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July 8, 2015

Via Hand Delivery

Clerk, Superior Court of New Jersey
Middlesex County Courthouse
56 Paterson Street
New Brunswick, NJ 08903-0964

RE: ***In the Matter of the Application of the Township of Cranbury in Middlesex County***
Docket No.:

Dear Sir / Madam:

We represent petitioner, the Township of Cranbury ("Township"), with respect to the above referenced Mount Laurel matter. Enclosed for filing on behalf of the Township, please find an original and two (2) copies of the following documents:

1. Verified Complaint for Declaratory Judgment Pursuant to the Fair Housing Act, N.J.S.A. 52:27D-313;
2. Case Information Statement;
3. Notice of Motion for Temporary Immunity Prohibiting Exclusionary Zoning Applications;
4. Letter Brief and Certification of Mary Beth Lonergan, PP/AICP in Support of Petitioner's Motion;
5. Proposed form of Order; and
6. Certification of Service.

Kindly file same and return one copy to me in the enclosed self-addressed stamped envelope. Please charge our Superior Court Account #0066000 for any fees incurred. Should you have any questions or require any additional information, please let me know.

Very truly yours,

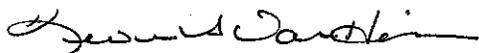
A handwritten signature in black ink, appearing to read 'Kevin A. Van Hise'.

Kevin A. Van Hise

encls.

cc: Attached Service List

Appendix XII-B1

	<h2 style="margin:0;">CIVIL CASE INFORMATION STATEMENT</h2> <h3 style="margin:0;">(CIS)</h3> <p style="margin:0;">Use for initial Law Division Civil Part pleadings (not motions) under <i>Rule 4:5-1</i> Pleading will be rejected for filing, under <i>Rule 1:5-6(c)</i>, if information above the black bar is not completed or attorney's signature is not affixed</p>		FOR USE BY CLERK'S OFFICE ONLY PAYMENT TYPE: <input type="checkbox"/> CK <input type="checkbox"/> CG <input type="checkbox"/> CA CHG/CK NO. AMOUNT: OVERPAYMENT: BATCH NUMBER:	
	ATTORNEY / PRO SE NAME Kevin A. Van Hise		TELEPHONE NUMBER (609) 912-0113	COUNTY OF VENUE Middlesex
	FIRM NAME (if applicable) Mason, Griffin & Pierson, P.C.		DOCKET NUMBER (when available)	
	OFFICE ADDRESS 101 Poor Farm Road Princeton, NJ 08540		DOCUMENT TYPE Verified Complaint	
		JURY DEMAND <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
NAME OF PARTY (e.g., John Doe, Plaintiff) Township of Cranbury, Petitioner		CAPTION In the Matter of the Application of the Township of Cranbury in Middlesex County		
CASE TYPE NUMBER (See reverse side for listing) 303	HURRICANE SANDY RELATED? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	IS THIS A PROFESSIONAL MALPRACTICE CASE? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO IF YOU HAVE CHECKED "YES," SEE N.J.S.A. 2A:53 A -27 AND APPLICABLE CASE LAW REGARDING YOUR OBLIGATION TO FILE AN AFFIDAVIT OF MERIT.		
RELATED CASES PENDING? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		IF YES, LIST DOCKET NUMBERS		
DO YOU ANTICIPATE ADDING ANY PARTIES (arising out of same transaction or occurrence)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		NAME OF DEFENDANT'S PRIMARY INSURANCE COMPANY (if known) <input type="checkbox"/> NONE <input type="checkbox"/> UNKNOWN		
THE INFORMATION PROVIDED ON THIS FORM CANNOT BE INTRODUCED INTO EVIDENCE.				
CASE CHARACTERISTICS FOR PURPOSES OF DETERMINING IF CASE IS APPROPRIATE FOR MEDIATION				
DO PARTIES HAVE A CURRENT, PAST OR RECURRENT RELATIONSHIP? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		IF YES, IS THAT RELATIONSHIP: <input type="checkbox"/> EMPLOYER/EMPLOYEE <input type="checkbox"/> FRIEND/NEIGHBOR <input type="checkbox"/> OTHER (explain) <input type="checkbox"/> FAMILIAL <input type="checkbox"/> BUSINESS		
DOES THE STATUTE GOVERNING THIS CASE PROVIDE FOR PAYMENT OF FEES BY THE LOSING PARTY? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
USE THIS SPACE TO ALERT THE COURT TO ANY SPECIAL CASE CHARACTERISTICS THAT MAY WARRANT INDIVIDUAL MANAGEMENT OR ACCELERATED DISPOSITION This action is brought by the Township seeking declaratory judgment for immunity, repose and declaration that its affordable housing plan is presumptively valid because it meets the Township's Mount Laurel requirements, as provided for by the Court in <u>In re Adoption of N.J.A.C. 5:96 & 5:97 by NJ Council on Affordable Housing, 221 N.J. 1 (2015).</u>				
 DO YOU OR YOUR CLIENT NEED ANY DISABILITY ACCOMMODATIONS? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		IF YES, PLEASE IDENTIFY THE REQUESTED ACCOMMODATION		
WILL AN INTERPRETER BE NEEDED? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		IF YES, FOR WHAT LANGUAGE?		
I certify that confidential personal identifiers have been redacted from documents now submitted to the court, and will be redacted from all documents submitted in the future in accordance with <i>Rule 1:38-7(b)</i> .				
ATTORNEY SIGNATURE: 				



CIVIL CASE INFORMATION STATEMENT (CIS)

Use for initial pleadings (not motions) under *Rule 4:5-1*

CASE TYPES (Choose one and enter number of case type in appropriate space on the reverse side.)

Track I - 150 days' discovery

- 151 NAME CHANGE
- 175 FORFEITURE
- 302 TENANCY
- 399 REAL PROPERTY (other than Tenancy, Contract, Condemnation, Complex Commercial or Construction)
- 502 BOOK ACCOUNT (debt collection matters only)
- 505 OTHER INSURANCE CLAIM (including declaratory judgment actions)
- 506 PIP COVERAGE
- 510 UM or UIM CLAIM (coverage issues only)
- 511 ACTION ON NEGOTIABLE INSTRUMENT
- 512 LEMON LAW
- 801 SUMMARY ACTION
- 802 OPEN PUBLIC RECORDS ACT (summary action)
- 999 OTHER (briefly describe nature of action)

Track II - 300 days' discovery

- 305 CONSTRUCTION
- 509 EMPLOYMENT (other than CEPA or LAD)
- 599 CONTRACT/COMMERCIAL TRANSACTION
- 603N AUTO NEGLIGENCE - PERSONAL INJURY (non-verbal threshold)
- 603Y AUTO NEGLIGENCE - PERSONAL INJURY (verbal threshold)
- 605 PERSONAL INJURY
- 610 AUTO NEGLIGENCE - PROPERTY DAMAGE
- 621 UM or UIM CLAIM (includes bodily injury)
- 699 TORT - OTHER

Track III - 450 days' discovery

- 005 CIVIL RIGHTS
- 301 CONDEMNATION
- 602 ASSAULT AND BATTERY
- 604 MEDICAL MALPRACTICE
- 606 PRODUCT LIABILITY
- 607 PROFESSIONAL MALPRACTICE
- 608 TOXIC TORT
- 609 DEFAMATION
- 616 WHISTLEBLOWER / CONSCIENTIOUS EMPLOYEE PROTECTION ACT (CEPA) CASES
- 617 INVERSE CONDEMNATION
- 618 LAW AGAINST DISCRIMINATION (LAD) CASES

Track IV - Active Case Management by Individual Judge / 450 days' discovery

- 156 ENVIRONMENTAL/ENVIRONMENTAL COVERAGE LITIGATION
- 303 MT. LAUREL
- 508 COMPLEX COMMERCIAL
- 513 COMPLEX CONSTRUCTION
- 514 INSURANCE FRAUD
- 620 FALSE CLAIMS ACT
- 701 ACTIONS IN LIEU OF PREROGATIVE WRITS

Multicounty Litigation (Track IV)

- | | |
|--|---|
| 271 ACCUTANE/ISOTRETINOIN | 289 REGLAN |
| 274 RISPERDAL/SEROQUEL/ZYPREXA | 290 POMPTON LAKES ENVIRONMENTAL LITIGATION |
| 278 ZOMETHA/AREXIA | 291 PELVIC MESH/GYNECARE |
| 279 GADOLINIUM | 292 PELVIC MESH/BARD |
| 281 BRISTOL-MYERS SQUIBB ENVIRONMENTAL | 293 DEPUY ASR HIP IMPLANT LITIGATION |
| 282 FOSAMAX | 295 ALLODERM REGENERATIVE TISSUE MATRIX |
| 285 STRYKER TRIDENT HIP IMPLANTS | 296 STRYKER REJUVENATE/ABG II MODULAR HIP STEM COMPONENTS |
| 286 LEVAQUIN | 297 MIRENA CONTRACEPTIVE DEVICE |
| 287 YAZ/YASMIN/OCELLA | 601 ASBESTOS |
| 288 PRUDENTIAL TORT LITIGATION | 623 PROPECIA |

If you believe this case requires a track other than that provided above, please indicate the reason on Side 1, in the space under "Case Characteristics."

Please check off each applicable category

Putative Class Action

Title 59

MASON, GRIFFIN & PIERSON, P.C.

By: Kevin A. Van Hise, Esq. - ID #016382003

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Princeton, New Jersey 08540

Telephone: (609) 921-6543

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Email: k.vanhise@mgplaw.com

**Attorneys for Petitioner,
Township of Cranbury**

_____)
) SUPERIOR COURT OF NEW JERSEY
) MIDDLESEX COUNTY - LAW DIVISION
)
) DOCKET NO.: MID-L-_____

IN THE MATTER OF THE APPLICATION)
OF THE TOWNSHIP OF CRANBURY IN) CIVIL ACTION
MIDDLESEX COUNTY)
) **VERIFIED COMPLAINT FOR**
) **DECLARATORY JUDGMENT PURSUANT**
) **TO THE FAIR HOUSING ACT, N.J.S.A.**
) **52:27D-313**
)
)
_____)

Petitioner, the Township of Cranbury ("Petitioner" or the "Township"), a municipal corporation of the State of New Jersey, with its principal place of business located at 23A North Main Street, Cranbury, New Jersey 08512, in the County of Middlesex, by way of Verified Complaint for Declaratory Judgment says:

1. The within action is brought by Petitioner seeking declaratory judgment granting it immunity and repose pursuant to N.J.S.A. 52:27D-313 and a judicial declaration that its housing plan is presumptively valid because it presents a realistic opportunity for the provision of its fair share of its housing region's present and prospective need for low- and moderate-income housing pursuant to the Court's decision in In re Adoption of N.J.A.C. 5:96 & 5:97 by N.J. Council on Affordable Housing, 221 N.J. 1, 35-36 (2015).

2. Jurisdiction properly rests with the Superior Court, Law Division, Middlesex County before the designated Mount Laurel Judge for Vicinage 8 pursuant to In re Adoption of N.J.A.C. 5:96 & 5:97, 221 N.J. at 336 (Implementing Order ¶10); N.J.S.A. 2A:16-53; N.J.S.A. 52:27D-313; R. 4:3-1(a)(4) and R. 4:42-3.

3. Pursuant to the New Jersey Supreme Court's "Mount Laurel" decisions, S. Burlington County NAACP v. Twp. of Mount Laurel, 67 N.J. 151, *appeal dismissed and cert. denied*, 423 U.S. 808, 96 S.Ct. 18, 46 L.Ed.2d 28 (1975) ("Mount Laurel I") and S. Burlington County NAACP v. Twp. of Mount Laurel, 92 N.J. 159 (1983) ("Mount Laurel II"), municipalities in the State are required to provide a realistic opportunity for the construction of their fair share of the region's low and moderate income housing needs.

4. Following the Mount Laurel decisions, in 1985, the New Jersey Legislature enacted the Fair Housing Act, N.J.S.A. 52:27D-301 to -329 ("FHA"), to ensure that municipalities meet their obligation to provide a fair share of their region's need for affordable housing.

5. To implement that goal, the FHA created the Council on Affordable Housing ("COAH") and charged it with the responsibility for determining regional needs and certifying fair share plans.

6. COAH developed regulations governing the production, funding and administration of affordable housing units, with its first round regulations extending from 1987 through 1993, N.J.A.C. 5:91 & 5:92 ("First Round Rules"); its second round regulations covering a cumulative period from 1987 through 1999, N.J.A.C. 5:93 ("Second Round Rules"); its third round regulations covering a cumulative period through 2014, N.J.A.C. 5:94 & 5:95 ("Initial Third Round Rules"); and

its revised third round regulations covering a cumulative period through 2018, N.J.A.C. 5:96 & 5:97 ("Revised Third Round Rules").

7. Pursuant to COAH's First Round Rules, the Township petitioned for, and received, first round substantive certification from COAH on April 24, 1989 for a period of six years.

8. Pursuant to COAH's Second Round Rules, the Township received second round substantive certification from COAH on December 4, 1996 for a period of six years, with substantive certification due to expire on December 4, 2002.

9. Due to delays in enactment of COAH's third round regulations, the Township received extended second round substantive certification from COAH on November 6, 2002 and February 9, 2005.

10. On December 7, 2005, pursuant to COAH's Initial Third Round Rules, N.J.A.C. 5:94 and 5:95, the Township submitted a petition to COAH for third round substantive certification.

11. Before COAH acted upon the Township's 2005 petition, the Appellate Division invalidated COAH's Third Round Rules in In re Adoption of N.J.A.C. 5:94 and 5:95, 390 N.J. Super. 1 (App. Div. 2007).

12. On June 2, 2008, COAH adopted its Revised Third Round Rules, N.J.A.C. 5:96 and 5:97.

13. On December 31, 2008, pursuant to COAH's Revised Third Round Rules, the Township submitted an amended petition for third round substantive certification to COAH.

14. The Township's 2008 adopted HE&FSP is attached hereto as Exhibit A and made a part hereof.

15. On April 21, 2010, COAH granted final third round substantive certification to the Township.

16. A copy of COAH's 2010 grant of final third round substantive certification is attached hereto as Exhibit B and made a part hereof.

17. Subsequent to COAH's grant of substantive certification to the Township, the Appellate Division invalidated COAH's Revised Third Round Rules in In re Adoption of N.J.A.C. 5:96 and 5:97, 416 N.J.Super. 462 (App. Div. 2010).

18. On September 26, 2013, the Supreme Court decided In re Adoption of N.J.A.C. 5:96 & 5:97, 215 N.J. 578 (2013), affirming the Appellate Division's invalidation of COAH's Revised Third Round Rules, finding that the "growth share methodology" utilized by COAH in the rules was inconsistent with the FHA, and requiring COAH to adopt new third round rules within five months based upon COAH's prior round rules and methodologies.

19. COAH failed to adopt new third round rules within the five month period, and on various motions, the Court issued an Order on March 14, 2014 requiring COAH to adopt new third round rules by November 17, 2014, and providing that the failure to do so would result in the Court's entertainment of an application for relief in the form of a motion in aid of litigant's rights, including but not limited to, a request to lift the protection provided to municipalities through N.J.S.A. 52:27D-313.

20. On April 30, 2014, COAH completed the preparation of, and approved for publication in the June 2, 2014 edition of the New Jersey Register, proposed new third round rules.

21. On October 20, 2014, at a meeting of the COAH Board, a motion to adopt the proposed new third round rules failed on a 3-3 tie vote.

22. With the failure of COAH to adopt new third round rules, on October 31, 2014, Fair Share Housing Center ("FSHC") filed a motion in aid of litigants' rights with the Supreme Court, seeking, among other relief sought, to lift the protections provided to municipalities through N.J.S.A. 52:27D-313.

23. On March 10, 2015, the Court issued its decision and Order granting FSHC's motion for relief in aid of litigants' rights, In re Adoption of 5:96 & 5:97, 221 N.J. 1 (2015), holding, *inter alia*, that:

- a. COAH's administrative process has become non-functioning, rendering futile the FHA's administrative remedy, 221 N.J. at 5;
- b. The FHA's exhaustion-of-administrative remedies requirement is dissolved until further order of the Court and the courts may resume their role as the forum of first resort for evaluating municipal compliance with Mount Laurel obligations, 221 N.J. at 35;
- c. A transitional process is established, and the effective date of the Order is delayed by ninety days, to effectuate an orderly transition from the COAH process to the courts, 221 N.J. at 35;
- d. Within thirty days following the effective date of the Order, municipalities that had received substantive certification of their third round plans, or had "participating" status before COAH, may file a Declaratory Judgment action seeking a judicial declaration that its housing plan is presumptively valid because it presents a realistic opportunity for the provision of its fair share of

its housing region's present and prospective need for low- and moderate-income housing, 221 N.J. at 35;

- e. In all declaratory judgment and constitutional compliance cases brought before the courts, on notice and opportunity to be heard, the trial court may grant temporary periods of immunity prohibiting exclusionary zoning actions from proceeding, as set forth in the opinion, 221 N.J. at 35;
- f. Municipalities that had "participating" status before COAH should have no more than five months in which to submit a supplemental housing element and affordable housing plan and during that period, the court may provide initial immunity preventing any exclusionary zoning actions from proceeding, 221 N.J. at 27-28;
- g. The court's evaluation of a municipality's plan that had received substantive certification or that will be submitted to the court as proof of constitutional compliance may result in the municipality's receipt of the judicial equivalent of substantive certification and accompanying protection as provided under the FHA, 221 N.J. at 36; and
- h. All civil actions shall be directed to the Mount Laurel-designated judges assigned in the vicinages, 221 N.J. at 36.

24. Petitioner now files the instant action for declaratory judgment pursuant to N.J.S.A. 52:27D-313 and the Court's March 10, 2015 decision.

25. As a municipality that sought to make use of the administrative remedy offered through the FHA before COAH, the Township is a "certified" municipality with substantive certification (rather than "participating") status before the Court. 221 N.J. at 21.

26. The Township is in Housing Region #3 - West Central, consisting of Middlesex County, Hunterdon County and Somerset County.

27. The Township is currently in the process of ascertaining whether or not its obligation and/or plan may change pursuant to the Court's decision in In re Adoption of N.J.A.C. 5:96 & 5:97, 215 N.J. 578 (2013).

28. In the event that the Township and/or court subsequently determines that the Township's third round Mount Laurel obligations are different than currently believed, the Township is prepared to amend its HE&FSP within the time frame set by the court to comply with its constitutional obligations and, if necessary, amend its zoning ordinances accordingly.

WHEREFORE, Petitioner, the Township of Cranbury, respectfully requests that the Court enter judgment as follows:

a. Declaring and establishing temporary immunity for the Township against any and all exclusionary zoning lawsuits, including but not limited to "builder's remedy" suits, from the date of the filing of the within Complaint and extending up to and including the court's determination that the Township's HE&FSP and implementing zoning and land development ordinances are compliant with the Township's third round Mount Laurel affordable housing obligations, or for such other time period as the court may direct;

b. Declaring and establishing the Township's third round Mount Laurel affordable housing obligation;

c. Granting the Township five months time, from the establishment of the Township's Mount Laurel affordable housing obligation, to prepare a supplemental or revised HE&FSP to address such obligation;

d. Declaring and adjudging the Township's HE&FSP and implementing ordinances – as-is or as to be supplemented – constitutionally sufficient and compliant with the Township's third round Mount Laurel affordable housing obligations;

e. Approving the Township's affordable housing spending plan which will be included with the Township's HE&FSP in accordance with In re Failure of COAH to Adopt Trust Fund Commitment Regulations, 440 N.J. Super. 220 (App. Div. 2015);

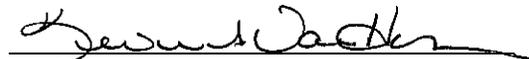
f. Granting the Township 90 days from the date of the declaration of the Township's HE&FSP as being compliant to adopt and/or amend any and all zoning and land development ordinances that may be necessary to implement the HE&FSP;

g. Upon the adoption of the implementing zoning and land development ordinances, granting the Township a Judgment of third round compliance and repose and immunity from exclusionary zoning lawsuits for its third round Mount Laurel affordable housing obligations for a period of 10 years; and

h. Awarding such other and further relief as the Court may deem equitable and just.

MASON, GRIFFIN & PIERSON, P.C.
Attorneys for Petitioner, Township of Cranbury

By:


Kevin A. Van Hise

Dated: July 6, 2015.

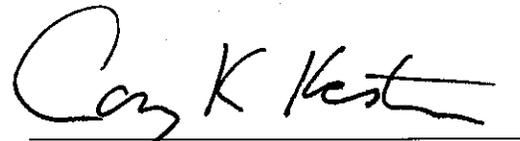
CERTIFICATION PURSUANT TO RULE 1:4-4

CORY K. KESTNER, ESQ., of full age, certifies as follows:

1. I am an attorney at law of the State of New Jersey and am an Associate at the law firm of Mason, Griffin & Pierson, PC attorneys for Petitioners in the above referenced action.
2. Pursuant to R. 1:4-4, I certify that James Taylor has acknowledged the genuineness of his signature and that the original signature will be filed if requested by the court.

I hereby certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

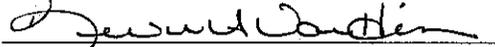
Dated: July 7, 2015


Cory K. Kestner, Esq.

DESIGNATION OF TRIAL COUNSEL

Pursuant to the provisions of New Jersey Court Rule 4:25-4, Kevin A. Van Hise, Esquire is hereby designated as trial counsel for Petitioner, Township of Cranbury.

MASON, GRIFFIN & PIERSON, P.C.
Attorneys for Petitioner, Township of Cranbury

By: 
Kevin A. Van Hise

Dated: July 6, 2015.

RULE 1:38-7 CERTIFICATION

I hereby certify that confidential personal identifiers have been redacted from the documents now submitted to the court, and will be redacted from all documents submitted in the future in accordance with Rule 1:38-7(b).

MASON, GRIFFIN & PIERSON, P.C.
Attorneys for Petitioner, Township of Cranbury

By: 
Kevin A. Van Hise

Dated: July 6, 2015.

RULE 4:5-1 CERTIFICATION

Pursuant to New Jersey Court Rule 4:5-1, I hereby certify that to the best of my knowledge, information, and belief, the matter in controversy is not the subject of any other action currently pending or contemplated in any court or arbitration proceeding, and that I know of no other party or parties at this time who should be joined, pursuant to Rule 4:28, or who are subject to joinder pursuant to Rule 4:29-1(b), in this action.

MASON, GRIFFIN & PIERSON, P.C.
Attorneys for Petitioner, Township of Cranbury

By:


Kevin A. Van Hise

Dated: July 6, 2015.

EXHIBIT A

Amended Third Round Housing Element And Fair Share Plan

Cranbury Township, Middlesex County, New Jersey

Adopted December 11, 2008



Amended Third Round Housing Element and Fair Share Plan
Cranbury Township

Clarke Caton Hintz

Amended Third Round Housing Element And Fair Share Plan

Township of Cranbury, Middlesex County, New Jersey

December 11, 2008

Prepared for the Township of Cranbury by:

Mary Beth Lonergan, PP, AICP

Clarke Caton Hintz

PP License # 4288

Kathleen Grady, PP, AICP, LEED AP

Clarke Caton Hintz

PP License # 6045

**CRANBURY TOWNSHIP PLANNING BOARD RESOLUTION TO APPROVE THE
"AMENDED THIRD ROUND HOUSING ELEMENT AND FAIR SHARE PLAN"**

WHEREAS, the Planning Board of the Township of Cranbury, in the County of Middlesex, State of New Jersey, adopted its current Housing Element and Fair Share Plan pursuant to N.J.S.A. 40:55D-28 in November of 2005; and

WHEREAS, the Governing Body endorsed the Housing Element and Fair Share Plan; and petitioned the Council on Affordable Housing for substantive certification on December 7 of 2005; and

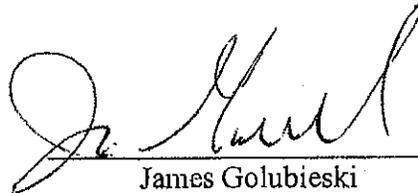
WHEREAS, The Township of Cranbury has not yet received third round substantive certification from the Council on Affordable Housing; and

WHEREAS, the Planning Board has determined to amend the Housing Element and Fair Share Plan; and

WHEREAS, upon notice duly provided pursuant to N.J.S.A. 40:55D-13, the Planning Board held public hearings on the amended Third Round Housing Element and Fair Share Plan on November 20, 2008 and on December 11, 2008; and

WHEREAS, the Planning Board has determined that the amendment to the Housing Element and Fair Share Plan, which is entitled "Amended Third Round Housing Element and Fair Share Plan, Township of Cranbury, Middlesex County New Jersey" December 2008, and prepared by Mary Beth Lonergan PP, AICP and Kathleen Grady, PP, AICP, LEED, AP, both of Clarke, Caton and Hintz is consistent with the goals and objective of the Township of Cranbury's Master Plan adopted in 1993, and amended several times, and that adoption and implementation of the amendment to the Housing Element and Fair Share Plan are in the public interest and protect public health and safety and promote the general welfare.

NOW THEREFORE BE IT RESOLVED by the Planning Board of the Township of Cranbury in the County of Middlesex, State of New Jersey, on this 11th day of December 2008, that the Planning Board hereby adopts the amended Housing Element and Fair Share Plan entitled "Amended Third Round Housing Element and Fair Share Plan, Township of Cranbury, Middlesex County New Jersey" and dates same December 11, 2008.



James Golubieski
Chairman of the Planning Board

Cranbury Township Resolution # R 12-08-216

TOWNSHIP OF CRANBURY
COUNTY OF MIDDLESEX, STATE OF NEW JERSEY

**A RESOLUTION RE-PETITIONING THE COUNCIL ON AFFORDABLE HOUSING WITH
AN AMENDED HOUSING ELEMENT AND FAIR SHARE PLAN**

WHEREAS, the Planning Board of the Cranbury Township, County of Middlesex, State of New Jersey, adopted an amended Housing Element and Fair Share Plan on December 11, 2008; and

WHEREAS, a true copy of the resolution of the Planning Board adopting the amended Housing Element and Fair Share Plan is attached pursuant to N.J.A.C. 5:96-2.2(a)2.

NOW THEREFORE BE IT RESOLVED that the Township Committee of the Township of Cranbury, County of Middlesex, State of New Jersey, hereby endorses the amended Housing Element and Fair Share Plan as adopted by the Cranbury Township Planning Board (including the spending plan set forth therein); and

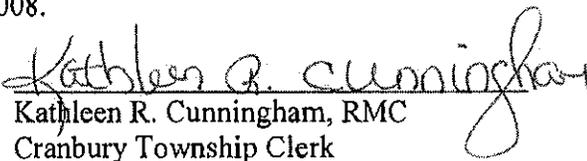
BE IT FURTHER RESOLVED that the Township Committee of the Township of Cranbury, pursuant to the provisions of N.J.S.A. 52:27D-301 et seq. and N.J.A.C. 5:96-3.4, submits this re-petition for substantive certification of the amended Housing Element and Fair Share Plan (including the spending plan set forth therein) to the Council on Affordable Housing for review and certification; and

BE IT FURTHER RESOLVED that a list of names and addresses for all owners of sites in the Housing Element and Fair Share Plan, including the names and addresses of any objectors to the Township's prior plan, shall be included with the re-petition; and

BE IT FURTHER RESOLVED that notice of this re-petition for substantive certification shall be published in a newspaper of countywide circulation pursuant to N.J.A.C. 5:96-3.5 within seven days of issuance of the notification letter from the Executive Director of the Council on Affordable Housing indicating that the submission is complete and that a copy of this resolution, the adopted amended Housing Element and Fair Share Plan and all supporting documentation shall be made available for public inspection at the Cranbury Township municipal clerk's office located at 23A North Main Street, Cranbury, NJ 08512 during the hours of 8:00 a.m. to 4:00 p.m. on Monday through Friday for a period of 45 days following the date of publication of the legal notice pursuant to N.J.A.C. 5:96-3.5.

CERTIFICATION

I, Kathleen R. Cunningham, Clerk of the Township of Cranbury, do hereby certify that the foregoing is a true and correct copy of a Resolution passed by the Township Committee of the Township of Cranbury at its meeting held on December 22, 2008.


Kathleen R. Cunningham, RMC
Cranbury Township Clerk

RESOLUTION # 12-08-217

TOWNSHIP OF CRANBURY
COUNTY OF MIDDLESEX, STATE OF NEW JERSEY

**A RESOLUTION CONCERNING THE TOWNSHIP OF CRANBURY'S
COMMITMENT TO FUND ITS AFFORDABLE HOUSING PROGRAM**

WHEREAS, pursuant to N.J.A.C. 5:96-2.1, the Township Committee of the Township of Cranbury in Middlesex County, New Jersey, has endorsed an amended Housing Element and Fair Share Plan setting forth the Township's commitment to meeting its affordable housing obligation through 2018; and

WHEREAS, pursuant to N.J.A.C. 5:96-3.1, the Township Committee is re-petitioning the New Jersey Council on Affordable Housing ("COAH") for substantive certification of its amended Housing Element and Fair Share Plan; and

WHEREAS, this Housing Element and Fair Share Plan contains one or more municipally-sponsored affordable housing developments pursuant to N.J.A.C. 5:97-6.7 and other compliance techniques, include rehabilitation, for which the Township must demonstrate an adequate and stable funding source; and

WHEREAS, the Township Committee is confident that adequate and stable funding will be available from monies collected in the Township's affordable housing trust fund, from federal, State or County funding sources, and/or from the funding sources set forth in "A Guide to Affordable Housing Funding Sources," dated October 2008, posted by the Council on Affordable Housing on its website to assist municipalities; and

WHEREAS, the provisions of the New Jersey Fair Housing Act of 1985, N.J.S.A. 52:27D-311(d), state that nothing in said Act shall require a municipality to raise or expend municipal revenues in order to provide low and moderate income housing; and

WHEREAS, COAH nonetheless requires documentation to be submitted with its Fair Share Plan to indicate the availability of funding for its affordable housing compliance mechanisms;

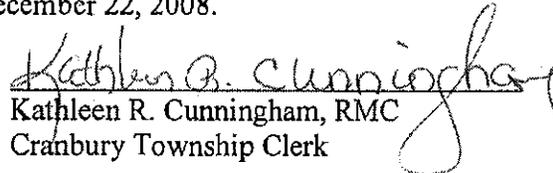
NOW, THEREFORE, BE IT RESOLVED, by the Township Committee of the Township of Cranbury, in the County of Middlesex, State of New Jersey, as follows:

1. The Township Committee determines that there is adequate and stable funding for all of the affordable housing compliance mechanisms set forth in its endorsed Housing Element and Fair Share Plan, consisting of funding in the Township's affordable housing trust fund and funding from governmental grants and/or other outside sources as set forth in the publication entitled "A Guide to Affordable Housing Funding Sources," dated October 28, 2008 and posted by the Council on Affordable Housing on the Council's web site as a resource for municipalities.

2. In the event that the above-referenced funding sources are not sufficient to implement the entirety of the Township's Housing Element and Fair Share Plan through 2018, the Township of Cranbury, in the discretion of the governing body then representing the Township, may determine to provide for an alternate source of affordable housing funding such as, but not limited to, municipal bonding, or elect to modify and change said Housing Element and Fair Share Plan to address its remaining affordable housing obligation in lieu of municipal bonding.

CERTIFICATION

I, Kathleen R. Cunningham, Clerk of the Township of Cranbury, do hereby certify that the foregoing is a true and correct copy of a Resolution passed by the Township Committee of the Township of Cranbury at its meeting held on December 22, 2008.


Kathleen R. Cunningham, RMC
Cranbury Township Clerk



Clarke Caton Hintz

Cranbury Township Committee

Hon. David J. Stout, Mayor

Richard H. Stannard

Pari Stave

Thomas F. Panconi, Jr.

Wayne K. Wittman

Christine Smeltzer, Township Administrator

Trishka Waterbury, Esq., Mason, Griffin & Pierson, Township Attorney

Cathleen F. Marcelli, PE, CME, Hatch Mott MacDonald, Township Engineer

Richard F. Preiss, PP, AICP, Phillips Preiss Shapiro, Township Planner



Cranbury Township Planning Board

James Golubieski, Chair

Allan Kehrt, Vice Chair

Michael Dulin

Thomas B. Harvey

Eugene Speer

Richard H. Stannard

Pari Stave

Dietrich Wahlers

Joan Weidner

Josette C. Kratz, Land Use Administrator/ Planning Board Secretary

Valerie J. Kimson, Esq – Planning Board Attorney

**Cathleen F. Marcelli, PE, CME, Hatch Mott MacDonald, Planning Board
Engineer**

Richard F. Preiss, PP, AICP, Phillips Preiss Shapiro, Planning Board Planner



EXECUTIVE SUMMARY

This amended third round housing element and fair share plan has been prepared for Cranbury Township, Middlesex County in accordance with the revised rules of the New Jersey Council on Affordable Housing (hereinafter "COAH") at *NJAC* 5:96 et seq. and *NJAC* 5:97 et seq. This plan is an amendment to the prior third round plan adopted by the Planning Board and endorsed by the Township Committee in November 2005. This Plan will serve as the foundation for the Township's re-petition to COAH for substantive certification pursuant to *NJAC* 5:96 et seq. by December 31, 2008.

There are three components to a municipality's affordable housing obligation: the rehabilitation share, the prior round obligation and the third round obligation.

As assigned by COAH, the Township's affordable housing obligations are as follows:

- Rehabilitation Share: 6 units
- Prior Round Obligation: 217 units
- Third Round Obligation: 269 units

The Township fully satisfied the prior round obligation through COAH-approved and Township-funded regional contribution agreements with the City of Perth Amboy and the Borough of Carteret, a mix of sale and rental units at the 100% affordable housing developments on Bergen Drive and Danser Drive, affordable senior rental units at Park Place West, affordable family rentals at Parkside at Bennett Place (a 100% affordable development), and substantial compliance bonuses. In addition, an existing group home (1997) will be added to the Township's prior round affordable housing compliance methods.

The third round obligation will be satisfied with affordable housing units from family rentals at the Old Cranbury Road site, the Route 130 D site, an existing group home, future new 100% affordable family rental site(s) and future new 100% affordable senior rental site(s).



AFFORDABLE HOUSING IN NEW JERSEY

Introduction to COAH

In its landmark 1975 decision referred to now as "*Mount Laurel I*", the New Jersey Supreme Court ruled that developing municipalities have a constitutional obligation to provide a realistic opportunity for the construction of low and moderate income housing.¹ In its 1983 "*Mount Laurel II*" decision, the Supreme Court extended the obligation to all municipalities, designated the State Development Guide Plan or any successor State Plan as a critical touchstone to guide the implementation of this obligation and created an incentive for private developers to enforce the "*Mount Laurel doctrine*" by suing municipalities which are not in compliance.²

In 1985, the Fair Housing Act (hereinafter "FHA") (N.J.S.A. 52:27D-310) was adopted as the legislative response to the *Mt. Laurel* court decisions. The FHA created the Council on Affordable Housing as the administrative alternative to the Courts. COAH is responsible for establishing housing regions, estimating low and moderate income housing needs, setting criteria and guidelines for municipalities to determine and address their fair share numbers, and reviewing and approving housing elements and fair share plans.

Municipalities have the option of filing their adopted and endorsed housing elements and fair share plans with COAH and petitioning for COAH's approval, known as "substantive certification". Municipalities that opt to participate in the COAH certification process are granted a measure of legal protection against exclusionary zoning litigation. By petitioning, COAH allows a municipality to maximize control of its planning and zoning options in addressing its affordable housing obligation. Similarly, under the FHA, a municipality can apply to the Superior Court for a Final Judgment of Compliance and Repose, which is the judicial equivalent of COAH's grant of substantive certification.

Under the Municipal Land Use Law (hereinafter "MLUL"), a municipal Planning Board must adopt the housing element as part of the Master Plan. COAH's process also requires the governing body to endorse the housing element by resolution. In addition, the governing body's resolution requests that COAH review the housing element and fair share plan along with supporting documents for substantive certification action.

¹ Southern Burlington NAACP v. Township of Mt. Laurel, 67 NJ 151 (1975)

² Southern Burlington NAACP v. Township of Mt. Laurel, 92 NJ 158 (1983)



Amended Third Round Housing Element and Fair Share Plan
Cranbury Township

Clarke Caton Hintz

Once the municipality's housing element and fair share plan have been granted substantive certification by COAH, the municipality's zoning ordinance enjoys a presumption of validity against any lawsuits challenging it. Cranbury Township is currently under COAH's jurisdiction and must petition with its amended third round plan by December 31, 2008 to remain so.

First and Second Round Methodology

The FHA empowered COAH to create criteria and guidelines for municipalities to determine and address their respective fair share numbers. In response, COAH established a formula for determining municipal affordable housing obligations for the six-year period between 1987 and 1993 (NJAC 5:92-1 et seq.), which became known as the "first round." That formula was superseded by the 1994 COAH regulations (NJAC 5:93-1.1 et seq.) which recalculated a portion of the 1987-1993 affordable housing obligation for each municipality and computed the additional municipal affordable housing need from 1993 to 1999; this 12 year cumulative period from 1987 through 1999 is known as the "second round."

Third Round Methodology

On December 20, 2004, COAH's first version of the third round rules became effective. At that time the third round was defined as the time period from 1999 to 2014 condensed into an affordable housing delivery period from January 1, 2004 through January 1, 2014. The third round rules marked a significant departure from the methodology utilized in COAH's two prior rounds. 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 with future residential and non-residential development within a municipality. Each municipality was required to project the amount of residential and nonresidential growth that would occur during the period 2004 through 2014. Then municipalities were required to provide one affordable unit for every 8 market rate housing units developed and one affordable unit for every 25 jobs created (expressed as non-residential building square footage).

However, in a unanimous decision in January 2007, the New Jersey Appellate Court invalidated key aspects of COAH's third round rules. The Court ordered COAH to propose and adopt amendments to its rules to address the deficiencies identified by the



Amended Third Round Housing Element and Fair Share Plan
Cranbury Township

Clarke Caton Hintz

Court. COAH's revised rules, effective on June 2, 2008 as well as a further rule revision, adopted September 22, 2008 and effective on October 20, 2008, provide residential development and job projections for the third round (which was expanded to encompass the years 2004 through 2018). Additionally, COAH revised its ratios to require one affordable housing unit for every four market rate housing units developed and one affordable housing unit for every 16 jobs created, still expressed as non-residential building square footage. Municipalities must set forth in the Housing Element and Fair Share Plan how they intend to accommodate the affordable housing obligation generated by COAH's revised third round growth projections. However, COAH's substantive rules also require that a municipality provide a realistic opportunity for affordable housing in proportion to its actual growth during the third round as expressed in permanent certificates of occupancy issued for residential and nonresidential development.

In addition, on July 17, 2008 Governor Corzine signed P.L.2008, c.46 (also known as the "Roberts Bill" after NJ Assembly Speaker Joseph Roberts), which amended the Fair Housing Act in a number of ways. Key provisions of the bill include the following:

- Establishing a statewide 2.5% nonresidential development fee instead of a nonresidential growth share delivery for affordable housing;
- Elimination of regional contribution agreements; and
- Requirement for 13% of affordable housing units and 13% of all units funded by the Balanced Housing Program and the Statewide Affordable Housing Trust Fund to be restricted to very low income households (30% or less of median income).

COAH has not yet promulgated rules to effectuate the "Roberts Bill". It is anticipated that COAH will propose revised regulations, consistent with P.L. 2008, c.46, in early 2009.

A municipality's third round fair share plan must address (1) its rehabilitation share, (2) the prior round obligation and (3) COAH-projected third round obligation. The rehabilitation share is the estimated number of existing substandard housing units in a municipality that are occupied by low or moderate income households, as determined by COAH (Appendix B. to NJAC 5:97). The prior round obligation is a municipality's adjusted second round new construction component brought forward to the third round (Appendix C. to NJAC 5:97). Third round housing plans must document how existing or proposed affordable housing units satisfy this prior round obligation.

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As stated above, the third round obligation is based on household and job projections developed by COAH (Appendix F. to N.J.A.C. 5:97). To determine the third round obligation, the following ratios must be applied to the projections:

- For residential development, the affordable housing ratio is 1 affordable unit for every 4 market rate residential units. Thus COAH initially requires a municipality to divide its total housing projection by 5;
- For non-residential development, the affordable housing ratio is 1 affordable unit for every 16 new jobs created as expressed in new square footage of non-residential space for which a permanent certificate of occupancy is issued from January 1, 2004 through December 31, 2018. See Table 1, Non-residential Growth Share Calculation, for additional detail.

Table 1. Non-residential Growth Share Calculation

Use Group	Description	Square Feet Generating One Affordable Unit	Jobs Per 1,000 Square Feet
B	Office buildings	5,714	2.8
M	Mercantile uses	9,412	1.7
F	Factories where people make, process, or assemble products	13,333	1.2
S	Storage uses, excluding parking garages	16,000	1.0
H	High hazard manufacturing, processing, generation and storage uses	10,000	1.6
A1	Assembly uses, including concert halls and TV studios	10,000	1.6
A2	Assembly uses, including casinos, night clubs, restaurants and taverns	5,000	3.2
A3	Assembly uses, including libraries, lecture halls, arcades, galleries, bowling alleys, funeral parlors, gymnasiums and museums but excluding houses of worship	10,000	1.6



Amended Third Round Housing Element and Fair Share Plan
Cranbury Township

Clarke Caton Hintz

Use Group	Description	Square Feet Generating One Affordable Unit	Jobs Per 1,000 Square Feet
A4	Assembly uses, including arenas, skating rinks and pools	4,706	3.4
A5	Assembly uses, including bleachers, grandstands, amusement park structures and stadiums	6,154	2.6
E	Schools K - 12	Exclude	Exclude
I	Institutional uses such as hospitals, nursing homes, assisted living facilities and jails. I group includes I1, I2, I3 and I4.	6,154	2.6
R1	Hotels and motels; continuing care facilities classified as R2	9,412	1.7
U	Miscellaneous uses, including fences tanks, barns, agricultural buildings, sheds, greenhouses, etc.	Exclude	Exclude

Pursuant to *N.J.A.C. 5:96-10*, the actual growth of housing units and jobs (measured by the issuance of residential and nonresidential permanent certificates of occupancy) will be monitored every two years and will be compared to the actual provision of affordable housing. If upon any biennial review the difference between the number of affordable units constructed or provided in a municipality and the number of units required pursuant to *N.J.A.C. 5:97-2.4* results in a pro-rated production shortage of 10 percent or greater, COAH may require the municipality to amend its plan to address the higher affordable housing obligation. For this reason, it is important that the Township track the growth that occurs between January 1, 2004 and December 31, 2018.

In its Comment and Response document published as part of the October 20, 2008 COAH rule adoption, COAH states that it will allow municipalities to present actual job count information for non-residential use groups if there is at least a 10% difference between actual jobs and the number of jobs determined through Appendix D of *NJAC 5:97*. COAH will be providing guidance on this concept prior to the Township's first required plan evaluation whereby actual job growth is tallied and compared to actual affordable housing production.

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 income is measured within each housing region. Cranbury Township is in COAH’s Region 3, which includes Hunterdon, Somerset and Middlesex counties. Moderate-income households are those earning between 50% and 80% of the regional median income. Low-income households are those with annual incomes that are between 30% and 50% of the regional median income. As required by the amended FHA (Roberts Bill), COAH has also included a very low-income category, which is defined as households earning 30% or less of the regional median income.

Through the Uniform Housing Affordability Controls at N.J.A.C. 5:80-26.3(d) and (e), COAH requires that the maximum rent for a qualified unit be affordable to households that earn no more than 60% of the median income for the region. The average rent must be affordable to households earning no more than 52% of the median income. The maximum sale prices for affordable units must be affordable to households that earn no more than 70% of the median income. The average sale price must be affordable to a household that earns no more than 55% of the median income.

The regional median income is defined by COAH using the federal Department of Housing and Urban Development (hereinafter “HUD”) income limits 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. See Tables 2 through 4 for additional information. These figures are updated annually and are available from COAH. The sample rents and sale prices are gross figures and do not account for the specified utility allowance.

Table 2. 2008 Income Limits for Region 3

Household Income Levels	1 Person Household	2 Person Household	3 Person Household	4 Person household	5 Person Household
Moderate Income	\$54,152	\$61,888	\$69,624	\$77,360	\$83,549
Low Income	\$33,845	\$38,680	\$43,515	\$48,350	\$52,218
Very Low Income	\$20,307	\$23,208	\$26,109	\$29,010	\$31,331

Source: COAH 2008 Regional Income Limits



Table 3. Sample 2008 Affordable Rents for Region 3

Household Income Levels	1 Bedroom Unit Rent	2 Bedroom Unit Rent	3 Bedroom Unit Rent
Moderate Income at 60%	\$1,088	\$1,305	\$1,509
Low Income at 46%	\$834	\$1,001	\$1,157
Very Low Income at 30%	\$544	\$653	\$754

Source: COAH Illustrative 2008 Low and Moderate Income Rents for New Construction and/or Reconstruction

Table 4. Sample 2008 Affordable Sale Prices for Region 3

Household Income Levels	1 Bedroom Unit Price	2 Bedroom Unit Price	3 Bedroom Unit Price
Moderate Income at 70%	\$114,227	\$137,072	\$158,395
Low Income at 40%	\$65,273	\$78,327	\$90,511
Very Low Income at 30%	\$48,954	\$58,745	\$67,833

Source: COAH Illustrative 2008 Low & Moderate Income Sales Prices for New Construction

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 FHA, 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 FHA 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;

Amended Third Round Housing Element and Fair Share Plan
Cranbury Township

Clarke Caton Hintz

- 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.

In addition, pursuant to COAH regulations (*NJAC 5:97-2.3*), the housing element and fair share plan must address the entire third round cumulative (1987-2018) affordable housing obligation consisting of the rehabilitation share, any remaining balance of the prior round obligation and the COAH-projected third round obligation. COAH's regulations require the following documentation to be submitted with the housing element and fair share plan:

- The minimum requirements of the Fair Housing Act, *NJSA 52:27D-310* (listed above);
- Household and employment projections created by COAH;
- Municipal rehabilitation, prior round and third round obligation;
- Descriptions of any credits intended to address any portion of the fair share obligation, including all information required by *NJAC 5:97-4*;
- Descriptions of any adjustments to any portion of the fair share obligation, including all information required by *NJAC 5:97-5*;
- Descriptions of any mechanisms intended to address the prior round obligation, the rehabilitation share and the third round obligation;

Amended Third Round Housing Element and Fair Share Plan
Cranbury Township

Clarke Caton Hintz

- An implementation schedule with a detailed timetable that demonstrates a “realistic opportunity” for the construction of affordable housing, as defined by *NJAC 5:97-1.4*.
- Draft and/or adopted ordinances necessary for the implementation of the mechanisms designed to satisfy the fair share obligation;
- A demonstration that existing zoning or planned changes in zoning provide adequate capacity to accommodate any proposed inclusionary developments, pursuant to *NJAC 5:97-6.4*;
- A demonstration of existing or planned water and sewer capacity sufficient to accommodate all proposed mechanisms;
- A spending plan, pursuant to *NJAC 5:97-8.10*;
- A map of all sites designated by the municipality for the production of low and moderate income housing;
- A copy of the most recently adopted Master Plan and, where required, the immediately preceding adopted Master Plan;
- A copy of the most recently adopted zoning ordinance;
- A copy of the most up-to-date tax maps; and
- Any other information required by *NJAC 5:97* or requested by COAH.



TOWNSHIP OF CRANBURY AFFORDABLE HOUSING HISTORY

As background, Cranbury Township prepared a first round (1987-1993) housing element and fair share plan addressing a 153-unit affordable housing obligation (143 new construction/ 10 rehabilitation) and received first round substantive certification from COAH on April 24, 1989. Subsequently, the Township prepared a second round plan to address its cumulative (1987-1999) affordable housing obligation of 230 units (217 new construction/ 13 rehabilitation) and received certification from COAH on December 4, 1996. As the Township's second round certification was valid for six years and COAH had yet to adopt its third round (1987-2014) regulations, the Township received an extension of its second round substantive certification on February 9, 2005 (initially approved by COAH on November 6, 2002). The Township also petitioned for third round substantive certification on December 7, 2005 under COAH's original third round rules at *NJAC* 5:94 et seq.; however, the application had not been certified by COAH prior to the issuance of the Appellate Division's January 25, 2007 decision overturning portions of COAH's regulations.



HOUSING STOCK AND DEMOGRAPHIC ANALYSIS

Housing Stock Inventory

In 2000, there were 1,121 housing units in Cranbury Township, of which 30 or 2.68% were vacant. Of the 1,091 occupied units, 85.88% were owner occupied and 14.12% were rented. Table 5, Housing Units by Occupancy Status, illustrates this occupancy status in 2000.

Table 5. Housing Units by Occupancy Status, 2000.

	Housing Units	Owner Occupied	Renter Occupied
Occupied	1,091	937	154
Vacant	30		
Total	1,121		

Source: 2000 US Census

About 84% of the total housing stock consists of single-family detached units. Structures with 3 or more units make up 7.5% of the total housing stock. Of the owner occupied units, 96% were single-family detached units and 2.7% were single-family attached or two family units. See Table 6, Housing Units by Number of Units in Structure for a detailed explanation of the housing units in 2000.



Table 6. Housing Units by Number of Units in Structure, 2000.

Number of Units	Owner Occupied	Rental	Vacant	Total
1, Detached	900	40	2	942
1, Attached	12	24	25	61
2	14	16	3	33
3 or 4	3	44	0	47
5 to 9	8	25	0	33
10 to 19	0	0	0	0
20 +	0	5	0	5
Mobile Home	0	0	0	0
Other	0	0	0	0
Total	937	154	30	1,121

Source: 2000 US Census

Table 7, Housing Units by Age, illustrates the age of the Township's housing stock. As one would expect with a Village and farmsteads of historical significance, 25.7% of the Township's housing stock was constructed prior to 1940. However, the time periods from 1980 through 1989 with 23.8% of the housing stock constructed and from 1990 through March 2000 with 23.5% of the housing stock constructed incorporates almost half of the Township's residences.

Table 7. Housing Units by Age, 2000.

Year Built	Total Units	Percent	Owner Occupied	Renter Occupied	Vacant
1990 - 2000	264	23.5%	210	29	25
1980 - 1989	267	23.8%	241	24	2
1970 - 1979	56	5.0%	56	0	0
1960 - 1969	111	9.9%	93	18	0
1950 - 1959	92	8.2%	92	0	0
1940-1949	43	3.8%	36	4	3
Before 1940	288	25.7%	209	79	0
Total	1,121	100%	937	154	30
Median Year	1975				

Source: 2000 US Census

Table 8, Housing Units by Number of Rooms, shows 6.1% have between one (1) and three (3) rooms; 23.5% of the housing stock has between four (4) and six (6) rooms; and 70.4% has seven (7) or more rooms. The data from this and other tables indicate that the housing stock in Cranbury is, on average, large in size.

Table 8. Housing Units by Number of Rooms, 2000.

Rooms	Number of Units	Percent
1	5	0.5%
2	19	1.7%
3	44	3.9%
4	72	6.4%
5	75	6.7%
6	117	10.4%
7	148	13.2%
8	238	21.2%
9+	403	36.0%
Total	1,121	100%
Mean Rooms per Unit	7.8	

Source: 2000 US Census

Tables 9 and 10, Housing Values, show that the median housing values of owner-occupied housing in Cranbury increased 26.51% between 1990 and 2000. During this time, the median value in Middlesex County decreased by 0.18%. In 1990, Cranbury's median value of \$278,400 was 69.03% higher than Middlesex County's median value of \$164,700 and in 2000, Cranbury's median housing value of \$352,200 was 114.23% greater than the median value of \$164,400 for Middlesex County.

Table 9. Housing Values, Owner Occupied, 1990.

Housing Value	Number	Percent
Less than \$50,000	2	0.30%
\$50,000 to \$59,999	0	0.00%
\$60,000 to \$74,999	4	0.60%
\$75,000-\$99,999	10	1.50%
\$100,000-\$124,999	19	2.85%
\$125,000-\$149,999	28	4.20%
\$150,000-\$174,999	24	3.60%
\$175,000-\$199,999	73	10.96%
\$200,000-\$249,999	110	16.52%
\$250,000-\$299,999	111	16.67%
\$300,000 or more	285	42.79%
Total	666	100.0%
1990 Median Value	\$278,400	

Source: 1990 US Census

Table 10. Housing Values, Owner Occupied, 2000.

Housing Units	Number	Percent
Less than \$50,000	6	0.6%
\$50,000-\$99,999	17	1.8%
\$100,000-\$149,999	32	3.4%
\$150,000-\$199,999	38	4.1%
\$200,000-\$249,999	177	18.9%
\$250,000-\$299,999	115	12.3%
\$300,000-\$399,999	160	17.1%
\$400,000-\$499,999	262	28.0%
\$500,000-\$749,999	113	12.1%
\$750,000-\$999,999	14	1.5%
\$1,000,000 or more	3	0.3%
Total	937	100.0%
2000 Median Value	\$352,200	

Source: 2000 US Census

In 2000, Cranbury's median gross rental cost was lower than that of the County (\$756 v. \$845). This may be partly the result of the proportion of restricted low and moderate income rentals produced in the Township. See Table 11, Comparison of Cranbury and Middlesex County, Monthly Rental Costs.



Amended Third Round Housing Element and Fair Share Plan
Township of Cranbury

Clarke Caton Hintz

Table II. Comparison of Cranbury and Middlesex Co., Monthly Rental Cost*, 2000

Monthly Rent	Number in Cranbury	Percent in Cranbury	Number in Middlesex Co.	Percent in Middlesex Co.
\$0-\$99	0	0.0%	435	0.5%
\$100-\$149	4	2.9%	823	1.0%
\$150-\$199	10	7.1%	1,407	1.6%
\$200-\$249	0	0.0%	1,040	1.2%
\$250-\$299	4	2.9%	939	1.1%
\$300-\$349	5	3.6%	771	0.9%
\$350-\$399	0	0.0%	734	0.9%
\$400-\$449	4	2.9%	1,074	1.2%
\$450-\$499	0	0.0%	897	1.0%
\$500-\$549	10	7.1%	1,647	1.9%
\$550-\$599	0	0.0%	1,947	2.3%
\$600-\$649	14	10.0%	3,721	4.3%
\$650-\$699	0	0.0%	5,421	6.3%
\$700-\$749	17	12.1%	6,955	8.1%
\$750-\$799	16	11.4%	8,450	9.8%
\$800-\$899	27	19.3%	15,198	17.6%
\$900-\$999	13	9.3%	11,085	12.8%
\$1,000-\$1,249	3	2.1%	15,034	17.4%
\$1,250-\$1,499	10	7.1%	5,429	6.3%
\$1,500-\$1,999	3	2.1%	2,739	3.2%
\$2,000 +	0	0.0%	599	0.7%
Total	140	100%	6,262	100.0%
Median Rent	\$756		\$845	

Source: 2000 US Census10

Cranbury Township has nine (9) housing units that lack complete plumbing facilities and eight (8) units that are overcrowded (defined as having 1.01 or more persons per



Clarke Caton Hintz

room); however, none of these units exhibit both characteristics. See Table 12, Selected Quality Indicators.

Table 12. Selected Quality Indicators, Occupied Housing Stock, 2000.

	Overcrowded	Lacking Complete Plumbing	Combined Overcrowded and Lacking Complete Plumbing
No. Units	8	9	0

Source: 2000 US Census

General Population Characteristics

The population of Cranbury Township has been increasing since 1980 with a population increase of 29.74% from 1980 to 1990 and an increase of 29.08% from 1990 through 2000. During this time the County increased at only 12.74% and 11.67%, respectively. This population increase is a change from the period 1970 through 1980, when the Township lost 14.5% of its population and the County grew only 2.1%. (Table 13, Population Growth).

Table 13. Population Growth.

	1970	1980	Percent Change (1970-1980)	1990	Percent Change (1980-1990)	2000	Percent Change (1990-2000)
Cranbury	2,206	1,927	-14.5%	2,500	29.74%	3,227	29.08%
Middlesex County	492,474	595,893	2.1%	671,780	12.74%	750,162	11.67%

Source: 1970, 1980, 1990 and 2000 US Census

From 1990 through 2000, there were shifts in the age distribution. The age group five through fourteen increased from 359 persons to 631 persons; the age group forty-five through fifty-four increased from 357 to 589; the age group fifty-five through sixty-four increased from 226 persons through 300 persons; and the age group seventy-five years and older increased from 140 persons to 190 persons. See Table 14, Age Distribution, for additional detail.

Table 14. Age Distribution, 1990 – 2000.

Age Group	1990	Percent	2000	Percent	Percent Change
Under 5	187	7.5%	197	6.1%	5.08%
5-14	359	14.4%	631	19.6%	43.11%
15-24	256	10.2%	257	8.0%	0.39%
25-34	278	11.1%	267	8.3%	-4.12%
35-44	530	21.2%	620	19.2%	14.52%
45-54	357	14.3%	589	18.3%	39.39%
55-64	226	9.0%	300	9.3%	24.67%
65-74	167	6.7%	176	5.5%	5.11%
75+	140	5.6%	190	5.9%	26.32%
Totals:	2,500	100%	3,227	100%	

Source: 1990 and 2000 US Census

Household Characteristics

A household is defined by the U.S. Census Bureau as those persons who occupy a single room or group of rooms constituting a housing unit; however, these persons may or may not be related. As a subset of households, a family is identified as a group of persons including a householder and one or more persons related by blood, marriage or adoption, all living in the same household. In 2000 there were 1,094 households in the Township, with an average of 2.92 persons per household and an average of 3.31 persons per family. Approximately 75% of the households are comprised of married couples with or without children. Almost 20% of the Township's households are non-family households which include individuals.

Income Characteristics

Persons residing in Cranbury Township have on average higher incomes than in Middlesex County as a whole. Median income in 2000 in Cranbury was \$111,680 for households and \$128,410 for families. Comparable figures for the County were \$61,446

for households and \$70,749 for families. Table 15, Household and Family Income by Income Brackets, further illustrates these findings by noting the number of households in each of the income categories.

Table 15. Household and Family Income by Income Brackets, 2000.

	Households	Percent
Less than \$10,000	23	2.1%
\$10,000-\$14,999	17	1.6%
\$15,000-\$24,999	58	5.3%
\$25,000-\$34,999	47	4.3%
\$35,000-\$49,000	82	7.5%
\$50,000-\$74,999	124	11.3%
\$75,000-\$99,999	130	11.9%
\$100,000-\$149,999	264	24.1%
\$150,000-\$199,999	116	10.6%
\$200,000 +	233	21.3%
Total:	1,094	100%
Median Income:	\$111,680	

Source: 2000 US Census

Within the Township, 67.9% of households have incomes of \$75,000 or more. Although the Census data does not provide a breakdown of household income by household size, based on COAH's Year 2000 median household income for the Hunterdon/Middlesex/Somerset County region of \$56,560 for the smallest-sized household of one person, the moderate-income threshold for this household size was \$45,248 (80% of \$56,560). In attempting to approximate the number of low and moderate income households in the Township, using the household size of one person is a conservative approach that represents just a minimum threshold. Table 15, Household and Family Income by Income Brackets, 2000, shows that the percentage of households in the Township for which income was below this minimum threshold was between 13 and 20 percent. If there was a true correlation between household size and household income figures, it appears that the percentage of low and moderate income households in the Township may be close to 20%. Keep in mind, however, that in the



Amended Third Round Housing Element and Fair Share Plan
Township of Cranbury

Clarke Caton Hintz

third round, COAH would exclude low and moderate income households that owned a primary residence with no mortgage that was valued at or above COAH's annual regional asset limit.³ In 2005, the regional asset limit was \$165,600 for Cranbury's region.

The percentage of persons and households below the poverty level, as defined by the 2000 U.S. Census, equates to 1.61% of all Cranbury Township residents and 1.29% of persons in families. This is lower than the County as a whole, which had 6.59% of County residents living below the poverty level in 2000.

EMPLOYMENT CHARACTERISTICS

Table 16, Distribution of Employment by Industry, shows the distribution of employment by industry for employed Cranbury Township residents. The four industries to capture the largest segments of the population were the professional, scientific, management, administrative and waste management service industry at 20.7%; the finance, insurance, real estate, and renting and leasing industry at 16.1%, education, health and social services industry at 15.5%; and the manufacturing industry at 10.2%.

³ The exception to this exclusion is if the household's existing monthly housing costs exceed 38 percent of the household's eligible monthly income.

Table 16. Distribution of Employment by Industry, Township Residents, 2000.

Sector Jobs	Number	Percent
Agriculture, Forestry, Fishing and Hunting, and Mining	8	0.5%
Construction	53	3.5%
Manufacturing	155	10.2%
Wholesale Trade	67	4.4%
Retail Trade	124	8.1%
Transportation and Warehousing, and Utilities	65	4.3%
Information	73	4.8%
Financing, Insurance, Real Estate, Renting, and Leasing	245	16.1%
Professional, Scientific, Management, Administrative, and Waste Management Services	315	20.7%
Educational, Health and Social Services	236	15.5%
Arts, Entertainment, Recreation, Accommodation and Food Services	66	4.3%
Public Administration	89	5.8%
Other	27	1.8%
Total:	1,523	100%

Source: 2000 US Census

Table 17, Employment by Occupation, identifies the occupations of employed persons. While Cranbury Township residents work in a variety of industries, 60.4% of employed residents work in management, professional and related occupations and 23.6% are employed in sales and office occupations and a small number 2.1% work in construction, extraction and maintenance occupations.

Table 17. Employment by Occupation, Cranbury Township, 2000.

Sector Jobs	Number	Percent
Management, Professional, and Related	920	60.4%
Service	122	8.0%
Sales and Office	360	23.6%
Farming, Fishing, and Forestry	0	0.0%
Construction, Extraction, and Maintenance	32	2.1%
Production, Transportation, and Moving	89	5.8%
Total	1,523	100%

Source: 2000 US Census

The number of jobs in Cranbury exceeds the number of people residing in the Township. The New Jersey Department of Labor tracks covered employment throughout the state. Covered employment data includes only those jobs for which unemployment compensation is paid. By definition it does not cover public employees (federal, state, county and municipal), nor the self-employed, unpaid family workers, most part-time or temporary employees, and certain agricultural and in-home domestic workers. See Table 18, Covered Employment Estimates, for additional detail.

Table 18. Covered Employment Estimates, December 2006

Year	Cranbury	Middlesex
2006	12,693	405,694

Source: New Jersey Department of Labor, Division of Planning and Research, Office of Demographic and Economic Analysis, NJ Covered Employment Trends. Data is as of December 2006, which is the most current data available at the municipal level.

Finance and Insurance and Wholesale Trade were the largest sectors of in-town employment, with 1,581 and 1,524 jobs respectively. Cranbury also hosts a sizable manufacturing industry. Table 19, Covered Employment by Sector, provides information additional detail.

Amended Third Round Housing Element and Fair Share Plan
Township of Cranbury

Clarke Caton Hintz

Table 19. Covered Employment by Sector, 2003

	Employment					Wages	
	March	June	Sept.	Dec.	Average	Weekly	Annual
Private Sector Municipality Total	13,333	13,441	13,547	13,502	13,421		
Agriculture, forestry, fishing and hunting	17	15	11	14	14	\$351	\$18,267
Utilities							
Construction	308	321	323	332	320	\$1,138	\$59,200
Manufacturing	1,288	1,286	1,262	1,218	1,278	\$1,255	\$65,242
Wholesale trade	1,493	1,502	1,568	1,545	1,529	\$1,186	\$61,653
Retail trade	963	895	983	1,012	941	\$550	\$28,594
Transportation and warehousing	759	719	694	676	707	\$673	\$34,985
Information	273	289	285	280	282	\$1,314	\$68,326
Finance and insurance	1,653	1,596	1,514	1,499	1,581	\$1,172	\$60,955
Real estate and rental and leasing	243	248	245	238	245	\$1,014	\$52,713
Professional and technical services	1,070	1,141	1,181	1,235	1,152	\$1,465	\$76,161
Management of companies and enterprises							
Administrative and waste services	428	476	479	462	456	\$731	\$37,992
Educational services	87	82	85	90	84	\$1,176	\$61,144
Health care and social assistance	115	112	116	126	118	\$616	\$32,011
Arts, entertainment, and recreation	34	39	68	63	49	\$919	\$47,769
Accommodation and food services	297	355	348	342	331	\$385	\$20,042
Other services, except public admin.	235	246	230	242	237	\$684	\$35,549
Unclassified entities	40	40	43	62	44	\$1,094	\$56,881
Government Municipality Total	332	324	322	322			
Federal Government Municipality Total	33	31	29	27	31	\$776	\$40,350
Local Government Municipality Total	299	293	293	295	284	\$839	\$43,643
Total Covered Employment	13,665	13,765	13,869	13,824			



GROWTH TRENDS AND PROJECTIONS

The Township will meet COAH's projections for household and job growth during the third round (2004 through 2018).

Residential Trends and Projections

Over the last 12 years, Cranbury Township issued 34 new residential certificates of occupancy per year. This number is deceptively high as a few medium-scale (100+/- units) residential developments came online during this period and 56 affordable units from three affordable housing sites were built. The Township anticipates a drop off in residential construction throughout Cranbury during COAH's third round period. This is due to a host of factors, including the weak housing market, preserved farmland and open space to the west and south of Cranbury (reflected by a PA 4 designation on the Policy Map of the State and Development and Redevelopment Plan), the environmental constraints on the remaining undeveloped tracts zoned for residential use, limited developability of tracts outside of the Township's sewer service area and water service area, and generally few small vacant parcels within Cranbury Township.

COAH has projected (Appendix F. to NJAC 5:97) that 224 units will be created in the Township between 2004 and 2018. Cranbury finds COAH's residential projections to be consistent with the Township's projections, which were based on certificates of occupancy issued, units under construction and projects that are approved, pending or anticipated before the planning board.

Nonresidential Trends and Projections

Cranbury Township has experienced nonresidential growth in the last decade, with warehousing dominating the nonresidential construction and office space coming in at a distant second. The Township also added two hotels during the period. Given the weak office market and the slowing economy, Cranbury expects a decline in the amount of non-residential development anticipated to be constructed during COAH's third round period.

COAH has projected (Appendix F. to NJAC 5:97) that 3,581 jobs will be created in the Township between 2004 and 2018. Cranbury has the capacity to meet this projection during the third round.



Capacity for Growth

To assess if Cranbury Township has the capacity to meet COAH's residential and non-residential projections between 2004 and December 31, 2018, the Township analyzed projected residential and non-residential growth through assessing development under construction, approved development, and pending applications. The Township also looked at potential future development based on the existing capacity of the zoning, historic development trends, and whether the development would be consistent with sound planning principles.

The analysis confirmed that Cranbury has the capacity to meet COAH's projection of 224 households and 3,581 jobs and thus to address COAH's total projected affordable housing obligation. The Township's zoning will support COAH's projected housing units through infill development and small developments (1 to 5 units) and small scale affordable housing developments. Additionally, the commercial zoning of the Township to the east of Route 130 is adequate to accommodate COAH's projected job growth and resulting affordable housing obligation.

Availability of Existing and Planned Infrastructure

While the Township has the capacity to meet COAH's projections, additional development beyond COAH's projections is limited by Cranbury's existing and approved sewer and water infrastructure.

Cranbury Township has a sewer agreement with South Brunswick Township to handle the sewer flows from the sewer service area (both residential and non-residential uses) in Cranbury. The sewage flows are ultimately treated at the Middlesex County Utility Authority ("MCUA") treatment facility in Sayreville. The balance of the Township, including the vast majority of the Township west of the developed Village relies on individual septic systems and wells.⁴

Cranbury's public water service is also limited, and serves the same area depicted by the 208 Plan sewer service area. Public water is provided by the Elizabethtown Water Company (recently purchased by the New Jersey American Water Company). Sufficient water capacity exists for the Township's water franchise area

⁴ Only one residential development (The Woods at Cranbury – 30 units) is outside of the 208 Sewer Service area and tied into the public water system.



Amended Third Round Housing Element and Fair Share Plan
Township of Cranbury

Clarke Caton Hintz

Existing public infrastructure will serve the bulk of the residential units projected in the third round. The balance of the residential projection will be served via on-site individual septic fields. Non-residential growth projections will be accommodated through the existing sewer service area.

Anticipated Land Use Patterns

Anticipated land use patterns range from multi-family affordable residential development on some of the few remaining vacant parcels in the sewer service area and low-density residential development within the environs to the west of Cranbury Village to commercial land uses to the east of Route 130 that support large office and warehouse buildings. The Township's planned land use pattern will support COAH's projected growth and resulting affordable housing obligation.

Township Economic Development Policies

Cranbury Township's economic development policies encourage business retention and redevelopment along the small commercial main street within the Village of Cranbury, as well as the continued commercial development of the warehouse/office center in the Township just to the south of a major interchange of the NJ Turnpike. The Township has encouraged economic development which comports with sound planning principles by providing zoning districts that permit a variety of non-residential uses including village commercial uses, as well as other business uses, research office and light industrial uses.

Constraints on Development

The Township is not located within the jurisdiction of the Meadowlands, Highlands, Pinelands or CAFRA. There are no known federal regulations that would hinder the development projected as part of the Township's adopted third round housing element and fair share plan. However, there are limited development opportunities in Cranbury Village, which is listed as a State and National Historic District.

According to the Township's Master Plan, there do not appear to be any constraints on development related to land ownership issues, i.e., the necessity to consolidate lots, small lot sizes or isolated lot development. Thus, existing land ownership patterns in the Township have been taken into account in the anticipated growth as detailed in the Township's plan.



Clarke Caton Hintz

A primary goal of the Township's Master Plan "is to provide for the preservation and conservation of the Township's natural resources, including woodland areas, wetlands, flood plains, scenic vistas, farmland and water resources." Wetland areas follow a number of stream corridors through the Township, as depicted on the attached August 2006 Current Land Use Map. By overlaying NJDEP-mapped wetlands, zoning districts and the sewer service area on the existing land use plan of the Township, the limited amount of developable land (not constrained by wetlands) in the sewer service area as well as outside of the sewer service area becomes clear.

The Township took environmental constraints into account in analyzing COAH's projected residential and non-residential growth through the third round. To ensure that development does not adversely impact environmentally sensitive features, the Township will rely on local, county and state review of applications for development. Furthermore, the Township's Master Plan, Land Use Ordinances and existing land review procedures provide the measures to address the development constraints noted above, as set forth at *NJAC 5:97-3.13(b)*, and others as further land use regulations evolve.

CONSIDERATION OF LANDS APPROPRIATE FOR AFFORDABLE HOUSING

Cranbury Township has limited developable land that is appropriate for inclusionary housing or a 100% affordable housing project. Large tracts of land in the west and south of Cranbury are preserved farmland or open space. There are environmental constraints on the remaining tracts zoned residential, and there is limited developability on parcels that are outside the sewer service area.

As part of this housing element, the Township has considered land within the Village (infill sites) and to the east of Route 130 for inclusion in the plan that is appropriate for the construction of low and moderate income housing, including properties with existing structures that could be converted or rehabilitated for use as affordable housing.

Additional analyses will take place in the future as affordable housing is triggered by future growth. As discussed later on, the Township will consider properties in the future for 100% affordable housing development.



CRANBURY'S AFFORDABLE HOUSING OBLIGATION

COAH's third round methodology includes the rehabilitation obligation, the prior round obligation and the third round obligation. The Appendices to COAH's substantive rules, NJAC 5:97 et seq., provide each municipality's affordable housing obligation. Cranbury's third round obligation can be summarized as follows:

- Rehabilitation Obligation: 6 (Appendix B.)
- Prior Round Obligation: 217 (Appendix C.)
- Third Round Obligation: 269 (Appendix F.)

Rehabilitation Obligation

The rehabilitation obligation is defined as the number of deficient housing units occupied by low and moderate income households within a municipality (NJAC 5:97-1.4). COAH calculates this figure using indices such as overcrowding of units constructed prior to 1950, incomplete kitchen facilities, incomplete plumbing facilities and the estimated number of low and moderate income households in the municipality. COAH has calculated Cranbury's rehabilitation obligation to be 6 units. Please see Table 20, Calculation of the Rehabilitation Obligation, for additional information.

Table 20. Calculation of the Rehabilitation Obligation

Overcrowding of units constructed prior to 1950	0
Incomplete plumbing facilities	+ 9
Incomplete kitchen facilities	+ 0
Low and moderate income share	*0.691
Rehabilitation share credit	- 0
<i>Rehabilitation Obligation</i>	<i>6 units</i>

Source: Appendix B to NJAC 5:97



Prior Round Obligation

The prior round obligation can be defined as the cumulative 1987 through 1999 affordable housing obligation (NJAC 5:97-1.4). This time period corresponds to the first and second rounds of affordable housing. COAH has calculated Cranbury's prior round obligation to be 217 units (Appendix C. to NJAC 5:97).

Third Round Obligation

COAH has taken a very different approach to calculating third round affordable housing obligations. The obligation is initially based solely on COAH's household and job projections for each municipality during the third round. For every five households, or units, projected during the third round, one affordable housing unit must be provided. For every 16 jobs projected, the Township must provide one affordable housing unit. COAH's substantive rules require that a municipality plan for the affordable housing obligation generated by the projections; however, a municipality must provide affordable housing in proportion to its actual growth (NJAC 5:97-2.2(e)). COAH has projected the creation of 224 households and 3,581 jobs in Cranbury during the third round (NJAC 5:97 Appendix F, *Allocating Growth to Municipalities*).

COAH's substantive rules at NJAC 5:97-2.4 permit municipalities to exclude certain market and affordable units from the third round household projections. Specifically, municipalities may exclude the following:

- Affordable units which received credit in a first or second round plan and have been or will be constructed during the third round.
- Market rate units in an inclusionary development which 1) received credit in a first or second round plan or are eligible for credit in the prior round and 2) have been or will be constructed during the third round.

The Township does not have unbuilt prior round affordable housing units that are eligible for exclusion.

Accordingly, the Township's 269-unit third round obligation is calculated in Table 21, Calculation of the Third Round Obligation.

Table 21. Calculation of Third Round Obligation

Residential	
Projected Units	224
Exclusions	
None	0
Units Creating Growth Share	224
<i>Residential Growth Share</i> ($\div 5$)	44.8
Nonresidential	
Projected Jobs	3,581
Exclusions	
None	0
<i>Total</i>	0
Jobs Creating Growth Share	3,581
<i>Nonresidential Growth Share</i> ($\div 16$)	223.8
Total Third Round Obligation	269

CRANBURY'S AFFORDABLE HOUSING PLAN

Satisfaction of the Rehabilitation Obligation

Cranbury will utilize Middlesex County's housing rehabilitation program to satisfy its six unit rehabilitation obligation. The Middlesex County Department of Housing and Community Development is currently running the Housing Preservation Program, a rehabilitation program, using federal Community Development Block Grant (hereinafter "CDBG") funds. The Township will fully participate in this program and will utilize the County as the administrative agent of the program. Additionally, the Township will contract with either the County or a private consultant to offer a rental rehabilitation program.

Cranbury's rehabilitation program will adhere to the regulations in NJAC 5:97-6.2. Specifically, all rehabilitated units will comply with the definition of a deficient unit in



Clarke Caton Hintz

NJAC 5:97-1.4, which states, “a housing 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 upon completion of the rehabilitation, ten (10) year affordability controls shall be placed on the property in the form of a lien or deed restriction.

Rehabilitations shall have an average hard cost of \$10,000. While the County will utilize CDBG funds, Cranbury Township will provide any funding from the affordable housing trust fund necessary to supplement the cost to satisfy the rehabilitation obligation. Furthermore, Cranbury will see that funding for a minimum of three rehabilitations (at least half of the obligation) is available by 2014 - the midpoint of the compliance period.

Satisfaction of the Prior Round Obligation

Cranbury’s prior round obligation (1987-1999) is 217 units (Appendix C. to NJAC 5:97). 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.

COAH requires that the Township establish the maximum number of age-restricted affordable units, the minimum number of affordable rental units and the maximum number of RCA units using the formulas below.

- Minimum Rental Obligation = 55 units
 $.25 \text{ (Prior Round Obligation)} = .25 (217) = 55, \text{ rounded up}$
 - 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 percent of the rental obligation shall receive a bonus for age-restricted units; and
 - No rental bonus is granted in excess of the prior round rental obligation

- Maximum Number of Age Restricted units = 28 units
 $.25 \text{ (Prior Round Obligation + Rehabilitation Share - Transferred RCAs)}$
 $= .25 (217 + 6 - 110) = 28, \text{ rounded down}$

Clarke Caton Hintz

- Maximum Number of Regional Contribution Agreement = 111 units
 $.25$ (Prior Round Obligation + Rehabilitation Share)
 $= .25 (217 + 6) = 111$, rounded down

As summarized in Table 22, Existing Credits/Bonuses Addressing Prior Round Obligation, the Township has addressed its 217-unit prior round obligation with transferred RCAs, existing family affordable rental and sale units, existing affordable age-restricted rental units, and previously granted second round rental bonuses and substantial compliance bonuses that continue to be eligible for credit against the prior round. In addition, the Township will address the prior round obligation with an existing group home that had been established in 1997.

Table 22. Existing Credits/Bonuses Addressing Prior Round Obligation

Cranbury's Prior Round Compliance Mechanisms	2008 Proposed Plan (prior round = 217)
RCAs (Perth Amboy, Carteret*)	110
Family affordable rentals	26
Rental Bonuses ($26 \times 1.0 = 26$)	26
Senior affordable rentals	20
Rental Bonuses ($20 \times 0.33 = 7$)	7
Family affordable sales	30
Existing group home (bedrooms) <i>New</i>	6
Rental Bonuses ($6 \times 1.0 = 6$)	6
Substantial compliance bonuses (prior round)	13
Total	244
Surplus	27

*Second Round RCA with Carteret included 15 rentals

Regional Contribution Agreements

Cranbury Township previously transferred funds for a total of 110 RCA units, including a first round RCA to the City of Perth Amboy for 76 units and a second round RCA for 34 units with the Borough of Carteret. Of the units transferred to Carteret, 15 units were rental RCAs. All funds for the 110 total RCAs have been transferred.



Family Affordable Rentals

Cranbury Housing Associates, Inc. (CHA), a private, nonprofit corporation, has been providing affordable housing in Cranbury since 1963. CHA developed 5 family rentals on Bergen Drive and 5 family rentals on Danser Drive. In 2001, CHA developed 16 family rentals at Parkside on Bennett Place. All 26 units are fully occupied. Pursuant to *NJAC* 5:97-3.5(a), all 26 family rentals are eligible for full rental bonuses.

Family Affordable Sale units

CHA developed 19 family affordable sale units on Bergen Drive and 11 family affordable sale units on Danser Drive and South Main Street. All units are completed and have the appropriate affordability controls through deed restrictions.

Senior Affordable Rentals

CHA constructed 20 affordable rental units restricted to seniors on land formerly owned by the Township and Cranbury Township School Board on Park Place West. Pursuant to *NJAC* 5:97-3.5(b), all 20 senior rentals are eligible for 1/3 rental bonuses. In addition, the 20 senior units are within the prior round senior cap of 28 units.

Supportive and Special Needs Housing

Cranbury Township is eligible for six credits for a licensed group home facility that is operated by SERV. This special needs facility is a six bedroom licensed group home that is operated by SERV Foundation, a nonprofit organization that specializes in treatment for individuals living with serious mental illnesses or developmental disabilities. The group home is located on Dey Road (Block 25, Lot 5.01). Residents of the group home are referred to SERV through the Division of Mental Health waiting list. SERV, a nonprofit organization, received capital funding from the Division of Mental Health Services to create the group home on Dey Road and continues to receive operational funding. Pursuant to *NJAC* 5:97-3.5(a), all 6 bedrooms are eligible for full rental bonuses. Additional crediting information is included in Appendix A.



Clarke Caton Hintz

Substantial Compliance Bonus

COAH's grant of second round substantive certification to Cranbury included a 13-unit substantial compliance bonus for having completed over 90% of its first round certified plan. The substantial compliance bonus resulted in a 13-unit credit towards the Township's second round new construction component. In its October 20, 2008 Comment and Response document, COAH upheld the use of the substantial compliance bonus, stating, "The Council will honor substantial compliance bonuses that were previously granted as part of a municipality's substantive certification." As Cranbury's substantial compliance bonus was included in its second round substantive certification, the Township is eligible for the 13-unit bonus.

Prior Round Rental Component

As noted above, Cranbury Township addressed the 55-unit prior round rental component through 26 affordable family rentals, 6 group home bedrooms, 20 affordable senior rentals, and 15 rentals transferred via the second round RCA with Carteret.

Satisfaction of the Third Round Obligation

Cranbury's third round obligation, pursuant to COAH's household and job projections, is 269 units (Appendix F. to NJAC 5:97). In accordance with NJAC 5:97-2.2(e), the provision of affordable housing shall be based on the issuance of permanent certificates of occupancy for new residential units and new nonresidential floor area.

In addition to satisfying the 269 unit third round obligation, the Township must also adhere to a minimum number of total family units, minimum rental obligation, minimum number of family rental units, maximum number of age-restricted units, maximum number of bonuses and minimum number of very low income units. Due to the recent amendments to the Fair Housing Act, P.L. 2008, c.46, the Township is no longer eligible to enter into a regional contribution agreement it had completed with Perth Amboy for the third round obligation.

- Minimum Family Obligation = 101 units
 $.50(\text{third round obligation} - \text{proposed bonuses}) = .50(269-67) = 101$



Amended Third Round Housing Element and Fair Share Plan
Township of Cranbury

Clarke Caton Hintz

- Minimum Rental Obligation = 68 units
.25 (third round obligation) = .25 (269) = 68, rounded up
- Minimum Family Rental Obligation = 34 units
.50(third round minimum rental obligation) = .5(68) = 34
- Maximum Age-restricted Units = 67 units
.25 (third round obligation) = .25 (269) = 67, rounded down
- Maximum Bonuses = 67 bonuses
.25 (third round obligation) = .25 (269) = 67, rounded down
- Minimum Very Low Income Units = 23 units
0.13(third round obligation - proposed bonuses - prior round surplus (built affordable units)) = .13(269 - 67 - 27) = 23, rounded up
*P.L.2008, c.46 amended the Fair Housing Act to require 13% of all third round units to be reserved for very low income households.

As summarized in Table 23, Proposed Third Round Compliance Mechanisms, the Township proposes to address its 269-unit third round growth share obligation with the prior round surplus, 100% affordable family rental sites, 100% affordable senior rental sites, existing supportive shared living housing, and eligible bonuses. It is important to note that Cranbury Township anticipates developing 83 affordable units between the Route 130 D site and the future 100% affordable family rental site.



Table 23. Proposed Third Round Compliance Mechanisms

Cranbury's Third Round Compliance Mechanisms	2008 Proposed Plan (growth share = 269)
Prior Round Surplus	27
Family affordable rentals	
Old Cranbury Road (existing)	20
Route 130 D	29-48
Future site(s) to be determined	35-54
Senior affordable rentals (future site(s) to be determined)	67
Supportive Shared Living Housing (existing)	5
Third Round Bonuses	
Old Cranbury Road Compliance Bonus (1.0 each)	20
Route 130 D + Future Site(s) Rental Bonuses (1.0 for portion)	47
Total	269

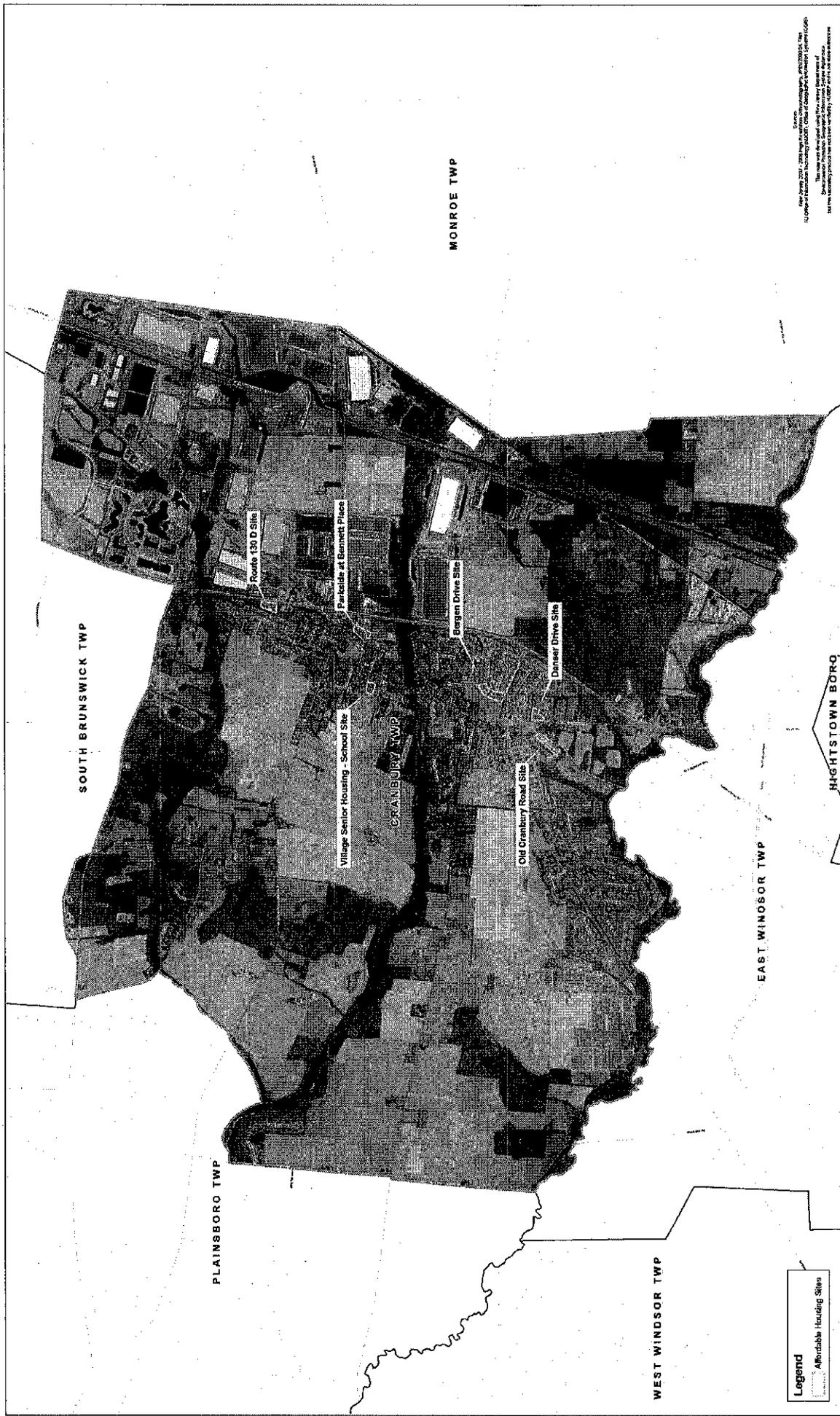
Prior Round Surplus

Cranbury addressed its 217-unit prior round obligation with 244 COAH eligible RCAs, new construction credits and bonuses. Thus, the Township has a 27-unit surplus to apply to its 269-unit third round obligation.

Supportive and Special Needs Housing

Cranbury Township is eligible for five credits for a five bedroom supportive shared living housing located on Half Acre Road (Block 5, Lot 26). Established in 2006, this residence is operated by SERV Foundation system. SERV administers the facility, and fills vacancies using the Division of Mental Health Services (DMHS) waiting list.

The housing unit was donated to SERV Foundation by the previous owners on August 30, 2004, and the SERV Foundation upgraded the unit to meet the NJ building code. SERV is a contractor to the DMHS and receives DMHS operational funding. Additional crediting information is available in Appendix B.



Scale
 1/4" = 1000' (1:25,000)
 1/8" = 500' (1:12,500)
 1/16" = 250' (1:6,250)
 1/32" = 125' (1:3,125)
 1/64" = 62.5' (1:1,562.5)
 1/128" = 31.25' (1:781.25)
 1/256" = 15.625' (1:390.625)
 1/512" = 7.8125' (1:195.3125)
 1/1024" = 3.90625' (1:97.65625)
 1/2048" = 1.953125' (1:48.828125)
 1/4096" = 0.9765625' (1:24.4140625)
 1/8192" = 0.48828125' (1:12.20703125)
 1/16384" = 0.244140625' (1:6.103515625)
 1/32768" = 0.1220703125' (1:3.0517578125)
 1/65536" = 0.06103515625' (1:1.52587890625)
 1/131072" = 0.030517578125' (1:0.762939453125)
 1/262144" = 0.0152587890625' (1:0.3814697265625)
 1/524288" = 0.00762939453125' (1:0.19073486328125)
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 1/2097152" = 0.0019073486328125' (1:0.0476837158203125)
 1/4194304" = 0.00095367431640625' (1:0.02384185791015625)
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100% Affordable Housing Projects

Cranbury Township will address the 237-unit balance of its third round growth share through Municipally Sponsored Construction of a minimum of 103 affordable family rental units on three sites and a minimum of 67 units of age restricted affordable housing.

The Township proposes to continue its past practices of developing high quality affordable housing. Cranbury Township has excelled with the planning and development of 100% affordable housing projects in the first, second and even third round. Cranbury is committed to continuing to work with experienced and capable affordable housing developers to produce the necessary 100% affordable housing that is needed in the future.

To be fiscally prudent, the Township will maximize rental bonuses by developing family affordable rental units. COAH's third round rules do not permit bonuses on either family affordable sale units or any type of age-restricted (or senior) unit. Thus, by proposing a minimum of 103 family affordable rentals, Cranbury will be eligible for 47 rental bonuses that significantly help to address the 269 unit third round growth share.

Old Cranbury Road

CHA constructed a 20-unit family rental development on a 2.67-acre site on Old Cranbury Road (Block 20, Lot 10.01). The units are in six townhouse style structures and are surrounded by single-family age-restricted residences to the west and to the north, single-family residences also to the north and to the east, across Old Cranbury Road, and to the south. The construction applications were submitted in advance of October 1, 2006, and are not subject to accessibility and adaptability requirements in the barrier free subcode. See map of the CHA Four Seasons Site. Additionally, the project received planning board approval on July 20, 2006, and as such is eligible for third round compliance bonuses in accordance with *NJAC 5:97-3.17*. (See Appendix C for a copy of the Planning Board Resolution PB No. 118-06).

COAH's Third Round rules at *NJAC 5:97-6.7* "Municipally Sponsored and 100 Percent Affordable Developments" are addressed as follows:

- ✓ Site Control – The Township transferred title of the property to CHA on July 9, 2007.



Amended Third Round Housing Element and Fair Share Plan
Township of Cranbury

Clarke Caton Hintz

✓Site Suitability – The site plan received necessary planning board approvals and building permits. All 20 units received certificates of occupancy on July 24, 2008. Thus, the site meets COAH's site suitability requirements at *NJAC* 5:97-3.13 "Suitable Site".

✓Administrative Entity - CHA is an experienced, private, non-profit corporation, owner and manager of affordable units throughout the Township since 1963. CHA currently administers all of Cranbury Township's affordable units in accordance with COAH's regulations. The units at Old Cranbury Road have 30-year affordability controls. Additionally, CHA commits to affirmatively marketing these units, income qualifying applicants, and providing long-term administration of the units in accordance with COAH's rules at *NJAC* 5:97 et seq. and the Uniform Housing Affordability Controls ("UHAC") per *NJAC* 5:80-26.

✓Low/Moderate Income Split – At least half of all the affordable units at Old Cranbury Road are affordable to low income households per *NJAC* 5:97-3.3 and the UHAC at *NJAC* 5:80-26. Of the low income units, four units are affordable to very low income households.

✓Affirmative Marketing - CHA affirmatively marketed the units in accordance with COAH's rules at *NJAC* 5:97 et seq. and the UHAC per *NJAC* 5:80-26.

✓Controls on Affordability – The units have 30-year affordability control deed restrictions in accordance with *NJAC* 5:97 et seq. and *NJAC* 5:80-26.

✓Bedroom Distribution – Old Cranbury Road meets the bedroom distribution requirement pursuant to UHAC requirements at *NJAC* 5:80-26.

✓Funding – Old Cranbury Road was funded through Township funds (including affordability assistance) and outside funding sources.

Route 130 D

This 4.0 acre site (Block 26, Lot 3) is located on State Highway Route 130 and is proposed to include between 29 and 48 affordable family rental units. Presently, the site is occupied by a dilapidated 2-story residence with a storefront and a portion at the rear of the site is a gravel parking lot and an overgrown field to the rear. The site is presently zoned Highway Commercial but is surrounded by single-family residential land uses to

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the south along Ryan Road and to the west along Silvers Lane. A business use and residence are to the north and to the east, across Route 130 from the site are commercial structures including a hotel. See map of Route 130D Site. Although vehicular access will be restricted to Route 130 (except for emergency access to Ryan Road similar to that between Silvers Lane and Griggs Road), it is important to note that pedestrian access will be via Ryan Road to enable residents including school children to walk to school and Township parks and to access Cranbury Village through existing adjacent residential streets.

COAH's Third Round rules at *NJAC* 5:97-6.7 "Municipally Sponsored and 100 Percent Affordable Developments" are addressed as follows:

✓Site Control – The Township acquired the site from Ravi, LLC on June 7, 2007, and will transfer the title of the property to CHA.

✓Site Suitability – The site is suitable as defined in COAH's regulations at *NJAC* 5:97-3.13 "Suitable Site". There are no encumbrances which preclude the development of affordable housing on the property. The site is adjacent to residential land uses and other compatible land uses as noted above. The site has access to appropriate streets and appropriate pedestrian access throughout Cranbury. Water and sewer infrastructure are currently available at the site and there is sufficient water and sewer capacity in both the water system (New Jersey American Water Utility) and sewer system (Cranbury Township) according to the Township Engineer. The site can be developed consistent with the Residential Site Improvement Standards and other state regulations such as those of the Department of Environmental Protection ("DEP"). From a review of DEP's wetland mappings, there do not appear to be any wetlands on the property and the site is relatively flat. The site is located in Planning Area 2 ("PA2") of the adopted and proposed State Development and Redevelopment Plan Policy Map ("State Plan").

✓Request for Proposal – Cranbury Township entered into a Memorandum of Understanding with CHA on June 12, 2006, naming CHA as the developer of the Route 130 D site. See Appendix D for a copy of the signed Memorandum of Understanding.

Cranbury Affordable Housing Site - Route 130 D



Route 130 D: Block 26, Lot 3

Legend

- | | | |
|--|--|---|
|  Wetlands |  Site |  Streams |
|  Lakes |  Municipal boundary |  Railroads |

Source: New Jersey DEP, 2002 Orthophotography

Phillips Preiss Shapiro Associates, Inc.

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✓Administrative Entity - CHA will administer and affirmatively market the units at the Route 130D site, income qualify applicants, place 30-year affordability controls on the units and provide long-term administration of the units in accordance with COAH's rules at *NJAC* 5:97 et seq. and the Uniform Housing Affordability Controls ("UHAC") per *NJAC* 5:80-26.

✓Low/Moderate Income Split – At least half of the affordable units developed by CHA will be affordable to low income households and an odd number of affordable units will always be split in favor of the low income unit per *NJAC* 5:97-3.3 and the UHAC at *NJAC* 5:80-26. Of the low income units at the Route 130 D site, at least four units will be affordable to very low income households.

✓Affirmative Marketing - CHA will affirmatively market the units in accordance with COAH's rules at *NJAC* 5:97 et seq. and the UHAC per *NJAC* 5:80-26.

✓Controls on Affordability – CHA will place 30-year affordability controls on the units in accordance with *NJAC* 5:97 et seq. and *NJAC* 5:80-26.

✓Bedroom Distribution – CHA will follow the UHAC requirements in developing the affordable units by providing no more than 20% one-bedroom units, a minimum of 20% three-bedroom units and the balance (at least 30%) two-bedroom units in accordance with *NJAC* 5:80-26.

✓Funding – CHA has developed pro forma statements for developing the minimum 29 affordable units (at least four of which will be available for households earning 30% or less of regional median income) and anticipates applying for various funding sources including but not limited to HMFA bond financing, Federal Low-income Housing Tax Credits, Balanced Housing funds, County HOME funds, Federal Home Loan Bank funds and conventional financing (see Appendix E, CHA Pro Forma Statements). Shortfall of funds will be addressed through the use of outside funding sources as set forth in "A Guide to Affordable Housing Funding Sources," dated October 2008, posted on COAH's website, or through bonding and/or appropriations as may be allowed by law.

✓Construction Schedule – CHA has proposed a construction schedule for the Route 130 D site that anticipates construction beginning in 2010. See Appendix F for the CHA Route 130 D Construction Schedules. The Construction Schedule notes each step in the development process, including preparation of a site plan, granting of municipal approvals, applications for State and Federal permits, and beginning



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construction. CHA will be responsible for monitoring the construction and development activity.

Future 100% Affordable Family Rental Site(s)

The Township is also investigating infill sites in the Village and sites east of Route 130 for future site(s) for 100% affordable family rentals of 35 to 54 units.

The Township will submit the required documentation, including but not limited to documentation of site control, site suitability, a pro forma, and a construction schedule, for site(s) in accordance with its implementation schedule.

Future 100% Affordable Age Restricted Rental Site(s)

The Township is investigating infill sites in the Village and sites east of Route 130 for future site(s) for 100% affordable age restricted rentals of 67 units, at least 6 of which will be affordable to very low income seniors. The Township will submit the required documentation, including but not limited to documentation of site control, site suitability, a pro forma, and a construction schedule, for site(s) in accordance with its implementation schedule.

Very Low Income Units

Pursuant to the recent amendments to the Fair Housing Act, P.L.2008, c.46, municipalities must provide very low income units equal to 13% of the future units satisfying the third round obligation. Cranbury will satisfy its 23-unit very low income obligation with the 4 units at the Old Cranbury Road site, at least 4 units at the Route 130 D site, at least 4 units at the future family rental site, 5 units at the SERV supportive shared living housing and at least 6 units at the affordable senior rental site(s).

Affordable Units Meeting the Third Round Obligation

Cranbury has met its 269 unit third round obligation through a 27-unit prior round surplus, four 100% affordable housing developments and existing shared supportive living housing.

Amended Third Round Housing Element and Fair Share Plan
Township of Cranbury

Clarke Caton Hintz

- The 101 unit family obligation has been satisfied with 20 units at the Old Cranbury Road site, 29 to 48 units at the Route 130 D site and 35 to 54 units at future 100% affordable family rental site(s).
- The 68 unit rental obligation has been satisfied with 20 units at the Old Cranbury Road site, 5 units of shared supportive living housing (bedrooms), 29 to 48 units at the Route 130 D site, 35 to 54 units at future 100% affordable family rental site(s) and 67 units at future 100% affordable senior rental site(s).
- The 34 unit family rental obligation has been satisfied with the Old Cranbury Road site and the future Route 130 D site.
- The Township's plan includes 67 affordable age restricted units, which do not exceed the 67-unit senior cap.
- The Township has included 67 bonus credits (both compliance bonuses and rental bonuses).
- The Township has met the 23-unit very low income requirement with 5 units in the existing shared supportive living facility, 4 units at the Old Cranbury Road site, at least 4 units at the Route 130 D site, at least 4 units at future family rental site(s) and at least 6 units at 100% senior site(s).

Table 23. Affordable Units Meeting the Third Round Growth Share Obligation

Project	Family	Rental	Senior	Units	Bonus Credits	Total Credits
Prior Round Surplus						27
Special Needs						
SERV		x		5	0	5
100% Affordable Housing Projects						
Old Cranbury Road	x	x		20	20	40
Route 130 D Site	x	x		29-48	15-34	44-82
100% Family Affordable	x	x		35-54	13-32	48-86
100% Senior Affordable		x	x	67	0	67
<i>Total</i>				202	67	269



SUMMARY AND IMPLEMENTATION SCHEDULE

The rehabilitation program, to be administered by Middlesex County, will satisfy the Township's 6 unit rehabilitation obligation. The Township addressed its 217-unit prior round obligation with transferred RCAs in Rounds 1 and 2, existing family affordable rental and sale units, existing affordable age-restricted rental units, and previously granted second round rental bonuses and substantial compliance bonuses that continue to be eligible for credit against the prior round. In addition, an existing group home (1997) has been added to the Township's prior round compliance efforts. Cranbury will meet its 269-unit third round growth share obligation with the prior round surplus, three 100% affordable family rental sites, a 100% affordable senior rental project, existing supportive shared living housing, and eligible bonuses.

The Township will participate in Middlesex County's rehabilitation program, beginning in the year which COAH grants substantive certification to the Township (at the earliest in 2009) to satisfy the 6 unit rehabilitation obligation. As discussed, and pursuant to *NJAC 5:97-6.2(b)3.*, Cranbury Township will provide sufficient dollars to fund no less than half (3) of the municipal rehabilitation component by the middle of the substantive certification period, 2014.

All of the affordable units satisfying the prior round have been built and the funds for both RCAs in Rounds 1 and 2 have been transferred. Cranbury Township has also made substantial progress on constructing affordable units to meet its third round obligation. The supportive shared living housing and the Old Cranbury Road 100% affordable family rentals are completed. Additionally, the Township has acquired the Route 130 D site, and in accordance with the implementation schedule, construction should begin in 2010. The Township will work to identify additional sites for the 100% affordable family rental development(s) and 100% affordable senior rental project(s). The Township will implement the future municipally sponsored construction sites based on actual growth in the Township. Cranbury Township anticipates, based on actual and projected growth, that approximately 100 affordable units/bonuses will be needed at the time of the first plan evaluation, pursuant to *NJAC 5:96-10.1*. Table 24, Implementation Schedule, outlines the Township's timeline for meeting its third round fair share obligation. As shown on Table 24, the Township anticipates that it will provide approximately 100 affordable units/compliance bonuses by 2011 (earliest initial growth share evaluation) through the prior round surplus, existing supportive shared living arrangement, Old Cranbury Road credits and compliance bonuses and the Route 130D family rental site.

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Table 24. Implementation Schedule

Program	Existing Units/ Bonuses	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Total Units
Prior Round Surplus	27	0	0	0	0	0	0	0	0	0	0	27
SERV Supportive Shared Living	5	0	0	0	0	0	0	0	0	0	0	5
Old Cranbury Road Site	20	0	0	0	0	0	0	0	0	0	0	20
Old Cranbury Rd Compliance Bonus	20	0	0	0	0	0	0	0	0	0	0	20
Route 130 D Site	0	0	0	29-48	0	0	0	0	0	0	0	29-48
Future 100% Senior Rentals	0	0	0	0	0	0	67	0	0	0	0	67
Route 130D Rental Bonuses	0	0	0	0	0	0	15-34	0	0	0	0	15-34
Future 100% Family Rentals	0	0	0	0	0	0	0	0	0	35-54	0	35-54
Future 100% Rental Bonuses	0	0	0	0	0	0	0	0	0	13-32	0	13-32
Total Units/Bonuses	72	0	0	29-48	0	0	82-101	0	0	48-86	0	269



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COST GENERATION

Cranbury 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 (*NJAC 5:21-1 et seq*) and the mandate of the Fair Housing Act regarding unnecessary cost generating features. Cranbury Township shall comply with COAH's requirements for unnecessary cost generating requirements, *NJAC 5:97-10.2*, procedures for development applications containing affordable housing, *NJAC 5:97-10.3*, and requirements for special studies and escrow accounts where an application contains affordable housing, *NJAC 5:97-10.4*.



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MONITORING

In accordance with *NJAC 5:96-11*, Cranbury Township shall complete the annual monitoring reports of the Affordable Housing Trust Fund and of the affordable housing units and programs. Furthermore, the Township will assist COAH with the biennial plan evaluation, pursuant to *NJAC 5:96-10*, where the actual growth of housing units and jobs is compared to the provision of affordable housing beginning two years from substantive certification. If upon biennial review, the difference between the number of affordable units constructed or provided in the Township and the number of units required pursuant to *NJAC 5:97-2.4* results in a pro-rated production shortage of 10 percent or greater, the Township is not adhering to its implementation schedule pursuant to *NJAC 5:97-3.2(a)4*, or the mechanisms addressing the projected growth share obligation no longer present a realistic opportunity for the creation of affordable housing, the Township may be required by COAH to amend its plan in conformance with *NJAC 5:96-14* to address the affordable housing obligation set forth in *NJAC 5:97-2.5*.



FAIR SHARE ORDINANCES AND AFFIRMATIVE MARKETING

The Township of Cranbury has prepared an Affirmative Marketing and Fair Share Ordinance in accordance with COAH's substantive rules, *NJAC 5:97-9*, and the Uniform Housing Affordability Controls (hereinafter "UHAC") at *NJAC 5:80-26*. The Township's Fair Share Ordinance will govern the establishment of affordable units in the Township as well as regulating the occupancy of such units. The Fair Share 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.

To conduct affirmative marketing and monitoring of affordable units, the Township currently contracts with Cranbury Housing Associates (CHA) for the administration of existing affordable units in the Township and the units at the Old Cranbury Road site and proposed units at the Route 130 D site, with the exception of the supportive and special needs housing units, which will be administered by SERV Foundation, Inc. The Township anticipates entering into a similar contract with an experienced housing provider and administrator for future affordable housing units.

The affirmative marketing plan is 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 Housing Region #3, consisting of Hunterdon, Middlesex and Somerset Counties.

The affirmative marketing plan includes regulations for qualification of income eligibility, price and rent restrictions, bedroom distribution, affordability control periods, and unit marketing in accordance to *NJAC 5:80-26*. All newly created affordable units will comply with the thirty-year affordability control required by UHAC, *NJAC 5:80-26-5* and *5:80-26-11*. This plan must be adhered to by all private, non-profit or municipal developers of affordable housing units and must cover the period of deed restriction or affordability controls on each affordable unit. The costs of implementing the affirmative marketing plan (i.e., the costs of advertising the affordable units, etc.) are the responsibilities of the developers of the affordable units. This requirement is included in the Township's fair share ordinance and shall be a condition of any municipal development approval.



AFFORDABLE HOUSING TRUST FUND

The Township has collected development fees since October 5, 1994, when COAH approved the Township's first development fee ordinance. The ordinance has been amended multiple times since then. Most recently, the Township revised its development fee ordinance pursuant to COAH's rules at *NJAC* 5:94-6.14(c) to increase the residential development fees equal to 1.0% of the equalized assessed value of new residential construction and nonresidential development fees equal to 2.0% of the equalized assessed value of new nonresidential construction. However, as of July 17, 2008, the passage of amendments to the Fair Housing Act (P.L.2008, c.46), the Township may only collect nonresidential development fees equal to 2.50% of the equalized assessed value of new nonresidential construction and in accordance with particular conditions and exemptions of the Act. In order to comply with these amendments to the Fair Housing Act, the Township is requesting approval of an amended development fee ordinance that will increase the nonresidential development fee to 2.5%. Additionally, the revised development fee ordinance will increase the residential development fee to 1.5% pursuant to *NJAC* 5:97-8.3. (See Appendix G for the Revised Development Fee Ordinance).

The Township's spending plan, which discusses anticipated revenues, collection of revenues, and the use of revenues, was prepared in accordance to *NJAC* 5:97-8.10 (See Appendix H for the Spending Plan). Collected revenues will be placed in the Township's Affordable Housing Trust fund and will be dispensed for the use of affordable housing activities. Pursuant to the Township's plan, Cranbury Township may use the funds in the trust fund for the below listed items, pursuant to *NJAC* 5:97-8.7(a):

- 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 existing market rate or affordable housing for the purpose of maintaining or implementing affordability controls, such as in the event of foreclosure;
- Green building strategies designed to be cost-saving for low- and moderate income households, either for new construction that is not funded by other sources, or as part of necessary maintenance or repair of existing units;



Amended Third Round Housing Element and Fair Share Plan
Township of Cranbury

Clarke Caton Hintz

- 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.
- Affordability assistance.

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, may 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 develop or implement a rehabilitation program, a new construction program, a housing element and fair share plan, and/or an affirmative marketing program.

Cranbury Township intends to spend development fee revenues pursuant to NJAC 5:97-8.7 and in conjunction with the housing programs outlined in this document. Cranbury Township currently has approximately \$230,000 in the housing trust fund and anticipates an additional \$6.024 million in revenues before the expiration of substantive certification, for a total of \$6.25 million. The municipality will dedicate the anticipated development fee revenues and will seek outside funding sources to cover the potential costs of its affordable housing programs [a maximum of \$19.7 million [(150 future third round units x \$116,666) + \$60,000 for the rehabilitation program + \$2 million for affordability assistance]. Shortfall of funds will be addressed through the use of outside funding sources as set forth in "A Guide to Affordable Housing Funding Sources," dated October 2008, posted on COAH's website, or through bonding and/or appropriations as may be allowed by law.

APPENDICES

EXHIBIT B

RESOLUTION GRANTING FINAL THIRD ROUND SUBSTANTIVE CERTIFICATION

#57-18(a)

Cranbury Township, Middlesex County

WHEREAS, Cranbury Township, Middlesex County, petitioned the Council on Affordable Housing (COAH) on December 31, 2008 for substantive certification of its Housing Element and Fair Share Plan addressing its total 1987-2018 affordable housing obligation; and

WHEREAS, Cranbury Township's fair share plan addresses a total 1987-2018 affordable housing obligation of 492 units, consisting of a six-unit rehabilitation share, a 216-unit prior round obligation and a 269-unit projected growth share obligation pursuant to N.J.A.C. 5:97; and

WHEREAS, Cranbury proposes to address its six-unit rehabilitation share through participation in the Middlesex County Department of Housing and Community Development's Rehabilitation Program; and

WHEREAS, the Township will address its 217-unit prior round obligation with a 76-unit Regional Contribution Agreement with Perth Amboy City, a 34-unit Regional Contribution Agreement with Carteret Borough, 26 credits and 26 bonuses from the Cranbury Housing Associates (CHA) family rental development, three credits from the CHA family for-sale development, 20 credits and seven bonuses from the senior rental development and six credits and six bonuses from the SERV Centers of NJ group home; and

WHEREAS, Cranbury will address its projected 269-unit growth share obligation with 27 credits from the CHA family for-sale development, 20 credits and 20 bonuses from the Old Cranbury Road development, five credits from the SERV Centers of NJ group home, 83 units and 47 bonuses between the Route 130 D Site and a future family rental site and 67 units at a future senior rental site; and

WHEREAS, on January 13, 2010, COAH granted Cranbury Township conditional substantive certification with three conditions to be met within 60 days, or no later than March 15, 2010 (see COAH Conditional Compliance Report and resolution granting conditional third round substantive certification, attached as Exhibit A and incorporated by reference herein); and

WHEREAS, the three conditions were:

1. the Township must determine the exact number of units to be constructed on the Route 130 D Site and the Future Family Rental Site; and
2. the Township must provide an implementation schedule for the Future Family Rental Site, which specifies construction will begin by January 2012 and site acquisition will occur by September 2010; and
3. the Township must provide an updated spending plan with specific allocations for each of the proposed municipally sponsored construction projects; and

WHEREAS, on March 9, 2010, Cranbury Township submitted a resolution, which was passed on March 8, 2010, determining that the Route 130 D Site will accommodate 32 family rental units and the Future Family Rental Site will accommodate 51 family rental sites; and the implementation schedule for the Future Family Rental Site has been revised to reflect land acquisition to occur by September 2010, construction to begin by January 2012 and occupancy in 2013 and the revised spending plan reflects the anticipated use of affordable housing funds for each project; and

WHEREAS, pursuant to N.J.A.C. 5:96-6.2(a)2, on March 23, 2010 COAH issued a Compliance Report recommending approval of Cranbury Township's petition for third round substantive certification; and

WHEREAS, the 14-day period to submit comments to the COAH Compliance Report pursuant to N.J.A.C. 5:96-6.2(b) ended on April 6, 2010 and COAH did not receive comments.

NOW THEREFORE BE IT RESOLVED that COAH has reviewed Cranbury Township's petition for substantive certification of its third round Housing Element and Fair Share Plan and the additional documentation submitted by the Township and has determined that Cranbury has satisfied the outstanding conditions, as noted in the Final Compliance Report dated March 17, 2010 (attached as Exhibit B and incorporated by reference herein); and

BE IT FURTHER RESOLVED that the Housing Element and Fair Share Plan submitted by Cranbury Township comports to the standards set forth at N.J.S.A. 52:27D-314 and meets the criteria for third round substantive certification pursuant to N.J.A.C. 5:96-6.3; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:96-6.3(a) and after having reviewed and considered all of the above, COAH hereby grants final third round substantive certification to Cranbury Township; and

BE IT FURTHER RESOLVED that Cranbury Township shall comply with COAH monitoring requirements as set forth in N.J.A.C. 5:96-11, including reporting Township's actual growth pursuant to N.J.A.C. 5:97-2.5; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:97-4.1(d), all credits will be verified and validated during monitoring subsequent to substantive certification pursuant to N.J.A.C. 5:96-11; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:96-10.1, COAH shall conduct biennial plan evaluations upon substantive certification of Cranbury's Housing Element and Fair Share Plan to verify that the construction or provision of affordable housing has been in proportion to the actual residential growth and employment growth in the municipality and to determine that the mechanisms addressing the projected growth share obligation continue to present a realistic opportunity for the creation of affordable housing; and

BE IT FURTHER RESOLVED that if upon any biennial review the difference between the number of affordable units constructed or provided in Cranbury and the number of units

required pursuant to N.J.A.C. 5:97-2.5 results in a prorated production shortage of 10 percent or greater, the Township is not adhering to its implementation schedule pursuant to N.J.A.C. 5:97-3.2(a)4, or the mechanisms addressing the projected growth share obligation no longer present a realistic opportunity for the creation of affordable housing, COAH may direct Cranbury to amend its plan to address the shortfall; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:97-2.5(e), if the actual growth share obligation determined is less than the projected growth share obligation, Cranbury shall continue to provide a realistic opportunity for affordable housing to address the projected growth share; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:96-6.3(b), Cranbury's substantive certification shall remain in effect until December 30, 2018; and

BE IT FURTHER RESOLVED that any changes to the facts upon which this substantive certification is based or any deviations from the terms and conditions of this substantive certification which affect the ability of Cranbury to provide for the realistic opportunity of its fair share of low and moderate income housing and which the Township fails to remedy, may render this certification null and void.

I hereby certify that this resolution was
duly adopted by the Council on Affordable
Housing at its public meeting on April 21, 2010

A handwritten signature in cursive script that reads "Renee Reiss". The signature is written in black ink and is positioned above the printed name and title.

Renee Reiss, Secretary
Council on Affordable Housing



***Council on Affordable Housing
Final Compliance Report
March 17, 2010***



Municipality: *Cranbury Township*
County: *Middlesex County*

COAH Region: 3
Planning Area: 2, 4, 4B
Special Resource Area: N/A

Housing Element and Fair Share Plan Adopted: *December 22, 2008*
Petition for 3rd Round Substantive Certification: *December 31, 2008*
Completeness Determination: *January 23, 2009*
Date of Publication: *January 30, 2009*

Objections Received: *Fair Share Housing Center*
Mediation Held: *December 7, 2009*

Petition Includes:

VLA: *No*

GPA: *No*

Waiver: *No*

Section: *N/A*

Date of Site Visit: *December 2009*

History of Approvals:

	COAH	JOC	N/A
First Round:	<i>4/24/1989</i>		
Second Round:	<i>12/4/1996</i>		
Extended Certification:	<i>2/9/2005</i>		

Plan Preparer: *Kathleen Grady, Planner, Clarke Caton Hintz*

Municipal Housing Liaison: *Christine Smeltzer, Township Administrator*

Recommendation: Grant Final Substantive Certification

SUMMARY OF FAIR SHARE OBLIGATION

Rehabilitation Share	6
Prior Round Obligation	217
Projected Growth Share Obligation	269

ACTUAL GROWTH and GROWTH SHARE through September, 2008¹

Res Units (#)	Actual Res Growth Share	Jobs (#)	Actual Non-Res Growth Share	Actual TOTAL Growth Share
145	29 units	5,571	348 units	377 units

COMPLIANCE PLAN SUMMARY

Obligation	Credit/ Mechanism Type	# Units Completed	# Units Proposed	TOTAL
Rehabilitation: 6 units				
Program	County		6	6
Rehabilitation Subtotal				6
NEW CONSTRUCTION:				
Prior Round: 217 units				
Credits	Post-1986	55		55
	RCA	110		110
	Compliance	13		13
Prior Round Bonus(es)	Rental	39		39
Prior Round Subtotal				217
Growth Share: 269 units				
Credits	Post-1986	52		52
Proposed Mechanism(s)	100% Affordable		150	150
Growth Share Bonus(es)	Compliance	20		20
	Rental		47	47
Growth Share Subtotal				269
Surplus				0

¹ This growth share number does not take into account allowable exclusions permitted under N.J.A.C. 5:97-2.4; therefore, the actual growth share may vary. In addition, COAH staff notes that N.J.A.C. 5:97 - Appendix D permits municipalities to count actual jobs for the "S" use group.

I. PROPOSED AFFORDABLE HOUSING MECHANISMS (GROWTH SHARE)

Cranbury Township has a growth share obligation of 269 units. Cranbury's Housing Element and Fair Share Plan indicated that it would address 72 units of the projected growth share obligation with 52 units of credit and 20 compliance bonuses. The Township will address the remaining 197-unit obligation with three 100% municipally sponsored projects: the Route 130 D Site, the Future Family Rental Site and the Future Senior Rental Site. The Future Senior Rental Site will address Cranbury's maximum permitted number of age-restricted units (67) and the Route 130 D Site and Future Family Rental Site will accommodate a combined 83 units plus 47 rental bonuses. Since the Township did not specify the exact number of units or bonuses for the Route 130 D Site and Future Family Rental Site, Cranbury received conditional substantive certification from COAH for its third round Housing Element and Fair Share Plan on January 13, 2010. The following three conditions were noted in the COAH resolution, which were to be addressed within 60 days, or no later than March 15, 2010:

1. The Township must determine the exact number of units to be constructed on the Route 130 D Site and the Future Family Rental Site. The sum total of the two projects must equal at least 83 units.
2. The Township must provide an implementation schedule for the Future Family Rental Site, which specifies that construction will begin by January 2012 and site acquisition will occur by September 2010.
3. The Township must provide an updated spending plan with specific allocations for each of the proposed municipally sponsored construction projects.

Cranbury submitted documentation dated March 4, 2010 and March 9, 2010, satisfying each of the above conditions, as follows:

1. The Township submitted a resolution, which was passed on March 8, 2010, determining that:
 - a. the Route 130 D Site will accommodate 32 family rental units and the Future Family Rental Site will accommodate 51 family rental sites; and

- b. the implementation schedule for the Future Family Rental Site has been revised to reflect land acquisition to occur by September 2010, construction to begin by January 2012 and occupancy in 2013; and
- c. the revised spending plan includes the anticipated use of affordable housing funds for both projects (Route 130 D Site = \$4,200,000 and the Future Family Rental Site = \$6,700,000).

II. RECOMMENDATION

Based on this review, Cranbury Township has addressed all the conditions placed on the conditional substantive certification granted by COAH on January 13, 2010, therefore, COAH staff recommends that the Council grant Cranbury Township final substantive certification.

**RESOLUTION GRANTING CONDITIONAL THIRD ROUND SUBSTANTIVE
CERTIFICATION #57-18**

Cranbury Township, Middlesex County

WHEREAS, Cranbury Township, Middlesex County, petitioned the Council on Affordable Housing (COAH) on December 31, 2008 for substantive certification of its Housing Element and Fair Share Plan addressing its total 1987-2018 affordable housing obligation; and

WHEREAS, Cranbury Township published notice of its petition on January 30, 2009 in The Star Ledger, which is a newspaper of general circulation within the county, pursuant to N.J.S.A. 52:27D-313 and N.J.A.C. 5:96-3.5; and

WHEREAS, an objection to the plan from the Fair Share Housing Center (FSHC) was received by COAH on March 16, 2009, during the 45-day objection period; and

WHEREAS, after a review of the Township's Housing Element and Fair Share Plan and FSHC's objection, COAH issued a Pre-Mediation Report on November 18, 2009; and

WHEREAS, mediation between FSHC and the Township commenced on December 7, 2009; and

WHEREAS, mediation concluded on December 7, 2009 with Cranbury agreeing to include FSHC in developing guidelines prior to submitting actual job counts at the initial biennial plan evaluation; and

WHEREAS, the Township also agreed to move up the schedule for the future family rental project, including acquisition of a site in 2010 and construction commencing in 2012; and

WHEREAS, Cranbury's commitments are memorialized in the December 8, 2009 Mediation Report, which is part of the Township's December 18, 2009 Conditional Compliance Report (attached as Exhibit A and incorporated by reference herein); and

WHEREAS, Cranbury Township's fair share plan addresses a total 1987-2018 affordable housing obligation of 492 units, consisting of a six-unit rehabilitation share, a 216-unit prior round obligation and a 269-unit projected growth share obligation pursuant to N.J.A.C. 5:97; and

WHEREAS, COAH staff has reviewed the Township's Housing Element and Fair Share Plan, which is incorporated by reference herein; and

WHEREAS, Cranbury proposes to address its six-unit rehabilitation share through participation in the Middlesex County Department of Housing and Community Development's Rehabilitation Program; and

WHEREAS, the Township will address its 217-unit prior round obligation with a 76-unit Regional Contribution Agreement with Perth Amboy City, a 34-unit Regional Contribution Agreement with Carteret Borough, 26 credits and 26 bonuses from the Cranbury Housing Associates (CHA) family rental development, three credits from the CHA family for-sale development, 20 credits and seven bonuses from the senior rental development and six credits and six bonuses from the SERV Centers of NJ group home; and

WHEREAS, Cranbury will address its projected 269-unit growth share obligation with 27 credits from the CHA family for-sale development, 20 credits and 20 bonuses from the Old Cranbury Road development, five credits from the SERV Centers of NJ group home, 83 units and 47 bonuses between the Route 130 D Site and a future family rental site and 67 units at a future senior rental site; and

WHEREAS, as a condition of substantive certification, within 60 days the Township will provide the exact number of units to be constructed on the Route 130 D Site and the Future Family Rental Site, which total 83 units; and

WHEREAS, as a condition of substantive certification, within 60 days the Township will provide a revised implementation schedule for the future family rental site, which specifies construction will begin by January 2012 and site acquisition will occur by September 2010; and

WHEREAS, Cranbury acquired the Route 130 D site in June 2007 and will transfer the title to the Cranbury Housing Associates, the developer of the site once CHA receives site plan approvals; and

WHEREAS, pursuant to N.J.A.C. 5:97-3.2(a)4, the Township has provided an implementation schedule that demonstrates a realistic opportunity and sets forth a timetable for the submittal of all information pursuant to N.J.A.C. 5:97-6.4 for the future senior rental site; and

WHEREAS, pursuant to N.J.A.C. 5:96-6.2(a)2, on November 18, 2009, COAH issued a Conditional Compliance Report recommending approval of Cranbury Township's petition for third round substantive certification; and

WHEREAS, the 14-day period to submit comments to the COAH Conditional Compliance Report pursuant to N.J.A.C. 5:96-6.2(b) ended on January 1, 2010 and COAH did not receive comments.

NOW THEREFORE BE IT RESOLVED that the Housing Element and Fair Share Plan submitted by Cranbury Township comports to the standards set forth at N.J.S.A. 52:27D-314 and meets the criteria for third round substantive certification pursuant to N.J.A.C. 5:96-6.3 with the conditions noted below; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:97-4.1(d), all credits will be verified and validated during monitoring subsequent to substantive certification pursuant to N.J.A.C. 5:96-11; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:96-6.2(a), after having reviewed and considered all of the above, COAH hereby grants conditional third round

substantive certification to Cranbury Township; and

BE IT FURTHER RESOLVED that Cranbury must determine the exact number of units to be constructed on the Route 130 D Site and the Future Family Rental Site and must provide an implementation schedule for the future family rental site, which specifies construction will begin by January 2012 and site acquisition will occur by September 2010 and must provide an updated spending plan with specific allocations for each of the proposed municipally sponsored construction projects within 60 days of conditional substantive certification pursuant to the Fair share Housing Act N.J.S.A. 52:27D-314(b); and

BE IT FURTHER RESOLVED that after receiving final substantive certification, pursuant to N.J.A.C. 5:96-6.3(e), Cranbury Township shall adopt all implementing Fair Share Ordinances within 45 days of this grant of substantive certification; and

BE IT FURTHER RESOLVED if Cranbury fails to timely adopt its Fair Share Ordinances, COAH's grant of substantive certification shall be void and of no force and effect; and

BE IT FURTHER RESOLVED that Cranbury shall submit all Fair Share Ordinances to COAH upon adoption; and

BE IT FURTHER RESOLVED that Cranbury shall comply with COAH monitoring requirements as set forth in N.J.A.C. 5:96-11, including reporting the Township's actual growth pursuant to N.J.A.C. 5:97-2.5; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:96-10.1, COAH shall conduct biennial plan evaluations upon substantive certification of Cranbury's Housing Element and Fair Share Plan to verify that the construction or provision of affordable housing has been in proportion to the actual residential growth and employment growth in the municipality and to determine that the mechanisms addressing the projected growth share obligation continue to present a realistic opportunity for the creation of affordable housing; and

BE IT FURTHER RESOLVED that if upon any biennial review the difference between the number of affordable units constructed or provided in Cranbury and the number of units required pursuant to N.J.A.C. 5:97-2.5 results in a prorated production shortage of 10 percent or greater, the Township is not adhering to its implementation schedule pursuant to N.J.A.C. 5:97-3.2(a)4, or the mechanisms addressing the projected growth share obligation no longer present a realistic opportunity for the creation of affordable housing, the Council may direct the municipality to amend its plan to address the shortfall; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:97-2.5(e), if the actual growth share obligation determined is less than the projected growth share obligation, Cranbury shall continue to provide a realistic opportunity for affordable housing to address the projected growth share; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:96-6.3(b), Cranbury's substantive certification shall remain in effect until December 31, 2018; and

BE IT FURTHER RESOLVED that any changes to the facts upon which this conditional substantive certification is based or any deviations from the terms and conditions of this conditional substantive certification which affect the ability of Cranbury Township to provide for the realistic opportunity of its fair share of low and moderate income housing and which the Township fails to remedy, may render this conditional certification null and void.

I hereby certify that this resolution was
duly adopted by the Council on Affordable
Housing at its public meeting on January 13, 2010

A handwritten signature in cursive script that reads "Renee Reiss".

Renee Reiss, Secretary
Council on Affordable Housing



***Council on Affordable Housing
Conditional Compliance Report
December 18, 2009***



Municipality: *Cranbury Township*
County: *Middlesex County*

COAH Region: *3*
Planning Area: *2, 4, 4B*
Special Resource Area: *N/A*

Housing Element and Fair Share Plan Adopted: *December 22, 2008*
Petition for 3rd Round Substantive Certification: *December 31, 2008*
Completeness Determination: *January 23, 2009*
Date of Publication: *January 30, 2009*

Objections Received: *Fair Share Housing Center*
Mediation Held: *December 7, 2009*

Petition Includes:

VLA: *No*
GPA: *No*
Waiver: *No* **Section:** *N/A*

Date of Site Visit: *December 2009*

History of Approvals:

	COAH	JOC	N/A
First Round:	<i>4/24/1989</i>		
Second Round:	<i>12/4/1996</i>		
Extended Certification:	<i>2/9/2005</i>		

Plan Preparer: *Kathleen Grady, Planner, Clarke Caton Hintz*

Municipal Housing Liaison: *Christine Smeltzer, Township Administrator*

Recommendation: *Grant Conditional Substantive Certification*

SUMMARY OF FAIR SHARE OBLIGATION

Rehabilitation Share	6
Prior Round Obligation	217
Projected Growth Share Obligation	269

ACTUAL GROWTH and GROWTH SHARE through September, 2008¹

Res Units (#)	Actual Res Growth Share	Jobs (#)	Actual Non-Res Growth Share	Actual TOTAL Growth Share
145	29 units	5,571	348 units	377 units

COMPLIANCE PLAN SUMMARY

Obligation	Credit/ Mechanism Type	# Units Completed	# Units Proposed	TOTAL
Rehabilitation: 6 units				
Program	County		6	6
Rehabilitation Subtotal				6
NEW CONSTRUCTION:				
Prior Round: 217 units				
Credits	Post-1986	55		55
	RCA	110		110
	Compliance	13		13
Prior Round Bonus(es)	Rental	39		39
Prior Round Subtotal				217
Growth Share: 269 units				
Credits	Post-1986	52		52
Proposed Mechanism(s)	100% Affordable		150	150
Growth Share Bonus(es)	Compliance	20		20
	Rental		47	47
Growth Share Subtotal				269
Surplus				0

¹ This growth share number does not take into account allowable exclusions permitted under N.J.A.C. 5:97-2.4; therefore, the actual growth share may vary. In addition, COAH staff notes that N.J.A.C. 5:97 - Appendix D permits municipalities to count actual jobs for the "S" use group.

I. HOUSING ELEMENT

Pursuant to N.J.S.A. 40:55D-28(b), the Housing Element is a required section of the Municipal Master Plan. The Housing Element must be designed to achieve the goal of access to affordable housing to meet existing and future housing needs, with special attention given to low- and moderate-income households. The housing needs analysis must include demographic information on existing and projected housing stock and employment characteristics, a quantification of low- and moderate-income housing need, and a consideration of the lands within the municipality that are most appropriate to accommodate such housing. Cranbury's Housing Element includes sufficient information regarding housing stock, demographic and employment characteristics and population trends pursuant to N.J.S.A. 52:27D-310.

Under N.J.A.C. 5:97-2.1(b), the Housing Element must also set forth the municipality's affordable housing fair share obligation, which is the sum of the rehabilitation share, the prior round obligation and the growth share.

A. Rehabilitation Share

The rehabilitation share is the number of existing housing units within a municipality as of April 1, 2000, that are both deficient and occupied by households of low or moderate income. As indicated in Appendix B of N.J.A.C. 5:97, Cranbury has a rehabilitation share of six units.

B. Prior Round Obligation

The prior round obligation is the cumulative 1987-1999 new construction obligation provided in Appendix C of N.J.A.C. 5:97. Cranbury has a prior round obligation of 217.

C. Projected Growth Share

The projected growth share is initially calculated based on household (residential) and employment (non-residential) 2004-2018 projections. Pursuant to Appendix F of N.J.A.C. 5:97, Cranbury has a residential projection of 224 units and a non-residential

projection of 3,581 jobs, which results in an initial projected growth share obligation of 269 affordable units.

SUMMARY OF FAIR SHARE OBLIGATION

Rehabilitation Share	6
Prior Round Obligation	217
Projected Growth Share Obligation	269

II. FAIR SHARE PLAN

A Fair Share Plan, as required under N.J.A.C. 5:97-3.1, describes the completed or proposed mechanisms and funding sources, if applicable, that will be utilized to specifically address a municipality's rehabilitation share, prior round obligation, and growth share obligation and includes the draft ordinances necessary to implement that plan. Affordable housing must be provided in direct proportion to the growth share obligation generated by the actual growth.

Cranbury's Fair Share Plan, and the supporting documentation incorporated by reference therein, address the requirements of N.J.A.C. 5:97-3.1 as follows:

A. Plan to Address Rehabilitation Share

Rehabilitation Share Credits

Cranbury's Housing Element and Fair Share Plan does not include a request for rehabilitation credit.

Proposed Rehabilitation Program

County Rehabilitation Program

Cranbury will utilize Middlesex County's housing rehabilitation program to address its six-unit rehabilitation obligation. The Middlesex County Department of Housing and Community Development has its own administrative agent and will adhere to the regulations pursuant to N.J.A.C. 5:97-6.2 including the placement of ten-year affordability controls and expending an average of \$10,000 per unit. Community

Development Block Grant (CDBG) funds will be utilized to pay for the costs of rehabilitating the units. According to the spending plan, Cranbury has dedicated \$60,000 (\$10,000 per unit) from its affordable housing trust fund in case there is a shortfall of outside funding sources. Cranbury is currently negotiating with Middlesex County to have the County administer the Township's rental program. The Township will contract with a private consultant to administer a rental rehabilitation program if the County does not ultimately provide the rental program. Cranbury adopted a Resolution of Intent to Bond on December 22, 2008, in the event of a shortfall in funding. The program is projected to begin in 2009 and funding will be available for at least three rehabilitations (half of the total) by 2014, pursuant to N.J.A.C. 5:97-6.2(b)3. **[6 rehabilitated units]**

Proposed Rehabilitation Program

Rehabilitation Program	# Units
County Rehabilitation Program	6
TOTAL	6

B. Plan to Address Prior Round Obligation

Prior Round Obligation Credits

Cranbury is addressing its 217-unit prior round obligation with 110 credits from two Regional Contribution Agreements and 107 post-1986 credits. The Township received a reduction for 13 units as a result of COAH's substantial compliance rule as part of its second round substantive certification. In accordance with N.J.A.C. 5:97-4.1(d), all credits will be verified and validated during monitoring subsequent to substantive certification pursuant to N.J.A.C. 5:96-11.

Regional Contribution Agreements

Project/Development Name	Year Built	Type of Affordable Unit	# Units/Bedrooms
City of Perth Amboy	2005	RCA	76
Borough of Carteret	2005	RCA	34
TOTALS			110

Post-1986 Credits

Project/Development Name	Year Built or Approved	Type of Affordable Unit	# Units/Bedrooms	Bonus Type	# Bonuses	Total Units/Bedrooms + Bonuses
Cranbury Housing Associates (CHA) – Family Rentals	1997 – 2002	100% Affordable	26	Rental	26	52
CHA – Family For-Sale	1997 – 1998	100% Affordable	3 ²		0	3
CHA – Senior Rentals	1991	100% Affordable	20	Rental	7	27
SERV Centers of NJ	1997	Supportive and Special Needs	6	Rental	6	12
Substantial Compliance	1996		0		13	13
TOTALS			55		52	107

Proposed Affordable Housing Mechanisms

Cranbury is relying solely on credits and therefore is not proposing any additional affordable housing mechanisms to address its prior round obligation.

Prior Round Obligation Parameters

Cranbury has satisfied the applicable Prior Round parameters as follows:

Prior Round Rental Obligation:³ 55 Units

Development/Project Name	Type of Affordable Unit	# Units
CHA – Family Rentals	100% Affordable	26
CHA – Senior Rentals	100% Affordable	20
SERV Centers of NJ	Supportive and Special Needs	6
Borough of Carteret	RCA	15
TOTAL		67

² 27 of the 30 units from the family for-sale project are carried over to address the growth share obligation

³ Rental Obligation: $.25(\text{Prior Round Obligation} - \text{Prior Cycle Credits} - \text{Impact of 20\% cap} - \text{Impact of the 1,000-unit limit}) = .25(217 - 0 - 0 - 0) = 54.25$ or 55 units N.J.A.C. 5:97-3.10(b)1

Prior Round Age-Restricted Maximum⁴ : 28 Units

Development/Project Name	Type of Affordable Unit	# Units
CHA – Senior Rentals	100% Affordable	20
TOTAL		20

Regional Contribution Agreement (RCA) Maximum⁵ : 111 Units

Receiving Municipality	Type of Affordable Unit	# Units
City of Perth Amboy	RCA	76
Borough of Carteret	RCA	34
TOTAL		110

Prior Round Rental Bonus Maximum⁶ : 55 Units

Development/Project Name	Type of Bonus	# Bonuses
CHA – Family Rentals	100% Affordable	26
CHA – Senior Rentals	100% Affordable	7
SERV Centers of NJ	Supportive and Special Needs	6
TOTAL		39

C. Plan to Address Projected Growth Share

Growth Share Obligation Credits

Cranbury is addressing 72 units of the projected growth share obligation with 52 units of credit and 20 compliance bonuses. In accordance with N.J.A.C. 5:97-4.1(d), all credits will be verified and validated during monitoring subsequent to substantive certification pursuant to N.J.A.C. 5:96-11.

⁴ Age-Restricted Maximum: $.25(\text{Prior Round Obligation} + \text{Rehabilitation Share} - \text{Prior Cycle Credits} - \text{Rehabilitation Credits} - \text{Impact of 20\% cap} - \text{Impact of the 1,000-unit limit} - \text{RCA Units Addressing the Prior Round Obligation}) = .25(217 + 6 - 0 - 0 - 0 - 0 - 110) = 28.25$ or 28 units N.J.A.C. 5:97-3.10(c)1

⁵ RCA Maximum: $.5(\text{Prior Round Obligation} + \text{Rehabilitation Share} - \text{Prior Cycle Credits} - \text{Rehabilitation Credits} - \text{Impact of 20\% cap} - \text{Impact of the 1,000-unit limit}) = .5(217 + 6 - 0 - 0 - 0 - 0) = 111.5$ or 111 units N.J.A.C. 5:97-3.10(d)1

⁶ No rental bonuses shall be granted for rental units in excess of the prior round rental obligation, therefore, PR Rental Bonus Maximum = PR Rental Obligation N.J.A.C. 5:97-3.5

Post-1986 Credits

Project/Development Name	Year Built or Approved	Type of Affordable Unit	# Units/Bedrooms	Bonus Type	# Bonuses	Total Units/Bedrooms + Bonuses
CHA – Family For-Sale	1997 – 1998	100% Affordable	27			27
Old Cranbury Road	2006	100% Affordable	20	Compliance	20	40
SERV Centers of NJ	2006	Supportive/ Special Needs	5			5
TOTALS			52		20	72

Proposed Affordable Housing Mechanisms

Cranbury proposes to address the remaining 197-unit growth share obligation through the following mechanisms:

Route 130 D Site

Cranbury will utilize a 100% affordable development known as the Route 130 D Site to address between 29 and 48 units of its projected growth share obligation. All units will be family rental units; therefore, the Township is requesting between 15 and 34 rental bonuses. At least half of the units will be available to low-income households and at least four of those units will be available to very low-income households.

The four-acre site (Block 26/Lot 3) is located on the southbound side of U.S. Route 130, north of County Route 535. According to the Fair Share Plan, the property is currently occupied by a dilapidated two-story residence with a storefront. A portion of the rear of the site is a gravel parking lot and an overgrown field to the rear. The project is within Planning Area 2, Middlesex County Utilities Authority's service area and Elizabethtown Water Company's service area. Although the site is zoned HC (Highway Commercial), the surrounding land uses west of U.S. Route 130, are residential. On the eastern side of U.S. Route 130, offices and warehouses are the prevailing land use. Vehicular access to the site is via U.S. Route 130; however, pedestrians will be able to access the development via Ryan Road, which provides a link to the Village core. The

property is free of wetlands and other environmental constraints; therefore, this project meets site suitability criteria pursuant to N.J.A.C. 5:97-3.13.

The Township acquired this site in June 2007 and will transfer the title to the Cranbury Housing Associates (CHA). A Memorandum of Understanding was entered into by the Township and CHA on June 12, 2006, naming CHA as the developer of the site. CHA will administer and affirmatively market the units in accordance with UHAC and COAH regulations. Thirty-year controls will be placed on all units. Construction is anticipated to begin in 2010, after funding has been secured.

CHA has developed a pro-forma for three development scenarios (30, 36 and 48 units) and anticipates applying for funding through various sources, such as HMFA, Low-Income Housing Tax Credits, Balanced Housing Funds and County HOME Funds. Additionally, depending on the final number of units, Cranbury has dedicated \$3,383,314 to \$5,599,998 from its affordable housing trust fund towards this project. On December 22, 2008, the Township adopted a Resolution of Intent to Bond in the event of a shortfall in funding. The exact number of units to be constructed on this site and bonuses requested will not be formally decided by the Township until March 2010. As a condition of substantive certification, Cranbury must provide this information to COAH within 60 days of conditional substantive certification. **[29 to 48 family units and 15 to 34 bonuses]**

Future Family Rental Site

Cranbury proposes to use a site to be identified for 35 to 54 family rental units and 13 to 32 corresponding bonuses to address a portion of its projected growth share obligation. The final number is dependent on how many units are constructed at the Route 130 D Site. At least four units will be made available to very low-income households. According to the Township's original implementation schedule, construction was projected to begin in 2017. Supporting documentation, such as specifics and financial documentation was to be submitted to COAH two years before construction begins, in 2015. However, in order to receive bonuses for this project and to address its actual growth share obligation, COAH staff understands that Cranbury will revise its implementation schedule in order to begin construction by January 2012, or

within two years of substantive certification. The Township has identified potential properties and is actively meeting with property owners in order to negotiate a purchase of a site capable of accommodating the total number of units by September 2010. Cranbury must provide a revised implementation schedule within 60 days of conditional substantive certification.

The exact number of units at this site will not be decided until after the number of units at the Route 130 D Site is determined. Depending on the final number of units, Cranbury has dedicated \$4,083,310 to \$6,299,964 from its affordable housing trust fund towards this project. However, since costs of this project will likely exceed revenues available from its affordable housing trust fund, the Township will need to rely on additional funding sources. On December 22, 2008, Cranbury adopted a Resolution of Intent to Bond in the event of a shortfall in funding. The number of units and bonuses to be provided at this site must be submitted to COAH, within 60 days of conditional substantive certification. **[35 to 54 family units and 13 to 32 bonuses]**

Future Senior Rental Site

Cranbury will rely on a site to be identified to accommodate 67 age-restricted units to address the remaining projected growth share obligation. At least six units will be made available to very low-income households. According to the Township's implementation schedule, construction is projected to begin in 2014. Supporting documentation, such as specifics and financial documentation will be submitted to COAH two years before construction begins, in 2012. Cranbury has dedicated \$7,816,622 from its affordable housing trust fund towards this project. However, since costs of this project will likely exceed revenues available from its affordable housing trust fund, the Township will need to rely on other funding sources. On December 22, 2008, Cranbury adopted a Resolution of Intent to Bond in the event of a shortfall in funding. **[67 age-restricted units]**

Proposed Growth Share Affordable Housing Mechanisms

Type/Name of Affordable Housing Mechanism	Type of Affordable Unit	# Units/Bedrooms	Bonus Type	# Bonuses	Total Units/Bedrooms + Bonuses
Route 130 D Site	100% Affordable	29 – 48	Rental	15 – 34	44 – 82
Future Family Rental Site	100% Affordable	35 – 54	Rental	13 – 32	48 – 86
Future Senior Rental Site	100% Affordable	67			67
TOTALS		150		47	197

Growth Share Parameters

Cranbury has satisfied the applicable Growth Share parameters as follows:

Growth Share Rental Obligation:⁷ 68 Units

Development/Project Name	Type of Affordable Unit	# Units
Old Cranbury Road	100% Affordable	20
Route 130 D Site	100% Affordable	29 – 48
Future Family Rental Site	100% Affordable	35 – 54
Future Senior Rental Site	100% Affordable	67
SERV Centers of NJ	Supportive and Special Needs	5
TOTAL		175

Growth Share Family Rental Requirement⁸ : 34 Units

Development/Project Name	Type of Affordable Unit	# Units
Old Cranbury Road	100% Affordable	20
Route 130 D Site*	100% Affordable	29 – 48
Future Family Rental Site*	100% Affordable	35 – 54
TOTAL		103

*In accordance with N.J.A.C. 5:97-3.6(a)4, 34 of the total 83 units are addressing the minimum family rental requirement and are therefore not eligible to receive rental bonuses.

⁷ Projected Growth Share Rental Obligation: $.25(\text{Projected Growth Share})$ or $.25(269) = 67.25$ or 68 units
N.J.A.C. 5:97-3.10(b)3

⁸ Projected Growth Share Family Rental Requirement: $.5(\text{Projected Growth Share Rental Requirement})$ or $.5(68) = 34$ units N.J.A.C. 5:97-3.4(b)

Growth Share Minimum Family Requirement⁹ : 101 Units

Development/Project Name	Type of Affordable Unit	# Units
Old Cranbury Road	100% Affordable	20
Route 130 D Site	100% Affordable	29 – 48
Future Family Rental Site	100% Affordable	35 – 54
TOTAL		103

Very Low Income Minimum Requirement¹⁰ : 23 Units

Development/Project Name	Type of Affordable Unit	# Units
Old Cranbury Road	100% Affordable	4
Route 130 D Site	100% Affordable	4
Future Family Rental Site	100% Affordable	4
Future Senior Rental Site	100% Affordable	6
SERV CENTERS OF NJ	Supportive and Special Needs	5
TOTAL		23

Age-Restricted Maximum¹¹ : 67 Units

Development/Project Name	Type of Affordable Unit	# Units
Future Senior Rental Site	100% Affordable	67
TOTAL		67

Bonus Maximum¹²: 67 Bonuses

Development/Project Name	Type of Bonus	# Bonuses
Old Cranbury Road	Compliance	20
Route 130 D Site	Rental	15 – 34
Future Family Rental Site	Rental	13 – 32
TOTAL		67

⁹ Projected Growth Share Family Requirement: .5(Units Addressing the Growth Share Obligation) or .5(202) = 101 units N.J.A.C. 5:97-3.9

¹⁰ Growth Share Very Low Income Requirement: .13(Future Units Addressing the Growth Share Obligation) or .13(175) = 22.75 or 23 units pursuant to P.L.2008, c.46

¹¹ Projected Growth Share Age Restricted Maximum: .25(Projected Growth Share) or .25(269) = 67.25 or 67 units N.J.A.C. 5:97-3.10(c)2

¹² Projected Bonus Maximum: .25(Projected Growth Share) or .25(269) = 67.25 or 67 units N.J.A.C. 5:97-3.20

Actual Growth Share Obligation

The actual growth share obligation will be based on permanent certificates of occupancy issued within the municipality for market-rate residential units and newly constructed or expanded non-residential developments in accordance with Appendix D of N.J.A.C. 5:97. At plan evaluation review pursuant to N.J.A.C. 5:96-10, COAH will compare the actual growth share obligation with the actual number of affordable units constructed.

The New Jersey Department of Community Affairs (NJ DCA) *Construction Reporter* indicates that between January 1, 2004 and September 2008, Cranbury issued certificates of occupancy for 145 housing units and for the non-residential square footage equivalent of 5,571 jobs, yielding an actual growth share obligation through September 30, 2008, of 377 affordable units.¹³

D. Summary of Plan to Address Fair Share Obligation

REHABILITATION SHARE SUMMARY

Rehabilitation Share: 6 Units

Program Name	# Units
County Rehabilitation Program	6
TOTAL	6

¹³ The number of residential COs (145) is initially divided by 5 to yield 29 units and the number of jobs (5,571) is initially divided by 16 to yield 348 units. Cranbury's total actual growth share is therefore 377 units (29 + 348). **Note:** This number does not take into account allowable exclusions permitted under N.J.A.C. 5:97-2.4; therefore, the actual growth share may vary. In addition, COAH staff notes that N.J.A.C. 5:97 - Appendix D permits municipalities to count actual jobs for the "S" use group.

PRIOR ROUND SUMMARY
Prior Round Obligation: 217 Units

	Name of Mechanism	# Units/ Bedrooms	Bonus Type	# Bonuses	Total Units/Bedrooms + Bonuses
Post-1986 Credits	Perth Amboy City RCA	76			76
	Borough of Carteret RCA	34			34
	CHA – Family Rentals	26	Rental	26	52
	CHA – Family For-Sale	3		0	3
	CHA – Senior Rentals	20	Rental	7	27
	SERV Centers of NJ	6	Rental	6	12
	Substantial Compliance	13		0	13
Subtotal		178		39	217
TOTAL					217
Surplus					0

GROWTH SHARE SUMMARY
Projected Growth Share Obligation: 269 Units

	Name of Mechanism	# Units/ Bedrooms	Bonus Type	# Bonuses	Total Units/Bedrooms + Bonuses
Post-1986 Credits	CHA – Family For-Sale	27			27
	Old Cranbury Road	20	Compliance	20	40
	SERV Centers of NJ	5			5
Subtotal		52		20	72
Proposed Mechanisms	Route 130 D Site	29 – 48	Rental	15 – 34	44 – 82
	Future Family Rental Site	35 – 54	Rental	13 – 32	48 – 86
	Future Senior Rental Site	67			67
Subtotal		150		47	197
TOTAL					269
Surplus					0

III. SUMMARY OF MEDIATION

A. Objection

COAH received one objection to Cranbury's Third Round Housing Element and Fair Share Plan, from Adam M. Gordon Esq. representing the Fair Share Housing Center (FSHC). The objection was summarized in COAH's November 18, 2009 Pre-Mediation Report.

B. Mediation

Mediation commenced on December 7, 2009 and concluded the same day. The results of the mediation are included in a Mediation Report dated December 7, 2009, which is attached as Attachment 1.

III. FAIR SHARE DOCUMENT REVIEW

A. Development Fee Ordinance

COAH granted Cranbury approval of its development fee ordinance on October 5, 1994, which was adopted by the Township on October 26, 1992. Cranbury submitted a draft amended development fee ordinance for COAH's review and approval with its third round petition. The amended development fee ordinance was approved by COAH on August 12, 2009.

B. Third Round Spending Plan

Cranbury's prior round spending plan was approved by COAH on November 27, 1996. A revised third round spending plan was submitted by Cranbury with the Township's third round petition for COAH's review and approval. The spending plan will be reviewed by COAH in a separate report. As a condition of substantive certification, Cranbury must allocate specific dollar amounts (not a range) in its spending plan to each of its proposed municipally sponsored construction projects within 60 days of conditional substantive certification.

C. Affordable Housing Ordinance/Affordable Housing Administration

Cranbury has an adopted affordable housing ordinance for its prior round obligation. Cranbury has submitted a revised draft affordable housing ordinance that comports with the requirements of the Uniform Housing Affordability Controls (UHAC), N.J.A.C. 5:80-26.1 et seq., which was amended on December 20, 2004. The draft proposed ordinance has also been amended to comply with the barrier free subcode of the State Uniform Construction Code Act (N.J.S.A. 52:27D-119 et seq.) and the accessibility requirements of N.J.S.A. 52:27D-123.15. The draft ordinance must be adopted within 45 days of COAH's grant of substantive certification and submitted to COAH immediately upon adoption.

An ordinance establishing the position of a municipal housing liaison and a resolution appointing a municipal housing liaison were adopted by the Township on March 23, 2009.

Cranbury is responsible for the continued re-sale and re-rental of existing affordable units and the initial sale and rental of newly constructed affordable units within the Township and must identify an experienced administrative entity for that purpose by contract, agreement or letter. Cranbury has contracted with Cranbury Housing Authority (CHA) as its administrative entity for all affordable units except the supportive and special needs housing, which is administered by SERV. Pursuant to N.J.A.C. 5:80-26.14(b), Cranbury submitted an operating manual, written by CHA, for administering affordable units within the Township on September 19, 2006.

D. Affirmative Marketing Plan

Cranbury has prepared an affirmative marketing plan that comports with the requirements of the UHAC and ensures the units in the Township's 1987-2018 Fair Share Plan and all future affordable housing units will be affirmatively marketed to the region upon initial sale/rental and re-sale/re-rental. Once approved by COAH, the affirmative marketing plan must be adopted by resolution by the Township within 45 days of COAH's grant of substantive certification and submitted to COAH.

IV. MONITORING

Cranbury must comply with COAH monitoring requirements as set forth in N.J.A.C. 5:96-11, including reporting the municipality's actual growth pursuant to N.J.A.C. 5:97-2.5. As indicated above, credits for built units will be validated and verified by COAH staff during monitoring prior to the first biennial plan evaluation. It should be noted that credits for affordable housing programs and/or affordable units must be in compliance with N.J.A.C. 5:97-4. If the units are determined not to be eligible for credit, COAH will notify Cranbury in writing and the Township may be directed to amend its certified plan to address the shortfall.

Pursuant to N.J.A.C. 5:96-10.1, COAH will conduct biennial plan evaluations upon substantive certification of Cranbury's Housing Element and Fair Share Plan. The purpose of the plan evaluation is to verify that the construction or provision of affordable housing has been in proportion to the actual residential growth and employment growth in the municipality and to determine that the mechanisms addressing the projected growth share obligation continue to present a realistic opportunity for the creation of affordable housing. If upon any biennial review the difference between the number of affordable units constructed or provided in Cranbury and the number of units required pursuant to N.J.A.C. 5:97-2.5 results in a prorated production shortage of 10 percent or greater, Cranbury is not adhering to its implementation schedule pursuant to N.J.A.C. 5:97-3.2(a)4, or the mechanisms addressing the projected growth share obligation no longer present a realistic opportunity for the creation of affordable housing, the Council may direct the municipality to amend its plan to address the shortfall.

COAH staff notes that Cranbury's actual growth share obligation to-date of 377 units exceeds the Township's projected growth share obligation of 269 units. This measure of actual growth does not include any reductions that may be available to Cranbury through exclusions pursuant to N.J.A.C. 5:97-2.4(a)1. Cranbury's Fair Share Plan provides for 269 affordable units to meet its projected growth share obligation of 269 units. Pursuant to N.J.A.C. 5:97-2.5, Cranbury is required to provide affordable housing in direct proportion to the growth share obligation generated by the actual growth, which shall be monitored at its biennial review. At that time, Cranbury shall

demonstrate that it has provided sufficient affordable units to keep pace with its actual growth.

Cranbury Township has submitted evidence, which indicates that the Township's non-residential actual growth is largely due to the increased number of jobs in the "Storage" use group (i.e., warehousing). Cranbury contends that using a multiplier of 0.26 jobs per 1,000 square feet of floor space, which is based on a study prepared by Clarke Caton Hintz, is a better reflection of the number of new jobs generated for this particular use group as compared to COAH's multiplier of 1 job per 1,000 square feet. If the 0.26 multiplier is applied to the "Storage" use group, the Township's actual growth would be reduced from 377 units to 218 units. The Township plans to utilize the methodology contained in the Clarke Caton Hintz report and provide additional information, which may further reduce its actual growth, at the time of the first biennial plan evaluation.

V. RECOMMENDATION

COAH staff recommends that Cranbury be granted conditional third round substantive certification with the following conditions to be met within 60 days, or no later than March 15, 2010:

- i. The Township must determine the exact number of units to be constructed on the Route 130 D Site and the Future Family Rental Site. The sum total of the two projects must equal at least 83 units.
- ii. The Township must provide an implementation schedule for the future family rental site, which specifies construction will begin by January 2012 and site acquisition will occur by September 2010.
- iii. The Township must provide an updated spending plan with specific allocations for each of the proposed municipally sponsored construction projects.

Once these items are submitted to COAH, the Township will be granted final third round substantive certification. Cranbury must adopt all necessary implementing ordinances within 45 days of the grant of final substantive certification and submit certified copies of the adopted ordinances to COAH within seven days of the adoption.

MEDIATION REPORT
Cranbury Township/Middlesex County
By Matthew H. Rudd
COAH Mediator
December 8, 2009

Mediation was held on December 7, 2009 at the DCA building. In attendance on behalf of Cranbury Township were Mary Beth Lonagan PP/AICP, of Clarke Caton Hintz, Trishka Waterbury Esq., representing the Township, Mayor Pari Stave, Richard Stannard, Township Councilman and Planning Board Member and Christine Smeltzer, Township Administrator.

Representatives for Fair Share Housing Center included Adam M. Gordon Esq., FSHC, Carmen Martino, Rutgers University, Occupational Training and Education Consortium, Louis Kimmel, Director New Labor and staff members Miguel Reyes and Cleotilde Salazar.

COAH staff met with Cranbury representatives and discussed the Old Cranbury Road project, which has been completed. The Route 130 D site will be completed within the next 24 months. The future family rental site project will be identified in 2010 and is anticipated to be under construction starting in 2012. The proposed future senior rental site project was discussed. To date, no site has been designated for this project and construction is anticipated in 2014.

COAH staff also discussed with the Township representatives the 2008 Clarke Caton Hintz report on warehouse space job generation in the region. The Township agreed to conduct a survey to determine actual warehouse job generation as part of the biennial review. This survey would reveal the actual need for affordable housing created by the future senior rental site project and whether that project needs to create more or less affordable housing.

At mediation, FSHC raised two specific issues: when the Township should determine a site and construct the future senior rental project and how a survey should be conducted to determine job generation from the warehouse space as part of the biennial monitoring process.

FSHC and the Township representatives agreed that Cranbury will analyze its actual job growth by the first biennial monitoring and will incorporate FSHC's suggestions set forth at mediation, such as considering full-time temporary employees that work at the warehouses, into its survey. Further, as noted in the report above, COAH will review the 2008 warehouse report during the monitoring and at that time it will be able to more accurately determine the actual job growth associated with warehouses. Cranbury representatives likewise agreed that FSHC will have some input on the types of questions to be asked in the future warehouse job generation survey.

As a result, mediation concluded with Cranbury agreeing to include FSHC's suggestions in its survey and Cranbury also agreeing to move up the schedule for the future family rental project, including identification of the site in 2010 and commencement of construction in 2012. Cranbury did not agree to FSHC's request to expedite the senior project, scheduled to commence construction in 2014, as Cranbury Housing Associates will be the developer for all three municipal construction projects and the Township states it would not be realistic from a financing or development perspective to commence construction on two of the three projects at once. Although FSHC believes that further mediation is not necessary, it has not withdrawn its objection. COAH staff closed mediation on December 7, 2009.

No contested issues of material fact remain that necessitate this matter be transferred to the Office of Administrative Law. COAH staff recommends that the Council accept the mediation report.

MASON, GRIFFIN & PIERSON, P.C.

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**Attorneys for Petitioner,
Township of Cranbury**

IN THE MATTER OF THE APPLICATION)
OF THE TOWNSHIP OF CRANBURY IN)
MIDDLESEX COUNTY)

_____)

) SUPERIOR COURT OF NEW JERSEY
) MIDDLESEX COUNTY - LAW DIVISION
)
) DOCKET NO.: MID-L-_____

CIVIL ACTION

**NOTICE OF MOTION
FOR TEMPORARY IMMUNITY
PROHIBITING EXCLUSIONARY
ZONING ACTIONS**

TO: Attached Service List

PLEASE TAKE NOTICE that on September 18, 2015 at 9:30 a.m., or as soon thereafter as counsel may be heard, the undersigned member of the law firm of Mason, Griffin & Pierson, P.C., attorneys for Petitioner, Township of Cranbury ("Petitioner" or "Township"), shall move before the Superior Court of New Jersey, at the Middlesex County Court House, 56 Paterson Street, New Brunswick, New Jersey 08903-0964, for entry of an Order granting Petitioner's Request for Temporary Immunity Prohibiting Exclusionary Zoning Actions pursuant to the New Jersey Supreme Court's Opinion and Order entered March 10, 2015 in the matter entitled In the Matter of the Adoption of N.J.A.C. 5:96 and 5:97 by the New Jersey Council on Affordable Housing, 221 N.J. 1 (2015).

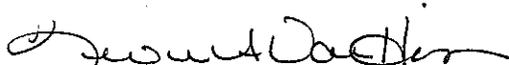
In support thereof, Petitioner shall rely upon the supporting letter brief and Certification of Mary Beth Lonergan, PP/AICP, submitted herewith, as well as all other pleadings on file in this matter.

Oral argument is requested in the event that this motion is opposed.

A proposed form of Order is attached hereto.

MASON, GRIFFIN & PIERSON, P.C.
Attorneys for Petitioner, Township of Cranbury

By:


Kevin A. Van Hise

Dated: July 6, 2015.

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July 6, 2015

The Honorable Douglas K. Wolfson, J.S.C.
Superior Court of New Jersey - Middlesex County
Middlesex County Court House - 2nd Floor Tower
56 Paterson Street, PO Box 2633
New Brunswick, NJ 08903-2633

RE *In the Matter of the Application of the Township of Cranbury in Middlesex County*
Docket No. SOM-L-_____

Dear Judge Wolfson:

This office represents petitioner, the Township of Cranbury ("Township") with respect to the above-captioned Mount Laurel matter. Please accept this letter in lieu of a more formal brief in support of the Township's Motion for entry of an Order granting the Township Temporary Immunity Prohibiting Exclusionary Zoning Actions in accordance with the New Jersey Supreme Court's opinion in In re Adoption of N.J.A.C. 5:96 & 5:97 by N.J. Council on Affordable Housing, 221 N.J. 1, 35-36 (2015). Specifically, the Township seeks a protective order granting temporary immunity from any and all exclusionary zoning lawsuits, commencing from the date of the filing of the Township's Verified Complaint and remaining in effect until such time that the court reviews and either approves or disapproves the Township's Third Round Housing Plan Element and Fair Share Plan.

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July 6, 2015

Page 2

PRELIMINARY STATEMENT

In accordance with the Court's March 10, 2015 decision and Order in In re Adoption of N.J.A.C. 5:96 & 5:97, Id., the Township instituted the present action by the filing of a Verified Complaint for Declaratory Judgment seeking relief pursuant to the Fair Housing Act, N.J.S.A. 52:27D-313. In this companion motion, the Township respectfully requests that during the pendency of the action, the court grant the Township a period of temporary immunity prohibiting the filing of any exclusionary zoning lawsuits, including "builder's remedy" lawsuits, from the date of the filing of the Township's Complaint extending up to and including the court's determination that the Township's Housing Element and Fair Share affordable housing plan and implementing ordinances are compliant with the Township's third round Mount Laurel obligations. As the Court held, "as part of the court's review [of a municipality's Third Round Housing Plan Element and Fair Share Plan], . . . we authorize . . . a court to provide a town whose plan is under review immunity from subsequently filed challenges during the court's review proceedings, even if supplementation of the plan is required during the proceedings." Id at 24. Further, "the trial court may enter temporary periods of immunity prohibiting exclusionary zoning actions from proceeding pending the court's determination of the municipality's presumptive compliance with its affordable housing obligations." Id at 28.

Despite the uncertainty that has surrounded the Council on Affordable Housing ("COAH") process since 1999, the Township has been, and continues to remain, compliant with its affordable housing obligations. As such, temporary immunity is warranted in order to provide the Township

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July 6, 2015

Page 3

with a brief period of time to: (a) permit the Court to determine its municipal fair share obligation, and (b) allow the Township an opportunity to prepare and file a supplemental housing element and affordable housing plan, if necessary.

STATEMENT OF FACTS

For the sake of brevity and avoiding repetition, the Township incorporates and adopts the statement of facts set forth in its Verified Complaint and the attached Certification of Mary Beth Lonergan, PP, AICP ("Lonergan Certification"), filed in support of the within motion.

LEGAL ARGUMENT

In its March 10, 2015 decision, the New Jersey Supreme Court found that COAH's failure to enact valid third round regulations has led to great uncertainty for New Jersey's municipalities engaged in the COAH process. In re Adoption of N.J.A.C. 5:96 and 5:97, Id. at 21. Faced with the uncertainty of whether or not COAH would be able to enact valid third round regulations (or act at all), the Court established a transitional process for municipalities to seek the protections of the courts that they should have been afforded under the administrative process provided by the Fair Housing Act, N.J.S.A. 52:27D-301 to -329 ("FHA") and COAH. Id. at 25-29. This process will provide municipalities with the ability to demonstrate the constitutional compliance of their affordable housing plans and allow them to establish their baseline obligations as developed in accordance with the accepted first and second round methodology. Id. at 29.

One of the fundamental purposes behind the Mount Laurel doctrine is to encourage municipalities to voluntarily comply with their affordable housing obligations. S. Burlington County

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July 6, 2015

Page 4

NAACP v. Twp. of Mount Laurel, 92 N.J. 158, 214 (1983) ("Mount Laurel II"); see also In re Adoption of N.J.A.C. 5:96 & 5:97, 221 N.J. at 23, stating that the "goal is to establish an avenue by which towns can demonstrate their constitutional compliance to the courts through submission of a housing plan and use of processes, where appropriate, that are similar to those which would have been available through COAH for the achievement of substantive certification." In order to encourage voluntary compliance, the courts have routinely allowed municipalities to benefit from temporary immunity from Mount Laurel lawsuits while they are in the process of developing their affordable housing plans. J.W. Field Co., Inc. v. Franklin Twp., 204 N.J. Super. 445, 456 (Law Div. 1985). The courts have recognized that temporary immunity can be an effective tool to address the practical issues faced by municipalities and the Judiciary when attempting to voluntarily develop and comply with an affordable housing obligation. Ibid.

The New Jersey Supreme Court sought to further the goal of voluntary compliance when it established the current declaratory judgment action framework in its March 2015 opinion. In re Adoption of N.J.A.C. 5:96 & 5:97, supra, 221 N.J. at 24. The Court recognized two types of municipalities that will be affected by its opinion: 1) those previously granted substantive certification by COAH; and 2) those that "participated" in the COAH process but did not receive substantive certification. Id. at 24-29.

The transitioning COAH municipalities were granted the option of doing nothing – thereby risking a Mount Laurel challenge by an interested party or developer – or utilizing the process established by the Court by the filing of a Declaratory Judgment action as an affirmative means to

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COUNSELLORS AT LAW

July 6, 2015

Page 5

seek an immunity order from the court. For municipalities that received substantive certification from COAH, the Court stated that the trial courts "should be generously inclined to grant applications for immunity from subsequently filed exclusionary zoning actions during that necessary review process. . ." and the courts will give the highest level of deference and presumptions of validity to the municipality. Id. at 26. Similarly, for "participating" municipalities, the Court identified that it will take its lead from the FHA, and as under the COAH process, participating municipalities

... received insulating protection due to COAH's jurisdiction provided that they prepared and filed a housing element and fair share plan within five months. Similarly, towns that were in "participating" status before COAH and that now affirmatively seek to obtain a court declaration that their affordable housing plans are presumptively valid should have no more than five months in which to submit their supplemental housing element and affordable housing plan.

[Id. at 27.]

Based upon the foregoing, it is clear from the Court's decision that municipalities should be permitted an opportunity to have their fair share obligations determined and be given time to prepare a supplemental plan to ensure their constitutional compliance. During that time, the municipality should be immunized from defending against exclusionary zoning or other Mount Laurel lawsuits. To allow otherwise would essentially punish the municipality for COAH's failure to act, which is in direct contravention to the Supreme Court's expressed direction that its process is not intended to punish, but to move forward towards municipal compliance. Id. at 33. As the Court stated, "the trial court's orders in furtherance of establishing municipal affordable housing obligations and compliance

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July 6, 2015

Page 6

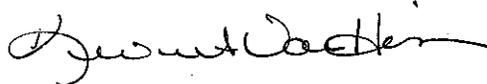
should include a brief, finite period of continued immunity, allowing a reasonable time as determined by the court for the municipality to achieve compliance." Id. at 28.

As detailed in the attached Lonergan Certification, the Township undertook significant efforts to meet its second round obligations. Additionally, during the pendency of the COAH process, the Township strove to meet the shifting obligations arising from COAH's rule changes and the decisions rendered by the courts. Now, with a process established that will permit the Township to finally determine what its affordable housing obligations are, the Township is at a point that it will be able to revise its affordable housing plan to fulfill its obligations. Subjecting the Township to unnecessary exclusionary zoning and builder's remedy litigation during this period will advance no public purpose and will only serve to divert the Township's time and limited resources to defending baseless litigation, rather than planning to accommodate its affordable housing needs.

CONCLUSION

For the foregoing reasons, it is respectfully submitted that the Township of Cranbury is entitled to temporary immunity from the filing and service of any exclusionary zoning and builder's remedy lawsuits while a determination of the municipal fair share obligation is determined and the Township has an opportunity to develop, adopt and file a supplemental housing element and affordable housing plan. In re Adoption of N.J.A.C. 5:96 & 5:97, 221 N.J. at 27-28.

Respectfully submitted,



Kevin A. Van Hise

encl.

MASON, GRIFFIN & PIERSON, P.C.

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**Attorneys for Petitioner,
Township of Cranbury**

_____)
) SUPERIOR COURT OF NEW JERSEY
) MIDDLESEX COUNTY - LAW DIVISION
)
) DOCKET NO.: MID-L-_____

IN THE MATTER OF THE APPLICATION)
OF THE TOWNSHIP OF CRANBURY IN) CIVIL ACTION
MIDDLESEX COUNTY)
)
) **CERTIFICATION OF**
) **MARY BETH LONERGAN, PP/AICP**
) **IN SUPPORT OF THE TOWNSHIP'S**
) **MOTION FOR TEMPORARY**
) **IMMUNITY FROM MOUNT LAUREL**
) **LAWSUITS**

I, Mary Beth Lonergan, PP, AICP, of full age, do hereby certify as follows:

1. I am a licensed Professional Planner in the State of New Jersey and an Associate Partner at Clarke Caton Hintz ("CCH"), a planning, architecture and urban design firm which specializes in providing affordable housing consultation to the Superior Court as well as to municipal, institutional and developer clients. I have twenty-seven (27) years of experience as a professional planner and I have had extensive experience in the Mount Laurel arena for twenty (20) years. Prior to joining CCH in 2003, I was with the New Jersey Council on Affordable Housing ("COAH") for eight years rising to the position of Chief of Housing Services. At CCH, I have prepared or overseen the preparation of over twenty-five (25) third round housing elements and fair share plans. I have been privileged to serve as a Court-appointed master in cases involving ten (10) municipalities and I have assisted Philip Caton, PP, FAICP, in his role as Special Master in over fifty

(50) municipalities. In addition, I am a board member of the Affordable Housing Professionals of New Jersey (AHPNJ).

2. CCH has been retained as affordable housing planning consultant to Cranbury Township. I have represented the firm as the Township's affordable housing planner since 2005 and I maintain a working knowledge of the Township's affordable housing documents.

3. This certification is made in support of Cranbury Township's Declaratory Judgment action, including the Township's Motion for Temporary Immunity, prepared pursuant to *N.J.S.A. 52:27D-313* to address the NJ Supreme Court's March 10, 2015 decision in In re Adoption of N.J.A.C. 5:96 and 5:97 by the NJ Council on Affordable Housing, 221 N.J. 1 (2015). As the Township's affordable housing planner, I am fully familiar with the facts set forth below as they relate to this matter.

The Township's Past Procedural Affordable Housing History

4. Cranbury Township has demonstrated a long-standing commitment to comply voluntarily with its Mount Laurel fair share obligations. The Township has voluntarily addressed its constitutional affordable housing obligation in response to the New Jersey Fair Housing Act ("FHA"), at N.J.S.A. 52:27D-301 et seq., and COAH's first round, second round and third round substantive regulations at N.J.A.C. 5:92, 5:93, 5:94 and 5:97, respectively. As described below, the Township received substantive certification from COAH for its first round, second round and third round housing elements and fair share plans. The following facts demonstrate the Township's voluntary commitment.

5. The Township has committed to address its third round present need (rehabilitation share) once determined by this court, the Township has fully addressed its known first and second

round (“prior round”) fair share obligation, and the Township has completed and proposed third round affordable housing credits and reductions to address all or part of a future third round fair share obligation once determined by this court.

6. In its 1975 decision referred to now as “Mount Laurel I”, the New Jersey Supreme Court ruled that developing municipalities have a constitutional obligation to provide a realistic opportunity for the construction of low and moderate income housing.¹ In its 1983 “Mount Laurel II” decision, the Court extended the obligation to all municipalities, designated the State Development Guide Plan or any successor State Plan as a critical touchstone to guide the implementation of this obligation and created an incentive for private developers to enforce the “Mount Laurel doctrine” by suing municipalities which were not in compliance (builder’s remedy).²

7. In 1985, the FHA was adopted as the legislative response to the Mount Laurel court decisions. The FHA created COAH as the administrative alternative to the courts. COAH was responsible for establishing housing regions, estimating low and moderate income housing needs, setting criteria and guidelines for municipalities to determine and address their fair share numbers, and reviewing and approving housing elements and fair share plans.

8. Initially, COAH established a formula for determining municipal affordable housing obligations for the six-year period between 1987 and 1993 (*N.J.A.C. 5:92*) which became known as the “first round.” That formula was superseded by the 1994 COAH regulations (*N.J.A.C. 5:93*) which recalculated a portion of the 1987-1993 affordable housing obligation for each municipality

¹ Southern Burlington NAACP v. Township of Mount Laurel, 67 N.J. 151 (1975).

² Southern Burlington NAACP v. Township of Mount Laurel, 92 N.J. 158 (1983).

and computed the additional municipal affordable housing need from 1993 to 1999: this 12-year cumulative period from 1987 through 1999 is known as the “second round” or the “prior round”.

9. On April 24, 1989, Cranbury Township received first round substantive certification from COAH. Cranbury’s adopted housing element and fair share addressed its first round new construction component of 143 and its rehabilitation share of 10 (based on the 1980 census).

10. To address COAH’s second round regulations, Cranbury Township adopted a housing element and fair share plan to address its second round 12-year cumulative new construction component of 217 and its rehabilitation share of 13 (based on the 1990 census).

11. The Township received second round (1987-1999) substantive certification from COAH on December 4, 1996.

12. Cranbury Township received an extension of its second round substantive certification from COAH on November 6, 2002.

13. On February 9, 2005, the Township again received a second round substantive certification extension from COAH that addressed COAH’s revised second round certification extension regulations.

14. As shown in the chart at paragraph 50 below, the Township has fully addressed its 217-unit second round new construction obligation (now known as the prior round obligation) with funded regional contribution agreements (“RCAs”), completed inclusionary developments, built municipally-sponsored 100% affordable housing sites, existing alternative living arrangements, a second round substantial compliance bonus approved by COAH as part of the Township’s second round certification, and prior round rental bonuses. Cranbury has completely implemented its prior round plan – all of the prior round affordable units are built and RCA funds have been transferred.

15. On December 20, 2004, COAH's first version of the third round rules became effective. At that time, the third round was defined as the time period from 1999 to 2014 condensed into an affordable housing "delivery period" from January 1, 2004 through January 1, 2014.

16. The new third round rules implemented a "growth share" approach that linked the production of affordable housing with future residential and non-residential development within a municipality. Each municipality was required to project the amount of residential and nonresidential growth that would occur during the period 2004 through 2014. Then municipalities were required to provide one affordable unit for every eight (8) market rate housing units developed and one affordable unit for every 25 jobs created (expressed as non-residential building square footage – actual jobs were not counted).

17. On November 3, 2005, Cranbury Township adopted a third round plan based on the foregoing 'growth share' methodology.

18. On December 7, 2005, Cranbury Township petitioned COAH for (initial) third round substantive certification.

19. On January 25, 2007, the Appellate Division filed a decision In re Adoption of N.J.A.C. 5:94 and 5:95 by NJ Council on Affordable Housing, 390 N.J. Super. 1 (App. Div.), *certif. denied*, 192 N.J. 72, which overturned substantial components of the rules which COAH had promulgated to guide municipal planning for the third round and ordered COAH to revise and re-propose those rules. At the time of this court decision, COAH had yet to act on the Township's 2005 petition.

20. On June 2, 2008, COAH adopted certain rule amendments; however, at the same meeting COAH simultaneously proposed additional amendments to the third round rules which were

adopted and became effective October 2008. The rules provided residential and employment projections for the third round, which was expanded to encompass the years 1999 through 2018. Additionally, COAH revised its ratios to require one affordable housing unit for every four market rate housing units developed and one affordable housing unit for every 16 jobs created.

21. On July 17, 2008, Governor Corzine signed A500 (P.L. 2008, c.46) into law which amended the FHA and related statutes to prohibit municipalities from utilizing RCAs in their Fair Share Plans, to require 13% of third round affordable housing units to be affordable to very low income households (30% of median income or below), to fix a statewide affordable housing fee at 2.5% of equalized assessed valuation on non-residential development, and to address various other issues.

22. Subsequently, on July 27, 2009, Governor Corzine signed P.L. 2009, c.90, the "NJ Economic Stimulus Act of 2009," which instituted a moratorium on the imposition and collection of non-residential affordable housing development fees through July 2010. On August 24, 2011, the moratorium on the collection of non-residential affordable housing development fees was extended by law through July 1, 2013.³

23. On December 11, 2008, Cranbury Township adopted a third round housing element and fair share plan addressing its third round fair share obligation consisting of three components pursuant to COAH's revised third round regulations at *N.J.A.C. 5:97*: a 6-unit rehabilitation share (based on the 2000 census); a 217-unit prior round obligation; and a 269-unit third round growth share obligation.

³ The moratorium has since expired.

24. On December 31, 2008, Cranbury Township petitioned COAH for substantive certification for the third round pursuant to *N.J.A.C. 5:96 and 5:97* with its adopted third round housing element and fair share plan (*see Exhibit A to the Township's Verified Complaint*).

25. In its 2008 adopted affordable housing plan, Cranbury relied upon its continued participation in the Middlesex County rehabilitation program and proposed to implement a local rehabilitation program open to rentals to address its 6-unit rehabilitation share, fully addressed its 217-unit prior round obligation and relied upon prior round surplus credits, built affordable units and proposed/future municipally-sponsored sites to address its 269-unit third round growth share obligation.

26. On January 23, 2009, COAH determined Cranbury Township's third round petition for third round substantive certification to be complete.

27. On December 18, 2009, COAH issued a compliance report recommending that COAH grant conditional substantive certification to Cranbury Township's third round housing plan element and fair share plan.

28. On January 13, 2010, COAH granted Cranbury Township conditional substantive certification.

29. On March 23, 2010, COAH issued a compliance report recommending that COAH grant substantive certification to Cranbury Township's third round housing plan element and fair share plan.

30. On April 12, 2010, COAH approved the Township's third round spending plan (*see Exhibit B to the Township's Verified Complaint for COAH's resolution of approval as well as the Township's third round spending plan*).

31. On April 21, 2010, COAH granted Cranbury Township third round substantive certification because its housing element and fair share plan comported to the standards set forth in *N.J.S.A. 52:27D-314* and satisfied the criteria for substantive certification set forth in *N.J.A.C. 5:96-6.3* (see Exhibit B to the Township's Verified Complaint).

32. On May 25, 2010, the Township submitted the required implementing documents to COAH per the April 21, 2010 COAH third round certification resolution. The documents included the Township's adopted fair share ordinance (Ordinance #05-10-06) and adopted affirmative marketing plan (Resolution 05-10-180).

33. On October 8, 2010, the Appellate Division issued its second decision concerning challenges to COAH's third round rules. This decision invalidated COAH's revised third round growth share methodology and also portions of COAH's regulations. The Court directed COAH to revise its third round rules using a methodology for determining prospective need similar to the methodologies used in the first and second rounds. The decision also upheld those portions of COAH's third round rules which assessed municipal present and prior round need. See In re Adoption of N.J.A.C. 5:96 and 5:97, 416 N.J. Super. 462 (App. Div. 2010).

34. After the Appellate Division's October 8, 2010 decision, the Township's third round certified plan remained under COAH's jurisdiction by virtue of the Township's third round substantive certification and a COAH resolution adopted on December 8, 2010 in response to a series of motions filed. In pertinent part, the COAH Board determined that:

"WHEREAS, in light of the Appellate Division decision, COAH is refraining from further review of the third round prospective growth share obligations of any municipal third round plans because there are no standards to guide COAH due to the Court's invalidation of the growth share portion of the third round regulations; and

...

BE IT FURTHER RESOLVED that going forward municipalities are not required to seek a stay from COAH proceedings concerning third round prospective growth share obligation; and

.....

BE IT FURTHER RESOLVED that municipalities that have received third round substantive certification or have petitioned COAH pursuant to N.J.A.C. 5:96 and 5:97 continue to be under the jurisdiction of COAH.”

35. On March 31, 2011, the New Jersey Supreme Court granted petitions and cross-petitions to all of the various challenges to the Appellate Division’s decision. The Court heard oral argument on November 14, 2012.

36. Simultaneous to the various challenges before the courts concerning COAH’s third round rules, actions were also being taken by the Legislative and Executive branches of the State concerning the third round obligations, resulting in further confusion as to the ability of municipalities to ascertain their third round obligations.

37. On February 9, 2010, Governor Christie signed Executive Order No. 12. This Order established a five-member Housing Opportunity Task Force that was charged with reviewing the effectiveness of the FHA, COAH and COAH’s regulatory structure in meeting the constitutional obligations under the Mount Laurel doctrine.

38. On March 20, 2010, the Task Force provided a number of recommendations including that the Governor revisit COAH’s original growth share methodology, reinstate the use of regional contribution agreements, and eliminate prior round obligations.

39. In addition to affordable housing reform activities in the Executive Branch, in 2010 the Legislature introduced a number of pieces of affordable housing reform legislation that

culminated in a conformed bill (S-1/A-3447) that was passed by both chambers on January 10, 2011. However, Governor Christie conditionally vetoed the bill on January 24, 2011 stating in a press release “the heavily amended legislation falls far short of its original intent.... The Senate has presented a considerably different version of the legislation I originally supported in June – one that was simple and sufficiently close to the recommendations contained in the March 19, 2010 report of the Housing Opportunity Task Force.” The Legislature subsequently withdrew this bill from consideration on February 7, 2011.

40. On June 29, 2011, Governor Christie filed Reorganization Plan No. 001-2011 to abolish COAH and transfer its responsibilities to the Department of Community Affairs (“DCA”). On March 8, 2012, the Appellate Division invalidated Governor Christie’s Reorganization Plan and reinstated COAH. See In re Plan for Abolition of COAH, 424 N.J. Super. 410 (App. Div. 2012). On July 10, 2013, the Supreme Court upheld the Appellate Court’s decision.

41. In its decision of September 26, 2013, the New Jersey Supreme Court affirmed the Appellate Division’s 2010 invalidation of the growth share methodology. The Court invalidated all of the challenged regulations, finding that the provisions related to the growth share methodology were not severable from the remaining portions of the regulations. The Court also endorsed the remedy imposed by the Appellate Division requiring COAH to revise its third round regulations utilizing a methodology similar to COAH’s first and second rounds and directed COAH to adopt new regulations in five months. See In re Adoption of N.J.A.C. 5:96 and 5:97, 215 N.J. 578 (2013).

42. On April 30, 2014, COAH met to introduce revised third round regulations which were published in the June 2, 2014 edition of the New Jersey Register. However, COAH failed to

adopt the revised third round regulations at its meeting of October 20, 2014, with the COAH Board deadlocking in a 3 – 3 vote.

43. In response to COAH's failure to adopt regulations, Fair Share Housing Center ("FSHC") filed a Motion in Aid of Litigant's Rights in November 2014. The Supreme Court heard argument on January 6, 2015.

44. On March 10, 2015, the Court decided In re Adoption of N.J.A.C. 5:96 & 5:97, 221 N.J. 1 (2015), wherein it found COAH to be a 'moribund' agency. The Court's decision dissolved the FHA's requirement to exhaust administrative remedies, and transferred the review and approval of municipal housing plans to the trial courts. The effective date of the Court's decision was delayed 90 days – until June 8, 2015. Between June 8 and July 8, 2015, municipalities are permitted to file declaratory judgment actions with the trial courts. Builder's remedy litigation is precluded during this 30-day time-period and, subsequently, such litigation could initially only proceed to assess constitutional compliance of the municipal fair share compliance efforts. The trial courts may grant periods of temporary immunity while a municipality addresses its court-determined third round fair share obligation.

45. Pursuant to the Court's March 10, 2015 decision, Cranbury Township is deemed to be a 'certified' municipality. "While reviewing for constitutional compliance the ordinances of a town that achieved substantive certification, courts should be generously inclined to grant applications for immunity from subsequently filed exclusionary zoning actions during the necessary review process, unless such process is unreasonably protracted."

46. In order to address the Court's future determination of the Township's third round fair share obligation, the Township may have to amend its certified third round plan. As the

Supreme Court stated, “supplementation of a plan may be necessary to ensure to the court’s satisfaction that the town has provided a realistic opportunity for its fair share of present and prospective regional affordable housing need in keeping with prior rounds’ methodologies.”

47. In addition, the Supreme Court’s process for municipalities to transfer jurisdiction from COAH “is not intended to punish the towns represented before this Court, or those that are not represented but which are also in a position of unfortunate uncertainty due to COAH’s failure to maintain the viability of the administrative remedy.”

48. The Township participates in the Middlesex County Housing Preservation Program and will implement a local rehabilitation program as stated in its certified third round plan to address its third round present need (rehabilitation share), if any, once determined by this court.

49. As shown in the chart below, Cranbury Township has fully addressed its 217-unit prior round obligation (cumulative 12-year first and second round new construction obligation) with funded RCAs, completed inclusionary developments, built municipally-sponsored 100% affordable housing sites, existing alternative living arrangements, a second round substantial compliance bonus approved by COAH as part of the Township’s second round and third round certifications, and prior round rental bonuses. Cranbury has completely implemented its prior round plan – all of the prior round affordable units are built and RCA funds have been transferred.

Existing Credits/Bonuses Addressing 217-Unit Prior Round Obligation

Cranbury's Prior Round Compliance Mechanisms	Prior Round = 217
<i>Regional Contribution Agreements - funds transferred</i>	110
<i>Completed Affordable Units - Cranbury Housing Associates</i>	
Family affordable rentals - Bergen, Danser and Parkside -Bennett Pl.	26
Family affordable sale units - Bergen, Danser and South Main St.	30
Senior affordable rentals - Park Place West	20
Family affordable rentals - Old Cranbury Road (18 of 20)	18
<i>Alternative Living Arrangements - credit by the bedroom - completed</i>	
SERV Group Home - Dey Road	6
SERV Shared Supportive Living	5
<i>Prior Round Rental Bonuses for completed units = 55</i>	
CHA Bergen, Danser, etc. family rentals (26 units x 1.0 bonus)	26
CHA Old Cranbury Rd family rentals (18 units x 1.0 bonus)	18
SERV ALA's (11 units x 1.0 bonus)	11
<i>Prior Round Substantial Compliance Bonuses - per COAH certifications</i>	13
Total	283
<i>Surplus</i>	66

50. Despite the tremendous upheaval in the affordable housing realm described above and although no municipality has a clear understanding of its third round fair share obligation, Cranbury Township has provided third round affordable housing compliance mechanisms including affordable housing credits for built affordable housing units, reductions for a Township-owned site for proposed affordable family rental housing and bonuses to address a third round fair share to be determined by

the Superior Court. As shown in the chart below, the Township has provided a minimum of 136 third round affordable housing credits, reductions and bonuses to address a third round fair share:

Completed/Proposed Affordable Units Addressing Unknown Third Round Obligation

Cranbury Township Third Round Compliance Mechanisms	Third Round
<i>Prior Round Surplus</i>	66
<i>Completed, Proposed Affordable Units - Cranbury Housing Associates</i>	
CHA family affordable rentals - Old Cranbury Rd (2 of 20)	2
CHA family affordable rental - Gristmiller	1
CHA family affordable rentals - Route 130D - certified	32
Third Round Rental Bonuses	
CHA Old Cranbury family rentals (2 x 1.0 rental bonus)	2
CHA Gristmiller family rental (1 x 1.0 rental bonus)	1
CHA Route 130D family rentals (32 x 1.0 rental bonus)	32
Total	136

51. There are no third round statewide or municipal affordable housing obligations that have been adopted by COAH or accepted by the Courts. In fact, I know of only two entities, COAH and FSHC, that have undertaken the complex task of calculating third round affordable housing obligations for every municipality in the State.

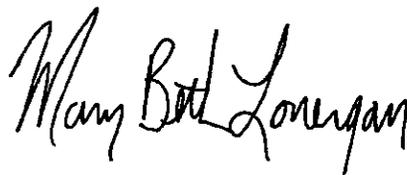
52. COAH and/or another agent of State government retained the Rutgers University Center for Urban Policy Research (“CUPR”) in 2014 to prepare affordable housing obligations for the third round. CUPR had a demonstrated expertise in this field since it had calculated regional low and moderate income housing need and created a methodology for allocating it among each region’s municipal constituents for COAH for the first (1987-1993) and second (1993-1999) rounds. CUPR

prepared a methodology in 2014 for the third round which was incorporated into the rules which COAH proposed for adoption on April 30, 2014 and released for public comment by publishing the rules in the New Jersey Register on June 2, 2014. However, as discussed above, COAH failed to adopt the revised third round regulations, and the methodology which CUPR prepared for the State is not available to municipal parties. Consequently, CUPR is being retained by a consortium of municipalities to prepare revised statewide and municipal third round affordable housing obligations. That work product should be available to municipalities early this fall.

53. At present, no set of proposed statewide/municipal third round calculations have been approved.

54. The Township awaits the Court's determination of its third round prospective need obligation.

I am aware that the Superior Court will rely upon the facts set forth in this Certification and I am aware that, if any statements made by me are willfully false, I am subject to punishment as permitted under law.



Mary Beth Lonergan, PP, AICP

Dated June 30, 2015.

CERTIFICATION PURSUANT TO RULE 1:4-4

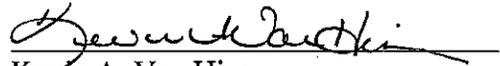
Kevin A. Van Hise, Esquire, of full age, certifies as follows:

1. I am an attorney at law of the State of New Jersey, and I am a Director of the law firm of Mason, Griffin & Pierson, PC, attorneys for Petitioner in the above referenced action.

2. Pursuant to R. 1:4-4, I certify that Mary Beth Lonergan, PP, AICP, has acknowledged the genuineness of her signature and that the original signature will be filed if requested by the court.

I hereby certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Dated: July 7, 2015


Kevin A. Van Hise

2. The Township is hereby granted temporary immunity against any and all exclusionary zoning lawsuits, including but not limited to "builder's remedy" suits, from the date of the filing of Petitioner's Complaint and extending up to and including the court's determination that the Township's Housing Element and Fair Share affordable housing plan and implementing zoning and land development ordinances are compliant with the Township's third round Mount Laurel affordable housing obligations.
3. A case management conference shall be held on _____, 20____
at _____ a.m. / p.m.
4. A copy of this Order shall be served on all counsel within seven days of receiving this Order by counsel for Petitioner, Township of Cranbury.

Honorable Douglas K. Wolfson, J.S.C.

Unopposed

Opposed

MASON, GRIFFIN & PIERSON, P.C.

By: Kevin A. Van Hise, Esq. - ID #016382003

101 Poor Farm Road

Princeton, New Jersey 08540

Telephone: (609) 921-6543

Facsimile: (609) 683-7978

Email: k.vanhise@mgplaw.com

**Attorneys for Petitioner,
Township of Cranbury**

IN THE MATTER OF THE APPLICATION)
OF THE TOWNSHIP OF CRANBURY IN)
MIDDLESEX COUNTY)

)
) SUPERIOR COURT OF NEW JERSEY
) MIDDLESEX COUNTY - LAW DIVISION
)
) DOCKET NO.: MID-L-_____

CIVIL ACTION

CERTIFICATION OF SERVICE

I, Kevin A. Van Hise, a member of the Bar of this Court, hereby certify as follows:

1. On this date, I caused the original and two copies of the following documents to be filed, via hand delivery, with the Clerk of the Court, Superior Court of New Jersey - Middlesex County, Middlesex County Courthouse - 2nd Floor Tower, 56 Paterson Street, P.O. Box 2633, New Brunswick, New Jersey 08903-2633:

- a. Verified Complaint for Declaratory Judgment Pursuant to the Fair Housing Act, N.J.S.A. 52:27D-313, with Designation of Trial Counsel and R. 1:38-7, R. 4:5-1 and R. 4:6-1 Certifications;
- b. Case Information Statement;
- c. Notice of Motion for Temporary Immunity Prohibiting Exclusionary Zoning Applications;
- d. Legal Brief and Certification of Mary Beth Lonergan, PP/AICP in Support of Petitioner's Motion;
- e. Proposed form of Order; and
- f. This Certification of Service.

2. On this date, I further caused one copy of the above-referenced documents to be served, via certified mail and email transmission, upon the following:

Kevin D. Walsh, Esq.
Adam M. Gordon, Esq.
Fair Share Housing Center
510 Park Boulevard
Cherry Hill, NJ 08002
kevinwalsh@fairsharehousing.org

Geraldine Callahan, Esq.
Deputy Attorney General
Office of the Attorney General
25 West Market Street, PO Box 112
Trenton, NJ 08625
geraldine.callahan@dol.lps.state.nj.us

Jonathan E. Drill, Esq.
Stickel, Koenig, Sullivan & Drill, LLC
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Cedar Grove, NJ 07009
jdrill@sksdlaw.com

Jeffrey R. Surenian, Esq.
Michael A. Jedziniak, Esq.
Jeffrey R. Surenian & Associates, LLC
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jrs@surenian.com

Edward J. Buzak, Esq.
The Buzak Law Group, LLC
Montville Office Park
150 River Road, Suite N-4
Montville, NJ 07045
ejbuzak@buzaklawgroup.com

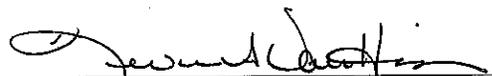
Jeffrey Kantowitz, Esq.
Law Office of Abe Rappaport
195 Route 46 West, Suite 6
Totowa, NJ 07512
jkantowitz@rappaport-law.com

Stephen Eisdorfer, Esq.
Hill Wallack, LLP
202 Carnegie Center, PO Box 5226
Princeton, NJ 08543
seisdorfer@hillwallack.com

3. I have prepared the attached notice advising of the filing of the present action and companion motion for temporary immunity and have made arrangements for service of the notice to be provided to other interested parties via certified mail. A supplemental certification of service will be provided upon the completion of mailings of the attached notice.

4. I hereby certify that the foregoing statements made by me are true. I am aware that should any of the foregoing statements made by me be wilfully false, I am subject to punishment.

Dated: July 8, 2015


Kevin A. Van Hise

**TOWNSHIP OF CRANBURY
COUNTY OF MIDDLESEX, STATE OF NEW JERSEY**

PUBLIC NOTICE

NOTICE IS HEREBY GIVEN that by the filing of a Verified Complaint for Declaratory Judgment Pursuant to the Fair Housing Act, N.J.S.A. 52:27D-313, petitioner, the Township of Cranbury ("Township") commenced an action in the Superior Court of New Jersey, Middlesex County, on July 7, 2015, entitled In the Matter of the Application of the Township of Cranbury in Middlesex County (the Docket No. is currently unassigned). The Township brings this action seeking declaratory judgment for immunity and repose pursuant to N.J.S.A. 52:27D-313 and a judicial declaration that its housing plan (as-is or as to be supplemented) is presumptively valid because it presents a realistic opportunity for the provision of its fair share of the region's present and prospective need for low- and moderate- income housing pursuant to the New Jersey Supreme Court's decision and Order entered on March 10, 2015 in In re Adoption of N.J.A.C. 5:96 & 5:97 by NJ Council on Affordable Housing, 221 N.J. 1 (2015).

NOTICE IS HEREBY FURTHER GIVEN that with the filing of Petitioner's Complaint, the Township also filed a companion Motion for Temporary Immunity Prohibiting Exclusionary Zoning Actions, seeking temporary immunity against exclusionary zoning lawsuits from the date of the filing of Petitioner's Complaint and extending up to and including the court's determination that the Township's Housing Element and Fair Share affordable housing plan and implementing zoning and land development ordinances are compliant with the Township's third round Mount Laurel affordable housing obligations. Said motion is currently scheduled to be heard by the Court on September 18, 2015 at 9:30 a.m. before the Honorable Douglas K. Wolfson, J.S.C., Superior Court of New Jersey - Middlesex County, Middlesex County Courthouse, 56 Paterson Street, New Brunswick, New Jersey 08903-0964.

Any party objecting to the Township's action or motion for temporary immunity should, not later than 8 days before the return date thereof, serve and file a written objection with the Court and provide a copy to the Township Clerk and Township Attorney at the addresses below.

Copies of the Township's Complaint, Motion and companion pleadings are available upon request made to the Municipal Clerk at the Cranbury Township Municipal Building, 23A North Main Street, Cranbury, New Jersey 08512, during regular business hours.

Kevin A. Van Hise, Esq.
Mason, Griffin & Pierson, PC
101 Poor Farm Road, Princeton, NJ 08540
Attorneys for Petitioner, Township of Cranbury