted and is administered by the provider. It was completed in 2003 and carries an appropriate deed restriction through HOME Investment and Mercer County Development Funding. COAH granted five (5) credits for this facility in 2004. Each bedroom is eligible for one (1) credit and may be used to meet the rental obligation.

Options

This special needs facility contains four (4) rental bedrooms and is located on McAdoo Avenue and is administered by the provider. The facility was issued a certificate of occupancy on

December 22, 1997, and COAH granted credit to this facility in 2004. Each bedroom is eligible for one (1) credit and may be used to meet the rental obligation.

Project Freedom – Kuser Road

This rental facility for physically disabled households is owned and administered by Project Freedom. The site is located along Kuser Road at Block 2154, Lot 3. The project contains housing for 51 households. There are 48 housing units. Two of the units are two-bedroom units that are occupied by separate households; this is the equivalent of a group home, and each additional bedroom is therefore treated as a separate unit. The project received a certificate of occupancy in 2002 and is deed restricted for 30 years. The project received funding through the Low-Income Housing Tax Credit (hereinafter “LIHTC”) program and DCA. In 2004, COAH granted the Township credit for 48 rental credits and 48 rental bonus credits. In 2000, a Deed of Easement and Restrictive Covenant for Extended Low-Income Occupancy was executed that provides, among other things, that the project is a Special Needs Project and that 25% of the units must be restricted for occupancy by the special needs population. In a March 11, 1999 letter, the Division of Developmental Disabilities (“DDD”) supported Project Freedom’s Low Income Housing Tax Credit application and indicated that it would contract for residential placement for 12 of the units, two (2) of which are two-bedroom units. Since the inception of the project, 12 of the units have been reserved for DDD placement. There is no formal contract with DDD, which apparently, as a matter of practice, does not execute them, but relies instead on its letters supporting Low Income Housing Tax Credit applications. As such, 50 units are eligible for special needs rental credit (48 units, of which two (2) are two-bedroom units).

SERV – 2 Bainbridge Court

SERV owns a group home at 2 Bainbridge Court on Block 1717, Lot 17. It is a five-bedroom facility for developmentally disabled adults. The facility received capital funding from the State. Additionally, SERV has agreed to accept funding in exchange for 30-year affordability controls and thereafter until terminated by Hamilton. The Township is seeking rental credit for the site. SERV has stated the residents’ income consists of social security and they therefore meet the threshold for very low-income (see August 1, 2016 letter).

SERV – 6 Lohli Drive

SERV owns a group home 6 Lohli Drive on Block 1996, Lot 13. It is a five-bedroom facility for developmentally disabled adults. The facility received capital funding from the State. Additionally, SERV has agreed to accept funding in exchange for 30-year affordability controls and thereafter until terminated by Hamilton. The Township is seeking rental credit for the site. SERV has stated the residents’ income consists of social security and they therefore meet the threshold for very low-income (see August 1, 2016 letter).

SERV – 117 Colonial Drive

SERV owns a home 117 Colonial Drive. The unit is currently being renovated for use as a group home as early as 2017. It will be a four-bedroom facility for developmentally disabled adults. The facility received capital funding from the State. Additionally, SERV has agreed to accept funding in exchange for 30-year affordability controls and thereafter until terminated by Hamilton. The Township is seeking rental credit for the site. SERV has stated the residents' income consists of social security and they therefore meet the threshold for very low-income (see August 1, 2016 letter).

Visitation Homes (VH2) - 355 Yardville-Allentown Road

This special needs facility provides supportive shared living with four (4) low-income rental bedrooms and is located at 355 Yardville-Allentown Road (Block 2690/Lot 10). Each bedroom is eligible for one (1) credit and one (1) rental bonus credit and as such, this facility will contribute eight (8) credits towards the Prior Round obligation. The project was funded by the County's HOME program, as well as other funding sources. In 2011, the Township provided \$30,000 from the Housing Trust Fund towards the project's renovation. There are 30 year affordability controls, via a deed restriction, in place for this project. The Township is seeking special needs credit for these units in order to receive the credit that reflects the project's occupants.

Visitation Homes (VH1) - 417 Yardville-Allentown Road

This special needs facility provides supportive shared living with five (5) low-income rental bedrooms and is located at 417 Yardville-Allentown Road (Block 2690/Lot 11.01). A certificate of occupancy was issued in 2012, and the project is administered by the provider. Each bedroom is eligible for one (1) credit and one (1) rental bonus credit and as such, this facility will contribute ten (10) credits towards the Prior Round obligation. The project was funded by the County's HOME program, as well as other funding sources. In 2011, the Township provided \$30,000 from the housing trust fund towards the facility's renovation. There are 30 year affordability controls, via a deed restriction, in place for this project. The Township is seeking special needs credit for these units in order to receive the credit that reflects the project's occupants.

Visitation Homes (VH3) - 405 Yardville-Allentown Road

This special needs facility, completed in 2012, provides supportive shared living with six (6) low-income rental bedrooms. Four (4) of the units will satisfy the Prior Round obligation and the remaining two (2) will satisfy the Third Round obligation. It is located at 405 Yardville-Allentown Road (Block 2690/Lot 11.01) and is administered by the provider. Each bedroom is eligible for one (1) credit and one (1) rental bonus credit and as such, this facility will contribute 12 credits towards the Prior Round obligation. The project was funded by the County's HOME program, as well as other funding sources. Visitation Homes received funding for 417

Yardville-Allentown Road in 2003. The lot was later subdivided to create 417 (11) and 405 (Lot 11.02). In 2011, the Township provided \$30,000 from the Housing Trust Fund towards the project. There are 30 year affordability controls, via a deed restriction, in place for this project. While there is no restriction for a specific population, Visitation Homes indicates their clients have special needs. The Township is seeking special needs credit for these units in order to receive the credit that reflects the project's occupants.

VOCA

This special needs facility contains 3 rental bedrooms, is located on Archer Street and was issued a certificate of occupancy on August 4, 1999. The project is administered by the provider and the facility was granted COAH credit in 2004. Each bedroom is eligible for one (1) credit and one (1) rental bonus credit and as such this facility will contribute six (6) credits toward the Prior Round obligation.

100% AFFORDABLE HOUSING PROJECTS

HomeFront II - 322 – 330 Connecticut Avenue

HomeFront purchased two existing buildings located at 322 – 330 Connecticut Avenue (Block 1873/Lot 30). These family rental buildings contain eight (8) units total and each unit has two (2) bedrooms. The project has 30-year affordability controls beginning in June 2002. HomeFront certified that 5 of the units are reserved for very low income households and 3 of the units are reserved for low income households.

100% Affordable Development

A development in which all units are affordable to low- and moderate-income households.

HomeFront IV - 116 Moffat Avenue

These family rental units, which were purchased by HomeFront, contain four (4) rental apartments and is located at 116 Moffat Avenue (Block 2028/Lot 22). As certified by HomeFront, two (2) of the units are reserved for very low income units and two (2) of the units are reserved for low income units. The units are administered by the provider. Two (2) units have two-bedrooms and two (2) units have one (1) bedroom. The project has 30-year affordability controls beginning in December 2007. Pursuant to an Amended Agreement for the Commitment of Affordable Housing Trust Fund Monies for Homes by TLC, dated November 11, 2017, the Township agrees to provide Affordable Housing Trust Fund monies towards the renovation of this facility.

HomeFront IV – 40 Francis Avenue

These family rental units, purchased by HomeFront, contain four (4) rental apartments, are located at 40 Francis Avenue (Block 2020/Lot 49), and are administered by the provider. As certified by HomeFront, three (3) of the units are reserved for very low income households and one (1) unit is reserved for a low income household. Two (2) units have two (2) bedrooms and two (2) units have one (1) bedroom. The project has 30-year affordability controls beginning in December 2007.

HomeFront Transitional Housing - 129 Moffat Avenue

This transitional housing facility contains four (4) low-income rental units located at 129 Moffat Avenue (Block 2027/Lot 10). Two (2) units have two (2) bedrooms and two (2) units have one (1) bedroom. HomeFront certified that all four (4) units are reserved for very low income households. The project is administered by the provider and has 10-year affordability controls.

Prior Round Summary

The Township has met its 705-unit Prior Round obligation with RCA credits, Prior Cycle credits, special needs facilities, 100% affordable housing development, inclusionary housing and rental bonus credits.

SATISFACTION OF THE THIRD ROUND OBLIGATION

Pusuant to the Settlement Agreement, Hamilton’s Third Round obligation (1999-2025) is 521 units.

In addition to satisfying the total obligation, the Township must also adhere to a minimum rental obligation, a maximum number of age-restricted units, and a minimum very low-income requirement.

As demonstrated in the Summary Tables at the end of this section, the Township has satisfied its Third Round obligation with a surplus of Prior Round credits, special needs facilities, 100% affordable housing developments, inclusionary housing developments, market-to-affordable units, and units subject to extension of expiring controls.

Third Round Rental Bonus Credits

- A rental unit available to the general public receives one rental bonus;
- An age-restricted unit receives a 0.33 rental bonus, but no more than 50% of the rental obligation shall receive a bonus for age-restricted units; and
- No rental bonus is granted in excess of the rental obligation.

Third Round Rental Obligation = 131 units

0.25 (Third Round obligation – Prior Cycle credits – impact of the 20% cap – impact of the 1,000-unit cap – rehabilitation obligation)

=.25 (521-0-0-0-0)
= 130.25, rounded up to 131

Third Round Maximum Age-Restricted = 130 units

0.25 (Third Round obligation – Prior Cycle credits – rehabilitation credits – impact of the 20% cap – impact of the 1,000-unit cap) – age-restricted units from the Prior Round

=.25 (521-0-0-0-0)-0
= 130.25, rounded down to 130

Third Round Minimum Very Low Income = 41 units

0.13(units created after 7/2008)

= .13(315)
= 41

SPECIAL NEEDS FACILITIES

Project Freedom – Samuel Alito Road

Project Freedom, Inc., a non-profit housing developer that specializes in creating barrier-free housing for persons with disabilities, is proposing to construct “Freedom Village at Hamilton Township”, a 72-unit affordable housing rental community. Fifty-four (54) of the units shall be family units. Eighteen (18) units shall be reserved for special needs households; the remaining 54 units shall be family units. Ten of the units shall be reserved for very low income

households; it is the developer's discretion as to whether the very low income units will be family or special needs units. The Township and Project Freedom agreed that the Township would acquire a site for the development and convey the site to it along with at least \$350,000 in Affordable Housing Trust Fund monies for predevelopment and related costs. The Township executed a developer's agreement with Project Freedom in September 2018. A new zoning district, the Special Housing Zone III, was created for the project to ensure the project was a permitted use and could be developed on the site.

The Township and Project Freedom identified a site, Block 2613, Lot 3, for which previously a town center had been planned, in the center of town. It is a large site on Samuel Alito Drive with approximately 20 buildable acres. The Township owns the site and has done all of the environmental investigations necessary for it. The intent is to convey 10 of the 22-acre property to Project Freedom for a 72-unit affordable housing development. The site is adjacent to the Hamilton Township Library and the Golf Center and is across the street from the YMCA. The property is also located on a New Jersey Transit Bus Line which runs on Whitehorse Mercerville Road. The property will be served by public water and sewer.

The project calls for construction of six (6) "L" shaped two-story buildings with one elevator in each, consisting of one, two and three-bedroom rental apartment units. All of the units will be totally accessible to someone who uses a wheelchair. The units will feature wider doors and hallways, energy efficient appliances and elevators for access to the second floor. The units will be totally self-sufficient, and feature central heating and air-conditioning, accessible kitchens and baths with roll-in showers, large refrigerators and wall to wall carpeting. The building will include green features to conform to Silver LEED Standards.

Funding will come from the New Jersey Housing and Mortgage Finance Agency (NJHMFA) Low Income Housing Tax Credits, the Federal Home Loan Bank of New York, the Mercer County Home Program and a construction loan from either TD Bank or Bank of America. The permanent loan will come from Investors Bank.

Project Freedom – Kuser Road

This rental facility for physically disabled households is owned and administered by Project Freedom. The site is located along Kuser Road at Block 2154, Lot 3. The credit for this project is split between the prior round and third round. See the project description in the prior round portion of this Plan for more information.

Alternative Living Arrangement / Supportive & Special Needs Housing

A structure in which households live in distinct bedrooms, but share kitchen and plumbing facilities, central heat and common areas.

They may be restricted to special needs groups, such as persons with developmental disabilities, veterans and their families, and victims of domestic abuse.

100% AFFORDABLE HOUSING PROJECTS

HomeFront VI - 87 Newkirk Avenue

This two-family rental building contains four (4) low-income rental apartments and is located at 87 Newkirk Avenue (Block 2022/Lot 19). It is administered by the provider. Two (2) units have two (2) bedrooms and two (2) units have one (1) bedroom. The project has 30-year affordability controls beginning in December 2007. HomeFront certified that two (2) of the units are reserved for very low income households and two (2) of the units are reserved for low income households.

100% Affordable Development

A development in which all units are affordable to low- and moderate-income households.

HomeFront VI - 141 Francis Avenue

This two-family rental building contains four (4) low-income rental apartments and is located at 141 Francis Avenue (Block 2028/Lot 11). It is administered by the provider. Two (2) units have two (2) bedrooms and two (2) units have one (1) bedroom. In 2008, the Township provided \$226,800 from the Housing Trust Fund towards the project renovation for this site. The project has 30-year affordability controls beginning in December 2007. As certified by HomeFront, two (2) of the units are reserved for very low income households and two (2) units are reserved for a low income household.

HomeFront IX - 1782 & 1786 Greenwood Avenue

These two-family rental facilities contain four (4) low-income rental apartments each and are located at 1782 (Block 1745/Lot 4) & 1786 (Block 1745, Lot 5) Greenwood Avenue, for a total of eight (8) units. All units have two bedrooms and four (4) of the units are reserved for very low income households and four (4) of the units are reserved for low income households. The project is administered by the provider, and the Township provided \$237,500 to HomeFront for the renovation of these two facilities. Pursuant to an Amended Agreement for the Commitment of Affordable Housing Trust Fund Monies for Homes by TLC, dated November 11, 2017, the Township agreed to provide additional Affordable Housing Trust Fund monies towards the renovation of this facility. The project has 30-year affordability controls beginning in August 2010.

HomeFront X - 1778 Greenwood Avenue

This family rental project contains four (4) units, is located at 1778 Greenwood Avenue (Block 1745/Lot 3), and is administered by the provider. The affordable housing deed restriction is dated November 9, 2011. All units in the building have two (2) bedrooms; one (1) unit is

reserved for very low income households and the remaining three (3) units are reserved for low income households. The project has 30-year affordability controls Pursuant to an Amended Agreement for the Commitment of Affordable Housing Trust Fund Monies for Homes by TLC, dated November 11, 2017, the Township agreed to provide Affordable Housing Trust Fund monies towards the renovation of this facility.

HomeFront XI - 117 Moffat Avenue

This family rental project contains four (4) units and is located at 117 Moffat Avenue (Block 2027/Lot 8) and is administered by the provider. The building received County Home funds and was rehabilitated by HomeFront. The building contains two (2) one-bedroom units and two (2) two-bedroom units. The project has 30-year affordability controls beginning in November 2011. HomeFront certified that all four (4) units are reserved for very low income households. Pursuant to an Amended Agreement for the Commitment of Affordable Housing Trust Fund Monies for Homes by TLC, dated November 11, 2017, the Township agrees to provide Affordable Housing Trust Fund monies towards the renovation of this facility.

HomeFront - 141 Moffat Avenue

This family rental project contains four (4) units and is located at 141 Moffat Avenue (Block 2027/Lot 12) and is administered by the provider. The building contains two (2) one-bedroom units and two (2) two-bedroom units. The project has 30-year affordability controls and received HOME County funds. HomeFront certified that all four (4) units are reserved for very low income households.

Capstone Infill Housing

In 1999, the Capstone Corporation completed a 13 unit scattered site infill housing project. All units are three-bedroom family for-sale affordable units and are located throughout the Township on Wilfred Avenue, Third Avenue, Parkinson Avenue, East State Street, Johnson Avenue and Clover Avenue. The project has 20-year affordability controls and is administered by HAS. COAH credited this project during the First Round and this project will contribute 13 credits toward the Third Round obligation. The units received CO's between 1998 and 1999 and have an income split of 12 moderate-income units and one (1) low-income unit. This project will generate 13 credits.

State Street

Eight (8) row houses burned down on East State Street and the Township intends to replace them with five (5) affordable households reserved for low-income households. The site is located on East State Street on Block 1637, Lots 13-18. The Township currently owns one (1) of the units and will acquire the remainder, by condemnation if necessary. All of the units will

be family for-sale units and will be developed and occupied in accordance with UHAC including, but not limited to bedroom distribution, length of affordability controls. Project administration will be conducted by Triad Associates. This project will generate 5 credits.

INCLUSIONARY DEVELOPMENT

Twin Ponds

This 10.86-acre lot (Block 2173, Lot 21.01 and 21.02) is located on Yardville-Hamilton Square Road in the RD district. The project was granted preliminary approval by the Zoning Board of Adjustment on May 24, 2005 (memorialized June 14, 2005) and final approval on August 14, 2007 (memorialized September 11, 2007) for the construction of 119 age-restricted units and a mixed-use commercial development consisting of two (2) office buildings, a restaurant, and retail space. As stated in the approving resolution, the project will reserve 18 of the units as age-restricted affordable rental units. The property was granted a use variance to permit the proposed restaurant and retail uses. Construction of this project is ongoing. This project will yield 18 credits toward the third round.

Inclusionary Development

A development containing low- and moderate-income units among market rate units. Affordable housing set-asides are typically 15% or 20%.

Inclusionary development may also be a non-residential development (i.e. a shopping center) with affordable units built-in.

The affordable units will be developed and occupied in accordance with *N.J.A.C. 5:93-7* and UHAC including, but not limited to bedroom distribution, income split (50/50 split), and affordability controls of at least 30 years. The units will be administered by an experienced administrative agent.

Brandywine Woods

This project is a new inclusionary housing site located in the REO-5 (research, engineering and office) and Planned Retirement Overlay (age-restricted residential) districts (the overlay district was created in 1997). The property is a 64.86-acre vacant tract known as Block 1922, Lots 26, 27 and 34 and is located on the south side of Klockner Road (just east of Interstate 295). In 2007, the Hamilton Township Planning Board approved the development of 298 age-restricted units, of which 33 will be affordable for-sale units. The gross density of the approved development is 4.6 dwelling units per acre. The Township proposes to rezone the site to allow for an increased affordable housing set-aside, in exchange for permitted family instead of senior units to be developed. The zoning will permit a maximum of 298-units with a 20% affordable housing set-aside, or 60 affordable family rental units, of which 55% of the units shall be affordable to low-income households and 45% of the units may be affordable to moderate-income households. This zoning is consistent with the letter confirming the property

owner's agreement to the zoning. The affordable units will be developed and occupied in accordance with N.J.A.C. 5:93-7 and UHAC including, but not limited to bedroom distribution and affordability controls of at least 30 years. The units will be administered by the Township's administrative agent.

Enchantment Villas (Hamilton Chase)

The property is a 55.39-acre site known as Block 2154, Lots 12, 13 and 14 is located on the south side of Kuser Road (just west of Interstate 295). While Hamilton Township Zoning Board originally approved the site on December 12, 2006 for 123 age-restricted units, of which 14 would have been age-restricted affordable for-sale units, the project has since been converted to family units pursuant to New Jersey Statute P.L. 2009 c. 82. (signed into law on July 2, 2009). The Township's Zoning Board of Adjustment granted the approval to convert the project to family units as well as other associated changes on October 12, 2010. As a result of this approval, the project provides 28 family affordable sale housing units instead of 14 age-restricted for-sale units. The applicant proposed to dedicate 25.01 acres to the Township and as such, the development is constructed on the remaining 30.22 acres resulting in a gross density of just over four (4) units per acre. This project yields 56 credits toward the third round from the 28 units and 28 bonus credits.

The project has completed construction and occupancy is underway. The units will have a bedroom distribution of six (6) one-bedroom affordable units, 16 two-bedroom affordable units, and six (6) three-bedroom affordable units and shall have a 50/50 income split with at least 50% of the restricted units within each bedroom distribution being low-income units. Each unit shall have at least 30-year affordability controls and will be administered by the Township's Administrative Agent, Piazza and Associates.

Mill One

This inclusionary housing project located on a 5.6-acre lot at 1 North Johnson Ave (Block 1727, Lots 20.01-20.07) in the Arts and Cultural Overlay Zone district will include a mix of residential (45 units), commercial, office and studio artist space. The Township amended its Spending Plan on May 14, 2013 and submitted it to COAH on August 1, 2013. The Spending Plan provided additional funds to the developer, Isles, in exchange for developing a total of 30 affordable family rental units instead of the original 15 units. The Township is committing \$1.4 million towards the project. It is unclear if this project will be developed at this time. As such, the Township is not seeking credit for the Mill One project at this time, but reserves the right to receive credit in the future if the project is developed.

GP&TL Connecticut Avenue

This project (Blocks 1743, Lot 1; Block 1744, Lot1; and Block 1746/Lot 1) will provide 14 affordable family for-sale units on Connecticut Avenue. The development proposal was

approved by the Zoning Board of Adjustment on September 10, 2013 consistent with a Consent Order that specified the development of this property with 16 units; 14 semi-detached affordable units and two (2) detached market rate units. The affordable units will include seven (7) low-income units and seven (7) moderate-income units. As indicated in the approval, the affordable units will be developed and occupied in accordance with N.J.A.C. 5:93-7 and UHAC including, but not limited to bedroom distribution, length of affordability controls, and administration by the Township's administrative agent. This project will generate 14 credits.

The Homestead

This 195-unit independent living and assisted living facility, formerly known as Paradise Garden Village (JDME Acquisitions), received Zoning Board of Adjustment approval on June 14, 2011 and is located at the northwest corner of Kuser and Klockner Roads (Block 2173, Lots 8, 10-13). The development includes five (5) one-bedroom units. These units are restricted pursuant to assisted living standards that require 10% of the beds to be reserved for Medicaid eligible persons. As such, the Township is seeking credit for these units.

Vintage Court

Vintage Court is a 25-unit inclusionary development with four (4) family affordable rental units located at Lamont Avenue & Vintage Court on Block 1922, Lot 16. Portions of the project were completed and received certificates of occupancy as early as 1997 with remaining portions being completed in 2003. This project, as indicated in Hamilton's Second Round plan, was originally intended to include six (6) affordable units with 20-year controls. While affordable units have been occupied by income qualified households and while the project received COAH credit in 2004, proper deed restrictions were not put in place until 2015 (they were recorded retroactively on four (4) units). As such, the project has affordability controls of 30 years and until terminated by the Township and is administered by Hamilton Township's Administrative Agent, Piazza and Associates. All four (4) units contain two-bedrooms. With the exception of one low-income unit, all units are moderate-income.

ASSISTED LIVING

Hamilton Senior Living

This project received site plan approval in 2016 for construction of approximately 94,000 square foot assisted living and memory care building. The site is located on Block 2173, Lot 22 on Yardville Hamilton Square Road. The property is located in the RD district and is composed of 9.4 acres. The project will include 111 units. Consistent with assisted living licensing requirements, 10% of the units shall be reserved for

Assisted Living

A development which is a facility licensed by the New Jersey Department of Health and Senior Services to provide apartment-style housing and congregate dining and to assure that assisted living services are available when needed. These units are considered age-restricted housing.

Medicaid recipients. Six (6) of the 11 Medicaid beds will be reserved for low-income individuals, including two (2) very low-income persons. The project will contribute 11 credits toward the third round.

MARKET-TO-AFFORDABLE PROGRAM

Red Oaks Apartments

Red Oak Apartments (also known as Hamilton Gardens) is a housing development consisting of 170 units. The 7.08-acre property is located at 2300 South Broad Street, Block 2378, Lot 7 and was completed in 1941. While the project pre-dates the Fair Housing Act, COAH and UHAC, it was developed such that the units were affordable to low- and moderate-income households. The project received an allocation 4% LIHTCs in 2001, which financed the renovation of the buildings. As part of this funding, 30-year affordability controls were placed on 139 units to deed restrict them as moderate income affordable family rental units. Pursuant to the 2009 amendment to the Fair Housing Act (C. 45:22A-46.16), projects financed in whole or in part through the allocation of federal LIHTCs shall be eligible for affordable housing credits from COAH. A portion of the units shall contribute toward the third round obligation; the remaining units will be carried over to the fourth round.

Market to Affordable

This program entails conversion of existing market-rate units to deed restricted low or moderate income units.

EXTENSION OF EXPIRING CONTROLS

Society Hill I and II

Society Hill I and II is an inclusionary development whose affordable housing agreement is dated 1989 that contains a total of 800 units, of which 80 are family affordable for-sale units. The project is located along Cypress Lane at Block 2167, Lot 818 and Block 2167, Lot 62. COAH granted credit for this project in the First Round. The Township has extended 26 of the 80 affordable units for an additional 30 years; the remaining units do not appear at this time to be eligible for an extension of affordability controls. Section 268-3 requires an inspection of units prior to their sale. As such, units in this program are at or brought up to code prior to having the affordability controls extended or at the nearest sale (before or after).

Extension of Expiring Controls

Low and moderate income units whose affordability controls will expire during the current round are eligible for another credit in a subsequent round if the controls are extended for a minimum of 30 years.



| Program | Prior Round: 705 credits | | | | | | | Third Round: 521 credits | | |
|--|--------------------------|--------|--------|-------------|-------|---------------|---------------|--------------------------|---------------|---------------|
| | Rental | Senior | Family | Total Units | Units | Bonus Credits | Total Credits | Units | Bonus Credits | Total Credits |
| <u>Prior Cycle Credits</u> | | | | | | | | | | |
| Society Hill I and II | | | x | 80 | 80 | | 80 | 0 | | 0 |
| Credits without Controls | | | x | 45 | 45 | | 45 | 0 | | 0 |
| Mercer ARC – Cedar Lane | x | | | 6 | 6 | | 6 | 0 | | 0 |
| Mercer ARC – Route 156 | x | | | 6 | 6 | | 6 | 0 | | 0 |
| <u>Regional Contribution Agreements</u> | | | | | | | | | | |
| Trenton – First Round | | | | 69 | 69 | | 69 | 0 | | 0 |
| Trenton – Second Round | | | | 239 | 239 | | 239 | 0 | | 0 |
| <u>Special Needs</u> | | | | | | | | | | |
| Community Option (25 Tattletown Road) | x | | | 5 | 5 | 5 | 10 | 0 | | 0 |
| Enable (Gallavan Way) | x | | | 4 | 4 | 4 | 8 | 0 | | 0 |
| Enable (Flock Rd.) | x | | | 3 | 3 | 3 | 6 | 0 | | 0 |
| Options (McAdoo Ave.) | x | | | 4 | 4 | 4 | 8 | 0 | | 0 |



| Program | Prior Round: 705 credits | | | | | | | Third Round: 521 credits | | |
|--|--------------------------|--------|--------|-------------|-------|---------------|---------------|--------------------------|---------------|---------------|
| | Rental | Senior | Family | Total Units | Units | Bonus Credits | Total Credits | Units | Bonus Credits | Total Credits |
| Mercer ARC (12 Compton Way) | x | | | 3 | 3 | 3 | 6 | 0 | | 0 |
| Mercer ARC (11 Phaeton Drive) | x | | | 4 | 4 | 4 | 8 | 0 | | 0 |
| Mercer County Veterans Center | x | | | 5 | 5 | 5 | 10 | 0 | | 0 |
| Project Freedom (Kuser Rd Special Needs) | x | | | 50 | 32 | 32 | 64 | 18 | 18 | 36 |
| Project Freedom (Sam Alito Dr Family) | x | | x | 54 | 0 | | 0 | 54 | 54 | 108 |
| Project Freedom (Sam Alito Dr Special Needs) | x | | | 18 | 0 | | 0 | 18 | 18 | 36 |
| VOCA (Archer Ct.) | x | | | 3 | 3 | 3 | 6 | 0 | | 0 |
| Visitation Homes (355 Yardville-Allentown Rd.) | x | | | 4 | 4 | 4 | 8 | 0 | | 0 |
| Visitation Homes (417 Yardville-Allentown Rd.) | x | | | 5 | 5 | 5 | 10 | 0 | | 0 |
| Visitation Homes (405 Yardville-Allentown Rd.) | x | | | 6 | 6 | 6 | 12 | 0 | | 0 |
| Allies Inc. (331 Redfern Ave.) | x | | | 3 | 3 | 3 | 6 | 0 | | 0 |
| Allies Inc. (423 Wilfred Ave.) | x | | | 3 | 3 | 3 | 6 | 0 | | 0 |
| SERV (6 Lohli Dr.) | x | | | 5 | 5 | 5 | 10 | 0 | | 0 |



| Program | Prior Round: 705 credits | | | | | | | Third Round: 521 credits | | |
|--|--------------------------|--------|--------|-------------|-------|---------------|---------------|--------------------------|---------------|---------------|
| | Rental | Senior | Family | Total Units | Units | Bonus Credits | Total Credits | Units | Bonus Credits | Total Credits |
| SERV (2 Bainbridge Ct.) | x | | | 5 | 5 | 5 | 10 | 0 | | 0 |
| SERV (117 Colonial Ave.) | x | | | 4 | 4 | 4 | 8 | 0 | | 0 |
| Eden (3 Blue Devil Ln.) | x | | | 4 | 4 | 4 | 8 | 0 | | 0 |
| Eden (433 Princeton Ave.) | x | | | 4 | 4 | 4 | 8 | 0 | | 0 |
| Mercer ARC (236 Murray Ave) | x | | | 4 | 4 | 4 | 8 | 0 | | 0 |
| 100% Affordable Housing | | | | | | | | | | |
| HomeFront II ((322 & 330 Connecticut Ave)) | x | | x | 8 | 8 | 8 | 16 | 0 | | 0 |
| HomeFront IV (116 Moffat Ave.) | x | | x | 4 | 4 | 4 | 8 | 0 | | 0 |
| HomeFront IV (40 Francis Ave.) | x | | x | 4 | 4 | 4 | 8 | 0 | | 0 |
| HomeFront VI (87 Newkirk Ave.) | x | | x | 4 | 0 | | 0 | 4 | 4 | 8 |
| HomeFront VI (141 Francis Ave.) | x | | x | 4 | 0 | | 0 | 4 | 4 | 8 |
| HomeFront IX (1782 & 1786 Greenwood Ave.) | x | | x | 8 | 0 | | 0 | 8 | 8 | 16 |
| HomeFront X (1778 Greenwood Ave.) | x | | x | 4 | 0 | | 0 | 4 | 4 | 8 |



| Program | Prior Round: 705 credits | | | | | | | Third Round: 521 credits | | |
|---|--------------------------|--------|--------|-------------|-------|---------------|---------------|--------------------------|---------------|---------------|
| | Rental | Senior | Family | Total Units | Units | Bonus Credits | Total Credits | Units | Bonus Credits | Total Credits |
| HomeFront XI (117 Moffat Ave.) | x | | x | 4 | 0 | | 0 | 4 | 4 | 8 |
| HomeFront (141 Moffat Ave.) | x | | x | 4 | 0 | | 0 | 4 | 2 | 6 |
| Homefront Transitional (129 Moffatt Ave.) | x | | x | 4 | 4 | 4 | 8 | 0 | | 0 |
| Capstone Infill Housing | | | x | 13 | 0 | | 0 | 13 | | 13 |
| State Street | | | x | 5 | 0 | | 0 | 5 | | 5 |
| <u>Inclusionary Housing</u> | | | | | | | | | | |
| Twin Ponds | x | x | | 18 | 0 | | 0 | 18 | | 18 |
| Brandywine Woods | x | | x | 60 | 0 | | 0 | 60 | | 60 |
| Enchantment Villas | | | x | 28 | 0 | | 0 | 28 | | 28 |
| Mill One | x | | x | 0 | 0 | | 0 | 0 | | 0 |
| GP&TL Connecticut Avenue | | | x | 14 | 0 | | 0 | 14 | | 14 |
| The Homestead | x | x | | 5 | 0 | | 0 | 5 | | 5 |
| Vintage Court | | | x | 4 | 0 | | 0 | 4 | | 4 |



| Program | Prior Round: 705 credits | | | | | | | Third Round: 521 credits | | |
|------------------------------|--------------------------|--------|--------|-------------|------------|---------------|---------------|--------------------------|---------------|---------------|
| | Rental | Senior | Family | Total Units | Units | Bonus Credits | Total Credits | Units | Bonus Credits | Total Credits |
| <u>Assisted Living</u> | | | | | | | | | | |
| Hamilton Senior Living | x | x | | 11 | 0 | | 0 | 11 | | 11 |
| <u>Market to Affordable</u> | | | | | | | | | | |
| Red Oak Apartments | x | | x | 139 | 0 | | 0 | 88 | 15 | 103 |
| <u>Extension of Controls</u> | | | | | | | | | | |
| Society Hill | | | x | 26 | 0 | | 0 | 26 | | 26 |
| | | | | 964 | 575 | 130 | 705 | 390 | 131 | 521 |

| PRIOR ROUND CREDIT SUMMARY | | |
|----------------------------|------------|----------|
| | Required | Provided |
| Prior Round Total Credits | 705 | 705 |
| Prior Round Total Units | n/a | 575 |
| Prior Round Rental | 142 (min.) | 142 |
| Prior Round Senior | 65 (max.) | 0 |



| THIRD ROUND CREDIT SUMMARY | | |
|----------------------------|------------|----------|
| | Required | Provided |
| Third Round Total Credits | 521 | 521 |
| Third Round Total Units | n/a | 390 |
| Third Round Rental | 131 (min.) | 300 |
| Third Round Senior | 130 (max.) | 34 |
| Third Round Family | 261 (min.) | 320 |



INCOME DISTRIBUTION

Affordable units addressing the prior round or third round obligation and which are subject to the Uniform Housing Affordability Control rules (NJAC 5:80-26.1) shall be composed of a minimum of 50% low income units; the remaining units may be moderate income. However, for the purposes of advancing settlement with Fair Share Housing Center, the Township agreed to ensure that a minimum of 50% of all affordable units addressing the prior or third round obligation shall be low income.

Additionally, the Fair Housing Act requires that 13% of all units created and occupied after July 1, 2008 shall be restricted for very low income households.

Low Income Units

Excluding RCA units and credits without controls, the Township is seeking credit for 612 units to satisfy the prior round and third round obligations. Of these, 348 units, or 57%, are low income units; the remaining 266 units, or 43%, are moderate income units.

| Income Distribution | | | | | | |
|---|--------|--------|--------|----------|-----|----------|
| Program | Rental | Senior | Family | Very Low | Low | Moderate |
| Prior Cycle Credits | | | | | | |
| Society Hill I and II | | | x | 0 | 40 | 40 |
| Credits without Controls | | | x | NA | NA | NA |
| Mercer ARC – Cedar Lane | x | | | 6 | 0 | 0 |
| Mercer ARC – Route 156 | x | | | 6 | 0 | 0 |
| Regional Contribution Agreements | | | | | | |
| Trenton – First Round | | | | NA | NA | NA |
| Trenton – Second Round | | | | NA | NA | NA |
| Special Needs | | | | | | |
| Mercer ARC (12 Compton Way) | x | | | 3 | 0 | 0 |
| Mercer ARC (11 Phaeton Drive) | x | | | 4 | 0 | 0 |
| Community Option (25 Tattletown Road) | x | | | 5 | 0 | 0 |
| Enable (Gallavan Way) | x | | | 4 | 0 | 0 |
| Enable (Flock Rd.) | x | | | 3 | 0 | 0 |
| Options (McAdoo Ave.) | x | | | 0 | 4 | 0 |
| Mercer County Veterans Center | x | | | 0 | 5 | 0 |
| Project Freedom (Kuser Rd special needs) | x | | | 12 | 14 | 24 |
| Project Freedom (Sam Alito Dr family and special needs) | x | | | 10 | 26 | 36 |



| Income Distribution | | | | | | |
|--|--------|--------|--------|----------|-----|----------|
| Program | Rental | Senior | Family | Very Low | Low | Moderate |
| VOCA (Archer Ct.) | x | | | 3 | 0 | 0 |
| Visitation Homes (355 Yardville-Allentown Rd.) | x | | | 0 | 4 | 0 |
| Visitation Homes (417 Yardville-Allentown Rd.) | x | | | 0 | 5 | 0 |
| Visitation Homes (405 Yardville-Allentown Rd.) | x | | | 0 | 6 | 0 |
| Allies Inc. (331 Redfern Ave.) | x | | | 3 | 0 | 0 |
| Allies Inc. (423 Wilfred Ave.) | x | | | 3 | 0 | 0 |
| SERV (6 Lohli Dr.) | x | | | 5 | 0 | 0 |
| SERV (2 Bainbridge Ct.) | x | | | 5 | 0 | 0 |
| SERV (117 Colonial Ave.) | x | | | 4 | 0 | 0 |
| Eden (3 Blue Devil Ln.) | x | | | 4 | 0 | 0 |
| Eden (433 Princeton Ave.) | x | | | 4 | 0 | 0 |
| Mercer ARC – Murray Ave | x | | | 4 | 0 | 0 |
| 100% Affordable Housing Developments | | | | | | |
| HomeFront II ((322 & 330 Connecticut Ave)) | x | | x | 5 | 3 | 0 |
| HomeFront IV (116 Moffat Ave.) | x | | x | 2 | 2 | 0 |
| HomeFront IV (40 Francis Ave.) | x | | x | 3 | 1 | 0 |
| HomeFront VI (87 Newkirk Ave.) | x | | x | 2 | 2 | 0 |
| HomeFront VI (141 Francis Ave.) | x | | x | 2 | 2 | 0 |
| HomeFront (141 Moffat Ave.) | x | | x | 4 | 0 | 0 |
| HomeFront IX (1782 & 1786 Greenwood Ave.) | x | | x | 4 | 4 | 0 |
| HomeFront X (1778 Greenwood Ave.) | x | | x | 1 | 3 | 0 |
| HomeFront XI (117 Moffat Ave.) | x | | x | 4 | 0 | 0 |
| Homefront Transitional (129 Moffatt Ave.) | x | | x | 4 | 0 | 0 |
| Capstone Infill Housing | | | x | 0 | 1 | 12 |
| State Street | | | x | 0 | 5 | 0 |
| Inclusionary Housing Developments | | | | | | |
| Twin Ponds | | x | | 0 | 9 | 9 |
| Brandywine Woods | | x | | 8 | 25 | 27 |
| Enchantment Villas (Hamilton Chase) | x | | x | 0 | 14 | 14 |
| Mill One | x | | x | 0 | 0 | 0 |
| GP&TL Connecticut Avenue | | | x | 1 | 6 | 7 |
| Vintage Court | | | x | 0 | 1 | 3 |
| The Homestead | | x | | 0 | 2 | 3 |



| Income Distribution | | | | | | |
|------------------------------|--------|--------|--------|------------|------------|------------|
| Program | Rental | Senior | Family | Very Low | Low | Moderate |
| <u>Assisted Living</u> | | | | | | |
| Hamilton Senior Living | x | x | | 2 | 4 | 5 |
| <u>Market to Affordable</u> | | | | | | |
| Red Oak Apartments | x | | x | 0 | 0 | 88 |
| <u>Extension of Controls</u> | | | | | | |
| Society Hill | | | x | 0 | 15 | 11 |
| Total | | | | 134 | 214 | 266 |

Very Low Income Units

The Township has 288 affordable units constructed on or after July 1, 2008. As such, the very low income obligation is 37 units (.13 x 288). Units constructed on or after July 17, 2008 include those in the following table.

As illustrated in the Income Distribution table, the Township far exceeds its very low income obligation. Additionally, 39 of the Township's very low income units are family units in that they are not restricted to special needs or age-restricted households.

| Very-Low Income Obligation Calculation | |
|---|------------------|
| Project | Affordable Units |
| Twin Ponds | 18 |
| Brandywine Woods | 60 |
| Enchantment Villas | 28 |
| Mill One | 0 |
| GP&TL Connecticut Avenue | 14 |
| The Homestead | 5 |
| Visitation Homes (VH1) - 417 Yardville-Allentown Rd | 5 |
| Visitation Homes (VH2) - 355 Yardville-Allentown Rd | 4 |
| Visitation Homes (VH3) - 405 Yardville-Allentown Rd | 6 |
| Allies Inc. (331 Redfern Ave.) | 3 |
| Allies Inc. (423 Wilfred Ave.) | 3 |



| Very-Low Income Obligation Calculation | |
|---|------------------|
| Project | Affordable Units |
| SERV (6 Lohli Dr.) * | 5 |
| SERV (2 Bainbridge Ct.) * | 5 |
| SERV (117 Colonial Ave.) * | 4 |
| Eden (3 Blue Devil Ln.) * | 4 |
| Eden (433 Princeton Ave.) * | 4 |
| Mercer ARC – NEW | 4 |
| Homefront Transitional (129 Moffatt Ave.) | 4 |
| HomeFront IV (116 Moffatt Ave) | 4 |
| HomeFront VI (141 Francis Ave.) | 4 |
| HomeFront IX (1782 &1786 Greenwood Ave.) | 8 |
| HomeFront X (1778 Greenwood Ave.) | 4 |
| HomeFront XI (117 Moffatt Ave) | 4 |
| Project Freedom – Samuel Alito Drive | 72 |
| State Street | 5 |
| Hamilton Senior Living | 11 |
| Total | 288 |
| 13% | 37 |



AFFORDABLE HOUSING ADMINISTRATION & AFFIRMATIVE MARKETING

Hamilton Township has prepared an Affordable Housing Ordinance in accordance with COAH’s substantive rules and UHAC. The Affordable Housing Ordinance will govern the establishment of affordable units in the Township as well as regulating the occupancy of such units. The Township’s Affordable Housing Ordinance covers the phasing of affordable units, the low/moderate income split, bedroom distribution, occupancy standards, affordability controls, establishing rents and prices, affirmative marketing, income qualification, etc.

The Township has established the position of the Municipal Housing Liaison and has appointed a staff member to the position. However, the Township relies on outside organizations to conduct the administration and affirmative marketing of its affordable housing sites. The affirmative marketing plans are designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to the affordable units located in the Township. Additionally, the affirmative marketing plan is intended to target those potentially eligible persons who are least likely to apply for affordable units and who reside in the Township’s housing region, Region 4, consisting of Mercer, Monmouth, and Ocean counties.

The affirmative marketing plans include regulations for qualification of income eligibility, price and rent restrictions, bedroom distribution, affordability control periods, and unit marketing in accordance to *N.J.A.C. 5:80-26.1 et seq.* All newly created affordable units will comply with the 30-year affordability control required by UHAC, *N.J.A.C. 5:80-26.5* and *5:80-26.11*. This plan must be adhered to by all private, non-profit, and municipal developers of affordable housing units and must cover the period of deed restriction or affordability controls on each affordable unit.

Affirmative Marketing

The Affirmative Marketing Plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups...to housing units which are being marketed by a developer or sponsor of affordable housing. It is a continuing program and covers the period of deed restriction.



AFFORDABLE HOUSING TRUST FUND

On April 12, 1995, COAH approved the Township's request to retain development fees imposed prior to December 13, 1990 per *N.J.A.C. 5:91-15* and on August 2, 1995, COAH approved the Township's mandatory development fee ordinance. This ordinance was adopted by the municipality on September 28, 2005. An amendment to the development fee ordinance was approved by COAH on February 1, 2010. An amendment to the development fee ordinance was approved by COAH on February 1, 2010, which set to establish residential development fees in the amount of 1.5% of the equalized assessed value of residential development and nonresidential development fees in the amount of 2.5% of the equalized assessed value of nonresidential development. The amendment has not been formally adopted and the Township is collecting development fees pursuant to the 2005 development fee ordinance and the statewide nonresidential development fee statutory requirements. The Township will adopt the amended development fee ordinance pursuant to COAH's approval in 2010.

Eligible Trust Fund Expenditures

"A municipality may use revenues collected from the development fees for any activity approved by the Council (now the Court) for addressing the municipal fair share...Municipalities are encouraged to use development fee revenues to attract other funds..."

While the Township received Spending Plan approval in 2011, a new spending plan has been prepared consistent with this Plan. The Spending Plan, which discusses anticipated revenues, collection of revenues, and the use of revenues, was prepared in accordance with COAH's applicable substantive rules. The Spending Plan also demonstrates compliance with the requirement to expend development fee revenues within four years of collection, beginning on the date which the Spending Plan is approved. All collected revenues will be placed in the Township's Affordable Housing Trust fund and may be disbursed for the use of affordable housing activities, including the following:

- Rehabilitation program;
- New construction of affordable housing units and related development costs;
- Extensions or improvements of roads and infrastructure directly serving affordable housing development sites;
- Acquisition and/or improvement of land to be used for affordable housing;
- Purchase of affordable housing units for the purpose of maintaining or implementing affordability controls;
- Accessory apartment or market to affordable programs;



- Maintenance and repair of affordable housing units;
- Repayment of municipal bonds issued to finance low- and moderate-income housing activity; and
- Any other activity as specified in the approved spending plan.

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



COST GENERATION

Hamilton Township's Land Development Ordinance has been reviewed to eliminate unnecessary cost generating standards; it provides for expediting the review of development applications containing affordable housing. Such expedition may consist of, but is not limited to, scheduling of pre-application conferences and special monthly public hearings. Furthermore, development applications containing affordable housing shall be reviewed for consistency with the Land Development Ordinance, Residential Site Improvement Standards (*N.J.A.C. 5:21-1 et seq.*) and the mandate of the FHA regarding unnecessary cost generating features. Hamilton shall comply with COAH's requirements for unnecessary cost generating requirements, *N.J.A.C. 5:93-10.1*, procedures for development applications containing affordable housing, *N.J.A.C. 5:93-10.4*, and requirements for special studies and escrow accounts where an application contains affordable housing.