



JON S. CORZINE
Governor

State of New Jersey
Council on Affordable Housing

JOSEPH V. DORIA, JR.
Commissioner
LUCY VOORHOEVE
Executive Director

SOMERSET COUNTY

Municipality	Rehab Share (proposed 2008 regs)	Rehab Share (current regs)	Change in rehab share	'87-'99 Obligation (proposed 2008 regs)	'87-'99 Obligation (current regs)	Change in '87-'99 obligation	Hsg Projection	Emp Projection	Projected Affordable Housing Obligation
Bedminster Twp*	0	0	0	154	157	-3	546	1,967	232
Bernards Twp*	12	0	12	508	508	0	1,141	-563	228
Bernardsville Boro*	15	0	15	127	127	0	378	635	115
Bound Brook Boro	131	63	68	0	4	-4	30	89	12
Branchburg Twp	22	0	22	302	302	0	1,001	2,707	369
Bridgewater Twp*	97	5	92	713	736	-23	2,354	8,428	998
Far Hills Boro*	2	0	2	38	37	1	116	122	31
Franklin Twp*	142	18	124	766	783	-17	2,886	3,925	823
Green Brook Twp**	0	0	0	151	155	-4	230	664	88
Hillsborough Twp**	19	0	19	461	461	0	2,143	2,428	580
Manville Boro**	70	30	40	0	2	-2	84	400	42
Millstone Boro*	2	0	2	21	22	-1	15	27	5
Montgomery Twp*	11	0	11	307	319	-12	1,931	2,712	556
N. Plainfield Boro*	282	121	161	0	35	-35	137	131	36
Peapack-Gladstone Boro*	6	0	6	82	84	-2	111	-140	22
Raritan Boro*	44	24	20	82	82	0	311	2,231	202
Rocky Hill Boro*	4	0	4	25	25	0	23	17	6
Somerville Boro	73	23	50	153	170	-17	164	396	58
S. Bound Brook Boro	51	16	35	0	4	-4	11	34	4
Warren Twp*	13	0	13	543	544	-1	1,307	643	302
Watchung Boro*	12	0	12	206	213	-7	115	1,613	124
COUNTY TOTAL	1,008	300	708	4,639	4,770	-131	15,034	28,466	4,830

*3rd Rd petition
**Court town



State of New Jersey
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PROPOSED THIRD ROUND RULES

At its December 17, 2007 meeting, the Council on Affordable Housing (COAH) proposed the repeal and replacement of its third round methodology and rules (N.J.A.C. 5:94 and N.J.A.C. 5:95). The rule proposal follows the decision issued by the New Jersey Superior Court, Appellate Division on January 25, 2007, *In the Matter of the Adoption of N.J.A.C. 5:94 and 5:95 by the New Jersey Council on Affordable Housing (and related cases)*, 390 N.J. Super. 1 (App. Div. 2007), which affirmed in part, reversed in part, and remanded portions of the rules back to the Council for rulemaking.

The third round methodology continues the growth share approach to determine affordable housing obligations, in which affordable housing is provided in proportion to market rate growth that takes place in a municipality. Under the revised ratios released by the Council, one affordable unit must be provided among every five residential units and one affordable unit must be provided for every 16 new jobs, based on square footage of new nonresidential construction.

The following major changes are proposed:

- Continuation of the growth share approach, with affordable housing need measured as a percentage of residential and non-residential growth from 2004 to 2018.
- New affordable housing need for the state is 115,000 affordable units (an increase from 52,000 units in previous adoption).
- Household and employment projections have been generated by the consultants and serve as planning targets for municipalities. A municipality may seek an adjustment to the household and employment projections provided by the Council, based on an analysis of existing land capacity. The projections are incorporated for each municipality in the report "Allocating Growth to Municipalities" in Appendix F of the proposal.
- Development fees for new construction increase from 1% of equalized assessed value (EAV) for residential to 1 ½% of EAV and from 2% of EAV to 3% of EAV for non-residential development
- Establishes payment in lieu standards (cost of constructing an affordable unit) averaging \$161,000 per affordable unit
- Regional Contribution Agreement amounts increase from \$35,000 per unit to \$67,000 to \$80,000 per unit (by COAH region)



- Municipalities may continue to require payments in lieu of non-residential developers pending adoption of legislation establishing a statewide development fee bank
- Provides a compensatory benefit to developers for providing affordable housing of one market unit for every affordable unit constructed
- Expands compliance options for municipalities, including bonus credits for supportive and special needs housing, new credit for affordable housing in redevelopment areas, and optional plan phasing based on economic feasibility.
- Returns to the previous age-restricted cap of 25% of total obligation
- Proposed staggering schedule would require towns currently under COAH's jurisdiction to submit revised third round plans between September and December 2008, based on county.
- Regulations from N.J.A.C. 5:93 have been incorporated into N.J.A.C. 5:94, where the regulation is still relevant. Municipalities will now be able to reference one set of rules for addressing prior round and growth share obligations.

The proposal was published in the January 22, 2008 edition of the New Jersey Register and is available on COAH's website at www.nj.gov/dca/coah/dec07proposal.shtml.

Written public comments on the proposed rules can be submitted until March 22, 2008:

Electronically to: COAHmail@dca.state.nj.us

Or by mail (with disk in Word format) to:

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Somerset County COAH Fact Sheet

Countywide Fair Share Obligation based on proposal:

- 1,008 unit Rehabilitation Share
- 4,639 unit 1987-1999 new construction obligation
- 4,830 unit 2004-2018 projected affordable housing obligation

COAH Status of 21 Somerset County Towns:

- 14 towns with current third round petitions
- 3 Court towns
- 16 towns with COAH-monitored affordable housing trust funds

Affordable units through 2007:

- Units created: 4,460
- Units proposed: 920 (including 625 zoned)
- Units rehabilitated: 113
- Units / funds transferred within the County through RCAs: 16 / \$380,000
- Units / funds transferred outside the County through RCAs: 876 / \$20,203,500
- Units / funds received from outside the County through RCAs: 72 / \$1,650,000



Countywide Affordable Housing Trust Funds through December 31, 2006:

TOTAL COLLECTIONS: \$35,188,223.26

TOTAL EXPENSES: \$15,142,788.82

Housing Activity: \$12,733,283.32*

Alternative Living Arrangements: \$126,970.00

Debt/Bond Payments: \$400,595.00

New Construction: \$956,500.00

Purchase of Existing Units: \$923,233.37

RCAs: \$7,741,108.00

Rehabilitation: \$2,584,876.95

Administration: \$2,385,428.10

Affordability Assistance: \$24,077.40

BALANCE: \$20,045,434.44

Municipality	Total Funds Collected	Total Funds Expended	Remaining Balance
Bedminster Township	1,176,731.03	12,756.37	1,163,974.66
Bernards Township	9,321,816.13	7,105,173.53	2,216,642.60
Bernardsville Borough	791,266.87	0.00	791,266.87
Branchburg Township	91,587.33	0.00	91,587.33
Bridgewater Township	9,475,622.11	3,990,296.25	5,485,325.86
Far Hills Borough	74,933.78	0.00	74,933.78
Franklin Township	3,337,012.47	306,892.47	3,030,120.00
Hillsborough Township	1,725,162.43	230,087.00	1,495,075.43
Millstone Borough	0.00	0.00	0.00
Montgomery Township	1,214,870.92	380,883.91	833,987.01
North Plainfield Borough	0.00	0.00	0.00
Peapack & Gladstone Boro	254,636.39	61,500.00	193,136.39
Raritan Borough	150,634.68	83,173.30	67,461.38
Rocky Hill Borough	1,772.00	0.00	1,772.00
Warren Township	6,118,783.92	1,830,595.00	4,288,188.92
Watchung Borough	1,453,393.20	1,141,430.99	311,962.21
TOTAL	35,188,223.26	15,142,788.82	20,045,434.44