

Housing Element & Fair Share Plan

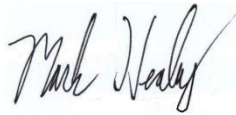
TOWNSHIP OF FRANKLIN Somerset County, New Jersey

Dated:
April 2018

Adopted by the
Township of Franklin Planning Board:

April 24, 2018

The original of this report was signed and
sealed in accordance with N.J.S.A. 45:14A-12.

A handwritten signature in black ink, appearing to read "Mark Healey". The signature is written in a cursive style and is positioned above a horizontal line.

Mark Healey, AICP/ PP
Professional Planner #5803
Director of Planning/ Municipal Housing Liaison

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I. INTRODUCTION

Overview

The Municipal Land Use Law (MLUL), N.J.S.A. 40:55D-62a, requires every municipality with a zoning ordinance to adopt a master plan containing at least a land use plan element and housing plan element. N.J.S.A. 40:55D-28b(3) requires that the housing plan element include residential standards and proposals for the construction and improvement of housing in accordance with the New Jersey Fair Housing Act (FHA). This required plan is commonly referred to as the Housing Element and Fair Share Plan (HEFSP) and must contain certain sub-elements that, at minimum, include the following:

- 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, and in conducting this inventory the municipality shall have access, on a confidential basis for the sole purpose of conducting the inventory, to all necessary property tax assessment records and information in the assessor's office, including but not limited to the property record cards.
- 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 of lands;
- 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 for low and moderate income housing and its capacity to accommodate its present and prospective housing needs, including its fair share for low and moderate income housing; and
- A consideration of the lands that are 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.

Enacted in 1985, the FHA established the Council on Affordable Housing (COAH) which was charged with establishing rules and regulations to promote the development of affordable housing in the State of New Jersey. COAH was created in response to the extensive litigation arising from the Supreme Court's Mount Laurel decisions wherein the Court determined that every municipality had a State constitutional obligation to provide the realistic opportunity for the development of affordable housing within their communities. COAH was created to expedite and otherwise remove the court system from exclusionary zoning disputes and to provide the administrative mechanism of review and mediation as a much preferable avenue for resolving affordable housing issues.

Since the adoption of the FHA and the creation of COAH, there have been two prior rounds or cycles of regulations adopted by COAH providing the methodology that established a municipality's affordable housing obligation and the mechanisms by which that obligation should be addressed. At the end of the

Second Round period, which expired in 1999, COAH subsequently promulgated new rules for the Third Round" of affordable housing regulations and introduced the concept of "Growth Share" as the methodology by which municipal affordable housing obligations and compliance would be determined. Simply stated, the growth share model established a municipality's affordable housing requirements as a function of its potential future residential and economic growth.

Significantly, these regulations were challenged in court by affordable housing advocates and representatives of the building industry as unconstitutional. After years of litigation and failed amendments, on September 26, 2013, the New Jersey Supreme Court (Court) affirmed the Appellate Division's invalidation of COAH's "growth share methodology" on the basis that the "growth share" methodology, incorporated into the Third Round Rules, were beyond the purview of the rulemaking authority delegated to COAH because they conflicted with the FHA.¹

The Supreme Court "endorsed the remedy imposed by the Appellate Division," that required COAH to adopt new Third Round Rules within five (5) months.² The effect of the Supreme Court's decision was to require COAH to adopt new Third Round Rules by February 26, 2014 consistent with the lower court's decision.

After numerous delays, court challenges and COAH's failure to adopt revised regulations consistent with the Court's order and in response to the Fair Share Housing Center (FSHC) filing a motion "in aid of litigant's rights," the Supreme Court issued its decision In re Adoption of N.J.A.C. 5:96 & 5:97, 221 N.J. 1 (2015) on March 10, 2015 stripping COAH of its administrative duties relating to the affordable housing certification process. This decision granted FSHC's motion in aid of litigant's rights, declared COAH ineffective in complying with the mandates of the Fair Housing Act (FHA), dissolved the substantive certification process before COAH and created a judicial process by which a municipality can file a declaratory judgment action with the court seeking a judicial determination that their housing element satisfied their "third round" affordable housing obligation. The New Jersey Supreme Court appointed "Mount Laurel" judges for each of the state's fifteen (15) judicial vicinages to hear and decide these actions. The Court directed that the reviewing judges utilize methodologies similar to that developed by COAH in the prior first and second rounds. The Court further established a specific deadline (July 8, 2015) by which municipalities could file such actions.

In response to the Supreme Court's March 10, 2015 decision, Franklin Township on June 30, 2015 filed a declaratory judgment action with the Superior Court which action sought judicial determination of compliance with the Township's Third Round affordable housing obligation.

Franklin Township and FSHC, a Supreme Court-designated interested party in this matter appeared before the Ho. Thomas C. Miller, P.J.Cv., and worked with the Court-appointed Special Master, Francis J. Banisch, II, A.I.C.P, P.P., to review the Township's affordable housing plans. Through this process, the Township and FSHC agreed to settle this litigation and present the settlement to the trial court with jurisdiction over this matter.

¹ See in re: Adoption of N.J.A.C. 5:96 & 5:97, 215 N.J. 578, 586, 620 (2013).

² See In re: N.J.A.C. 5:96 & 5:97, 416 N.J. Super. 462, 511 (App. Div. 2010).

The Township of Franklin entered into a Settlement Agreement with the FSHC dated November 3, 2017 ("Settlement Agreement") for its 1999-2025 affordable housing obligations, which Settlement Agreement requires that the Township adopt and endorse a HESFP and an Affordable Housing Trust Fund Spending Plan consistent with the outline of a HESFP attached to the Settlement Agreement. The Settlement Agreement is provided in Appendix I.

The Court's Special Master provided a Report of the Special Master dated December 8, 2017 ("Report of the Special Master"), finding that the Township's Settlement Agreement with the Fair Share Housing Center will adequately protect the interests of low moderate income households. The Report of the Special Master is provided in Appendix J.

The Hon. Thomas C. Miller, P.J.Cv. held a Fairness Hearing and determined on December 11, 2017 that the aforementioned Settlement Agreement was fair and reasonable to the interests of lower-income households. The Conditional Order of Compliance is provided in Appendix K.

The Conditional Order of Compliance issued by Judge Miller requires that the Township submit to the Special Master for review and comment a new HESFP for the Township, an Affordable Housing Trust Fund Spending Plan, and all Resolutions and Ordinances necessary to implement the HESFP and Affordable Housing Trust Fund Spending Plan, and that the Township Council adopt all necessary effectuating Resolutions and Ordinances.

At this point in the process resulting from the New Jersey Supreme Court's 2015 decision, when fair share obligations have yet to be definitively determined and as a result of ongoing mediation and by way of settlement with the Fair Share Housing Center, the Township's prospective need for the Third Round has been determined to be 2,076 units. Franklin Township does not agree with the basis of the Third Round Prospective Need obligation but accepts the number solely for purposes of settling its fair share obligation with the FSHC and the Court with the advice of the Court Appointed Master. It should be further noted that this number reflects a roughly 30-percent reduction of the proffered Third Round Prospective Need number by FSHC and is deemed to also include the Gap Period Present Need as recognized by the New Jersey Supreme Court in In re Declaratory Judgement Actions Filed by Various Municipalities, 227 N.J. 508 (2017).

The preparation of this HEFSP therefore, provides for a settlement of the Township's Third Round affordable housing obligation consistent with the Conditional Order of Compliance and provides a realistic opportunity for the development of affordable housing units that will satisfy the Township's Third Round obligation under the New Jersey Supreme Court's Mount Laurel decisions from 2015 to 2025 inclusive of the GAP period between 1999 and 2015.

Fair Share Plan Summary

This Housing Element & Fair Share Plan demonstrates the manner in which Franklin Township continues to meet (and exceed) its obligation to provide affordable housing. Specifically, the plan demonstrates that the Township:

- exceeded its 766 unit prior round obligation by 97 with 723 affordable units constructed and 863 total credits.
- Exceeds its prospective need for the Third Round of 2,076 units with 2,162 total credits

The Township's Third Round Plan consists of the following components:

- 1,231 new "third round" units
- 97 unit surplus from prior round
- 315 unit extension of expiring credits
- 519 bonus credits

Of the 1,231 new Third Round units:

- 814 have been constructed and occupied by low and moderate income households
- Another 249 affordable units have site development approvals in place, the majority of which (i.e., the 100 affordable units remaining in the Summerfields development and next 19 affordable units in Leewood) are currently under construction
- The remaining 168 units (e.g., last phases of the Leewood and the RPM developments) are already zoned for the proposed developments and have redevelopment agreements in place that address the obligation to provide affordable housing.

II. HOUSING ELEMENT

A. Inventory of Housing Stock

Age of Housing Stock

The table below demonstrates the nature of the Township's housing stock by age.

Table II-1: Year Built - Residential Structures

Residential Structures	Pre-1940	1940-1949	1950-1959	1960-1969	1970-1979	1980-1989	1990-1999	2000-2004	Post 2004
25,249	1,251 (5%)	781 (3%)	1,864 (7%)	3,360 (13%)	2,546 (10%)	6,312 (25%)	4,318 (17%)	2,900 (12%)	1,917 (8%)

Source: Somerset County "Trends & Indicators 2013" Original source: US Census Bureau, American Community Survey, 2007-2011, 5-Year Estimates, Selected Housing Characteristics

Note: 5-Year Estimates are based on a sample of data collected between January 1, 2007 and December 31, 2011.

Condition of Housing Stock

In addition to age, housing practitioners utilize two other factors, which are collected through the Census to determine housing conditions. These factors are substandard conditions and overcrowding. Substandard conditions are defined by a unit lacking complete plumbing facilities and overcrowding is defined when a unit has more than one person per room.

According to Census data, 230 housing units within Franklin are: overcrowded units built before 1960, lack complete plumbing facilities and/or lack complete kitchen facilities. Of these 230 units, 74.4% are estimated to be occupied by low- and moderate income households. This results in the 171 units housing rehabilitation or "present need" obligation cited by the Fair Share Housing Center for Franklin Township.

Purchase Value and Housing Rental Rates

Table II-2, below, shows the values of the 17,260 owner-occupied housing units within the Township and provides a comparison to Somerset County as whole. The median value of owner-occupied housing is \$353,300 compared to the County-wide median of \$420,500.

Table II-2: Value of Owner-Occupied Housing

	Less than \$100,000	\$100,000 to \$199,999	\$200,000 to \$299,999	\$300,000 to \$499,999	\$500,000 and over	Median Value
Franklin Township	279 (2%)	780 (5%)	4,748 (28%)	8,160 (47%)	3,293 (19%)	\$353,300
Somerset County	2%	5%	17%	39%	37%	\$420,500

Source: Somerset County "Trends & Indicators 2013" Original source: US Census Bureau, American Community Survey, 2007-2011, 5-Year Estimates, Selected Housing Characteristics

Note: 5-Year Estimates are based on a sample of data collected between January 1, 2007 and December 31, 2011.

As of 2011, 5,625 occupied units within Franklin were rental units. This represented nearly 25% of the County-wide total of 22,903 units. The table shows the gross rents of such units in Franklin and provides a comparison to the County as a whole. The median rent in Franklin was \$1,367, consistent with the County median rent of \$1,379.

Table II-3: Gross Rent of Renter-Occupied Housing Units

	Occupied Units by Gross Monthly Rent				
	Less than \$500	\$500-\$749	\$750-\$999	\$1000-\$1499	\$1500 or more
Franklin Township	277 (5%)	170 (3%)	419 (3%)	2,484 (44%)	2,275 (40%)
Somerset County	4%	4%	11%	39%	42%

Source: Somerset County "Trends & Indicators 2013" Original source: US Census Bureau, American Community Survey, 2007-2011, 5-Year Estimates, Selected Housing Characteristics

Note: 5-Year Estimates are based on a sample of data collected between January 1, 2007 and December 31, 2011

The table below shows the percentage of household units paid towards gross rent for Franklin Township's rental households. It also provides a comparison to the County as a whole. Based on Federal and State

standards, households paying in excess of 30% of their income for housing are considered rent-burdened. As indicated in the table, 39% of Franklin renters are rent-burdened, compared to 48% of renters County-wide. With Franklin is excluded from the County-wide figures, the percentage of rent-burdened households throughout the rest of the County rises to 51% (i.e., 8,711 of the 17,130 rental households outside of Franklin within the County).

Table II-4: Gross Rent as a Percentage of Household Income

	Occupied Units by Rents as Percentage of Household Income					
	Less than 15%	15% - 19.9%	20% - 24.9%	25% - 29.9%	30% - 34.9%	35% and over
Franklin Township	802 (14%)	1,011 (18%)	845 (15%)	809 (14%)	536 (10%)	1,622 (29%)
Somerset County	12%	14%	14%	12%	8%	40%

Source: Somerset County "Trends & Indicators 2013" Original source: US Census Bureau, American Community Survey, 2007-2011, 5-Year Estimates, Selected Housing Characteristics

Note: 5-Year Estimates are based on a sample of data collected between January 1, 2007 and December 31, 2011

Occupancy Characteristics

Table II-5, below, shows the occupancy characteristics of Franklin's housing stock in 2000 and in 2010. It demonstrates that, despite the increase in the total number of dwelling units within the Township, the percentage of owner- vs. renter-occupied units remained constant at 72% and 28% respectively. The table also provides a comparison to Somerset County as a whole, showing that Franklin Township had a greater rate of renter occupancy than the County.

Table II-5: Housing Tenure 2000-2010

	Owner-Occupied Dwelling Units	Renter-Occupied Dwelling Units
	2000	
Franklin Township	13,942 (72%)	5,413 (28%)
	2010	
Franklin Township	16,746 (72%)	6,555 (28%)
Somerset County	77%	23%

Source: Somerset County "Trends & Indicators 2013" Original source: 2000 Census and 2010 Census

Characteristics and Types of Housing Units

The table below demonstrates the Township's varied housing stock. The table shows that greater than 50% of the Township's housing stock consists of attached single-family units (i.e., townhomes) and multi-family units.

Comparison of the Township's figures from 2000 to 2010 shows that the Township's housing stock became increasingly diverse with a sizeable increase in the number of dwelling units containing 10 or more units. The number of units in multi-family buildings (i.e., 2-4 unit, 5-9 unit and 10+ unit buildings) increased by 2,190 units (from 5,379 to 7,566 units) between 2000 and 2010. This represents 60% of the 3,658-unit County-wide increase in such units.

The table also demonstrates that the Township housing stock is more diverse than Somerset County as a whole.

Table II-6: Housing Units by Number of Units in Structure

	1 Unit Detached	1 Unit Attached	2-4 Units	5-9 Units	10+ Units
2000					
Franklin Township	9,797 (50%)	4,581 (23%)	1,449 (7%)	1,100 (6%)	2,830 (14%)
2011					
Franklin Township	11,931 (47%)	5,712 (23%)	2,172 (9%)	1,300 (5%)	4,094 (16%)
Somerset County	61%	15%	10%	5%	10%

Source: Somerset County "Trends & Indicators 2013" Original source: US Census Bureau, American Community Survey, 2007-2011, 5-Year Estimates, Selected Housing Characteristics; 2000 Census

Note: 5-Year Estimates are based on a sample of data collected between January 1, 2007 and December 31, 2011.

Table II-7, below, shows the relative size of the Township's housing stock in terms of number of bedrooms and provides a comparison to the county as a whole. In comparison to the County, the Township has a greater percentage of smaller units (1 and 2-bedroom units), while the County has a greater percentage of larger units (3 and 4-bedroom units)

Table II-7: Housing Units by Number of Bedrooms

	0-1 Bedrooms	2 Bedrooms	3 Bedrooms	4+ Bedrooms
Franklin Township	2,917 (12%)	9,135 (36%)	7,538 (30%)	5,659 (22%)
Somerset County	(12%)	(25%)	(30%)	(33%)

Source: Somerset County "Trends & Indicators 2013" Original source: US Census Bureau, American Community Survey, 2007-2011, 5-Year Estimates, Selected Housing Characteristics;

Note: 5-Year Estimates are based on a sample of data collected between January 1, 2007 and December 31, 2011.

B. Demographic Characteristics

Population Trend

The Township population at the time of the 2010 Census was 62,300. With a land area of 46.1 square miles, the Township's population density is 1,350 person per square mile (compared to 1,072 per square mile for Somerset County as a whole). This population density ranked 350th of 566 in the state and 9th of 21 in the county.

The table below shows the Township's population growth since 1940. The Township's average annual growth rate from 1930 to 2010 was 3% (compared to the County-wide average annual growth rate of 2.0%).

Table II-8: Historical Franklin Population

	1940	1950	1960	1970	1980	1990	2000	2010
Township Population	6,299	9,601	19,858	30,389	31,358	42,780	50,903	62,300
Increase in Township Population (#)	--	3,302	10,257	10,531	969	11,422	8,123	11,397
Increase in Township Population (%)	--	52%	107%	53%	3%	36%	19%	22%
Increase in County Population (%)	--	33%	45%	38%	2%	18%	24%	9%

Source: Somerset County "Trends & Indicators 2013" Original source: US Census

The North Jersey Transportation Planning Authority forecasts a year 2040 population of 71,390 for Franklin Township, at an annualized percent population change of 0.5%. Similarly, they forecast an annualized percent household change of 0.5% resulting in a forecast of 26,930 households in Franklin by the year 2040.

Household Size and Type

The average household size in Franklin Township is 2.63 persons. Table II-9 shows that the household composition, in terms of household size, remained relatively constant in the Township between 2000 and 2010, with only a minor increase in the percentage of 2 person households and a minor decrease in the number of households with 5 or more persons.

The table also provides a comparison to the County as a whole, illustrating that the Township has a somewhat higher percentage of smaller households (i.e., 1 and 2 person households) and a correspondingly lower percentage of larger households (i.e., 4 and 5+ person households).

Table II-9: Households by Size

	1 Person	2 Person	3 Person	4 Person	5+ Person
	2000				
Franklin Township	4,975 (26%)	6,300 (33%)	3,310 (17%)	2,794 (14%)	1,976 (10%)
	2010				
Franklin Township	5,989 (26%)	7,383 (32%)	4,050 (17%)	3,345 (14%)	2,534 (11%)
Somerset County	23%	30%	18%	18%	11%

Source: Somerset County "Trends & Indicators 2013" Original source: 2000 Census and 2010 Census

Age Characteristics

A comparison of the Township's population by age group between 2000 and 2010 by age is displayed in Table II-10. Some changes of note include:

- By far the largest age-group increases occurred in the 55-64 and 65+ age group categories. The 55-64 age group increased 75% from 4,261 in 2000 to 7,466 in 2010. The 65 & Over age group increased 47% from 5,805 in 2000 to 8,513 in 2010. Together these age groups accounted for

52% of the Township's population increase (i.e., of the new residents 1-out of-2 was 55 years of age or older).

- While the number of school-aged children (5-17) increased by roughly 1,200, the percentage of overall population represented by this age group decreased slightly to 15% (lower than the County-wide figure of 19%). School-aged children represented 11% of the Township's overall increase in population (in other words, of the new residents 1-in-10 was a school-aged child).
- The 18-24 age group increased by over 50% from 3,036 in 2000 to nearly 4,600 in 2010.

Table II-10: Population by Age Group

	Franklin Township				Somerset County
	2000		2010		
	Number	Percent	Number	Percent	Percent
Under 5	3,733	7%	4,339	7%	6%
5-17	8,244	16%	9,453	15%	19%
18-24	3,036	6%	4,598	7%	7%
25-34	9,218	18%	9,500	15%	11%
35-44	9,572	19%	9,426	15%	15%
45-54	7,034	14%	9,005	15%	18%
55-64	4,261	8%	7,466	12%	12%
65 & Over	5,805	11%	8,513	14%	12%

Source: Somerset County "Trends & Indicators 2013" Original source: 2000 Census and 2010 Census

The table below illustrates the relative drop in the *percentage* of residents aged 18 years of age and under in the Township since 1980 (i.e., dropping from 30% of the population in 1980 down to 23% in 2010) and the relative increase in the *percentage* of residents aged 65 years of age and over since 1980 (i.e., increasing from 9% of the population in 1980 down to 12% in 2010). The table also shows that these changes have been greater than experienced throughout the County as a whole.

Table II-11 Percent of Population 18 Years of Age and Under/ 65 and Older: 1980 - 2010

	18 Years of Age & Under				65 Years of Age & Over			
	1980	1990	2000	2010	1980	1990	2000	2010
Franklin Township	30%	22%	24%	23%	9%	10%	11%	14%
Somerset County	28%	23%	27%	26%	9%	11%	11%	12%

Source: Somerset County "Trends & Indicators 2013" Original source: 2000 Census and 2010 Census

Race and Hispanic Origin

Franklin Township is a racially-diverse community. Table II-12, below, demonstrates this. Further, the table demonstrates that the Township became increasingly diverse between 2000 and 2010.

Table II-12: Persons by Race and Hispanic Origin: 2010

	White	Black	Asian*	Other	Two or More Races	Hispanic/Latino (Any Race)
Franklin Township	27,887 (45%)	16,539 (27%)	12,459 (20%)	3,366 (5%)	2,049 (3%)	8,050 (13%)
Percent change 2000-2010	< -1%	25%	92%	--	--	95%
Somerset County	70%	9%	14%	4%	3%	13%
Percent change 2000-2010	-4%	29%	48%	--	--	63%

Source: Somerset County "Trends & Indicators 2013" Original source: US Census Bureau, American Community Survey, 2007-2011, 5-Year Estimates, Selected Housing Characteristics; 2000 and 2010 Census

Notes: * Asians and Pacific Islanders; Hispanic origin is an ethnic, not a racial designation. Persons of Hispanic origin may be of any race.

Income and Poverty Levels

Tables II-13 through II-15, below, show income characteristics for Franklin Township. The tables also provide a comparison of such characteristics to Somerset County as a whole. Table II-13 shows that, in comparison to the County as a whole, the Township has: similar percentage of lower income households (less than \$50,000); a higher percentage of households making between \$50,000 and \$150,000; and a lower percentage of households making greater than \$150,000.

Table II-13: Household Income Distribution: 2007-2011

	Less than \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,000	\$100,000 to \$149,999	\$150,000 to \$199,000	\$200,000 or more
Franklin Township	1,112 (5%)	937 (4%)	1,227 (5%)	2,185 (10%)	3,700 (16%)	3,798 (16%)	5,329 (23%)	2,549 (11%)	2,257 (10%)
Somerset County	4%	5%	5%	9%	14%	14%	20%	12%	17%

Source: Somerset County "Trends & Indicators 2013" Original source: US Census Bureau, American Community Survey, 2007-2011, 5-Year Estimates, Selected Housing Characteristics; 2000 and 2010 Census

Table II-14: Median Incomes: 2007-2011

	Households Median Income	Families Median Income	Nonfamily Households Median Income
Franklin Township	\$91,610	\$106,137	\$71,845
Somerset County	\$98,842	\$117,650	\$76,257

Source: Somerset County "Trends & Indicators 2013" Original source: US Census Bureau, American Community Survey, 2007-2011, 5-Year Estimates, Selected Economic Characteristics

The table below shows changes in per capita and median family income adjusted for inflation. The table shows that, when adjusted for inflation, both per capita and median family income within Franklin Township stayed relatively static. Inflation-adjusted incomes for the County as a whole, however, experienced significant declines.

Table II-15: Per Capita Income, Median Income: 2000 and 2007-2011 in Inflation-Adjusted Dollars

	Per Capita Income (2011 Adjusted Dollars)			Median Family Income (2011 Adjusted Dollars)		
	2000	2007-2011	Percent Change	2000	2007- 2011	Percent Change
Franklin Township	\$40,884	\$40,644	-0.6%	\$102,412	\$106,137	3.6%
Somerset County	\$63,796	\$48,090	-24.6	\$131,411	\$117,650	-10.5%

Source: Somerset County "Trends & Indicators 2013" Original source: US Census Bureau, American Community Survey, 2007-2011, 5-Year Estimates, Selected Economic Characteristics

Note: Figures adjusted to 2011 dollars based on inflation calculator from Bureau of labor Statistics

Table II-16 shows poverty levels for children and families within Franklin Township and Somerset County. Generally, poverty rates within the Township have remained constant and slightly higher than the County as a whole.

Table II-16: Poverty Level: 2000 and 2007-2011

	Children Under 18 Living Below the Poverty Level		Poverty Rate Percent of Families		
	2000	2007-2011	2000	2007-2011	Percent Change
Franklin Township	744 (7%)	944 (7%)	3.1%	2.9%	-7.5%
Somerset County	4%	4%	1.4%	2.5%	78.6%

Source: Somerset County "Trends & Indicators 2013" Original source: US Census Bureau, American Community Survey, 2007-2011, 5-Year Estimates

C. Existing and Probable Future Employment Characteristics

Employment and Work Force Characteristics

The Township of Franklin's work force consists of approximately 33,984 persons. The estimated number of employed individuals was 31,388 persons, while 2,523 persons were unemployed. Table II-18 shows the occupation of the employed workforce while Table II-19 describes the workforce by industry.

Table II-17: Labor Force Status: 2007-2011

	In Labor Force	Civilian Labor Force	Employed	Unemployed	Armed Forces	Not in Labor Force
Franklin Township	33,984	33,911	31,388	2,523	73	14,985

Source: Somerset County "Trends & Indicators 2013" Original source: US Census Bureau, American Community Survey, 2007-2011, 5-Year Estimates

Table II-18: Occupation for Employed Persons 16 Years of Age and Older: 2007-2012

	Management, Business, Science and Arts	Service	Sales and Office	Natural Resources, Construction and Maintenance	Production, Transportation and Material Moving
Franklin Township	16,797 (54%)	3,520 (11%)	7,148 (23%)	1,526 (5%)	2,397 (8%)

Source: Somerset County "Trends & Indicators 2013" Original source: US Census Bureau, American Community Survey, 2007-2011, Selected Economic Characteristics, 5-Year Estimates

Table II-19: Industry for Employed Persons 16 Years of Age and Older: 2007-2012

	Franklin Township	
	Number	Percent
Agriculture, Forestry, Fishing, Hunting and Mining	36	<1%
Construction	1,323	4%
Manufacturing	3,971	13%
Wholesale Trade	877	3%
Retail Trade	2,740	9%
Transportation, Warehousing and Utilities	1,208	4%
Information	1,719	5%
Professional, Scientific, Management, Waste Mgmt. Services	3,188	10%
Finance, Insurance, Real Estate	4,508	14%
Education, Health Care	7,779	25%
Arts, Entertainment, Recreation, Accommodation and Food Service	1,695	5%
Other Services Except Public Administration	1,207	4%
Public Administration	1,137	4%

Source: Somerset County "Trends & Indicators 2013" Original source: US Census Bureau, American Community Survey, 2007-2011, Selected Economic Characteristics, 5-Year Estimates

Employment Forecast

The North Jersey Transportation Planning Authority (NJTPA) creates employment forecasts for the region. The NJTPA forecasts employment of 42,910 in the year 2040 (up from 30,460 in the year 2010) with an annualized percent employment change of 1.1%.

Table II-20: Employment Forecast

	2015	2020	2025	2030	2035	2040
Franklin Township	32,069	35,499	37,706	39,847	41,522	42,911

Source: North Jersey Transportation Planning Authority

III. THE FAIR SHARE PLAN

A. Prior Round Obligation

Franklin Township has a prior round obligation of 766 affordable housing units. The Prior Round (1986-1999) obligation of 766 affordable units was cited in the Township's Second Round Substantive Certification from COAH (found in Appendix DI) and in the Township's Third Round Substantive Certification from COAH (found in Appendix E). The prior round obligation of 766 is also cited in the Settlement Agreement, the Report of the Special Master and the Conditional Order of Compliance.

This plan outlines compliance similar to the Township's second and third round substantive certifications from COAH - i.e., the Township exceeds the 766 unit prior round obligation. This plan includes the same developments and unit counts (totaling 723 units) certified by COAH in the Township's previous substantive certifications and includes the same bonuses (140 bonus credits) certified by COAH in the Township's Second and Third Round Substantive Certifications from COAH. The 140 family rental bonus is also cited in the Settlement Agreement and the Report of the Special Master, upon which with Court relied upon in issuing the Conditional Order of Compliance.

The table below identifies the prior round projects. All prior round developments have been constructed and are occupied and all such units (and bonuses) were included in First and/or Second Round Fair Share Plans that received Substantive Certification from COAH. With 723 completed units and 140 family rental bonus credits, the total number of credits equals 863, resulting in a prior round surplus of 97 credits.³

Table III-1: Prior Round Plan (1986-1999)

	Number of affordable units	Rent	Own	Senior	Occupied	Family rental bonus	Total bonus	Total credits
Prior Cycle (pre-1986)								
The Lena and David T. Wilentz Senior Residence (fka, "Central Jersey Home for the Aged")	100	100		100	100			100
Society Hill I	26		26		26			26
SUBTOTAL	126	100	26	100	126	0	0	126
Prior Rounds (1986-1999)								
Beacon Hill	73		73		73			73
Countryside Apartments	48	48			48	40	40	88
Habitat for Humanity	1		1		1			1
Quailbrook East	27		27		27			27
Society Hill II	56		56		56			56

³ All of the prior round figures (including each of the projects, RCA, application of the rental bonus and prior round surplus) were confirmed by COAH via Substantive Certification of previously approved Fair Share Plans.

	Number of affordable units	Rent	Own	Senior	Occupied	Family rental bonus	Total bonus	Total credits
Society Hill III	64		64		64			64
Society Hill VI	72		72		72			72
Whitehall Gardens	100	100			100	100	100	200
Wynnfield	79		79		79			79
Franklin/ Perth Amboy RCA	29				29			29
Special Needs Housing	48	48			48			48
SUBTOTAL	597	196	372	0	597	140	140	737
TOTAL	723	296	398					863

The table below demonstrates compliance with the 160-unit "prior round rental obligation" (25% of the obligation minus prior cycle units) with 196 units provided.

Table III-2: Addressing the Prior Round Rental Obligation

	Rental Units
Countryside Apartments	48
Whitehall Gardens	100
Special Needs Housing	48
TOTAL	196

B. Third Round Obligation

Projection of Prospective Need for Affordable Housing – Third Round

The FHA requires that there be a determination of the municipality's present and prospective affordable housing need in the housing plan element. Until the Third Round, COAH established present and prospective need figures for each municipality utilizing a methodology that was upheld by the courts in various challenges. Because COAH failed to adopt Third Round rules in accordance with the Supreme Court's March 10, 2015 decision, municipalities are left with the burden of determining their present and prospective affordable housing needs on their own.

As can be imagined, it is a tremendous burden for a municipality to expend considerable resources and time to perform the necessary research to calculate its own individual affordable housing need which are based upon the entire state, regions within the state and then allocated to municipalities based upon statistical formulas.

Given the practical difficulties this presents to municipalities, a consortium of municipalities joined together to hire a consulting firm with expertise in affordable housing. This consortium hired Econsult Solutions Inc. (Econsult) to develop statewide, regional and local fair share figures that would satisfy court review based upon the mandate given by the Supreme Court that the fair share methodology be the same or like that

established by COAH in the prior First and Second Round Rules. Franklin Township is a member of that consortium. It is also acknowledged however, that the issue of a municipality's "fair share obligation," as determined by Econsult, is in dispute as these figures have been challenged in the courts with alternative studies provided by FSHC as well as the New Jersey Builder's Association. This has fostered ongoing litigation throughout the vicinages that remains unsettled to this date. Given the controversy surrounding the "numbers" many municipalities have opted to settle their declaratory judgment actions with the FSHC to avoid the expensive costs of protracted litigation. Although Franklin Township disputes and does not agree with the prospective need assigned to it, for purposes of settlement, Franklin Township identifies its prospective need for the Third Round to be 2,076 units

Third Round Plan - Overview

The Township's Third Round Plan consists of the following components:

- 1,231 new "third round" units
- 97 unit surplus from prior round
- 315 unit extension of expiring controls
- 519 bonus credits

Total Third Round: 2,162 unit credits.

Of the 1,231 new "third round" units:

- 814 have been constructed and occupied by low and moderate income households
- Another 249 affordable units have site development approvals in place, the majority of which (i.e., the 100 affordable units remaining in the Summerfields development and next 19 affordable units in Leewood) are currently under construction
- The remaining 168 units (e.g., last phases of the Leewood and the RPM developments) are already zoned for the proposed developments and have agreements in place that address the obligation to provide affordable housing.

The developments in this plan are approvable, developable and suitable as evidenced by the fact that all the developments are:

- already constructed and occupied or under construction;
- permitted by existing zoning;
- have received necessary development approvals;
- all the developments in this plan are located within the Township's Sewer Service Area (SSA), are served by public sewer and public water, with adequate capacity necessary to serve the developments; and/or
- were found approvable, developable and suitable by COAH by virtue of their inclusion in COAH's grant of third round substantive certification.

All of the developments in this plan are permitted by existing zoning. No ordinances are necessary to implement this plan.

All of the developments in this plan are located within either the Metropolitan Planning area (Planning Area 1) or the Suburban Planning Area (Planning Area 2) on the State Plan Policy Map.

Following is a summary of the projects comprising the Township's Third Round Plan and the status of each:

Table III-3: Third Round Projects

	Number of afford. units	Rent	Own	Mod.	Low (incl. very low)	Very low	Senior	Occupied	Approved	Family rental bonus	Total bonus	Total credits
Prior Round Surplus												97
Extension of Expiring Controls												315
Avalon at Somerset	58	58		23	35	35		58		58	58	116
Berry Street Commons	92	92		37	55	10		92		92	92	184
Cedar Manor	28	28		14	14			28		28	28	56
Florez Townhomes	5		5	2	3				5			5
Franklin Commons	65	65		25	40	7		65		65	65	130
Habitat for Humanity "I" and II"	16		16		16			16				16
Habitat for Humanity "III"	7		7		7				7			7
Hidden Brook at Franklin/ Presbyterian Homes	85	85			85		85	85				85
Independence Crossing	63	63			63	5	58	63				63
Leewood	38		38	19	19			19	19			38
Parkside Family	68	68		26	42	30		68		68	68	136
Parkside Senior	70	70		26	44	20	70	70				70
Somerset Park	84	84		42	42			84		84	84	168
Summerfields at Franklin	150	150		75	75	24	50	50	100	100	100	250
Voorhees Station	61	61		15	46	8		61		24	24	85
Springhill Senior	38	38		28	10	10	38					38
Somerset Square (next RPM phase)	83	83		41	42				83			83
Corporate Community	22	22		11	11		22		22			22
Levin Properties*	10		10	5	5				10			10
Future RPM and Leewood Phases	130	110	20	65	65	10						130
Supportive/ Special Needs Housing	58	58			58	14		58				58
TOTAL	1,231	1,135	96	454	777	173	323	822	249	519	519	2,162

*Received development approved subsequent to submittals to FSHC in preparation of the Settlement Agreement

Project Descriptions: Completed/ Occupied Developments

The vast majority of the developments included in this plan have since been constructed and occupied (the vast majority of which were included in the Third Round Fair Share plan that received Third Round Substantive Certification from COAH).

Via its annual unit monitoring process, COAH acknowledged receipt of all required information (e.g., necessary deed restrictions, assignment of administrative agent) for all units in each of these developments.

As indicated in Table III-3, above, 822 of the "Third Round" units have been constructed and are occupied. Another 119 units in the Summerfields and Leewood developments are under construction and will be completed and occupied within the next few months. These consist of the following:

- Avalon at Somerset (FKA "Laduree") - constructed and occupied

Block 424.01, Lot 39.07

This inclusionary, non-age-restricted, rental development was included in the Third Round Fair Share Plan for which the Township's received Third Round Substantive Certification from COAH in 2010.

The development contains 58 affordable rental units including 35 units restricted for occupancy by very low income households.

- Berry Street Commons - constructed and occupied

Block 108, Lot 1-65; B 109, L 1-20

This 100% affordable, non-age-restricted, rental development was included in the Third Round Fair Share Plan for which the Township's received Third Round Substantive Certification from COAH in 2010.

The development contains 92 affordable rental units including 10 units restricted for occupancy by very low income households.

It is located within the Township's Renaissance Redevelopment Area.

- Cedar Manor - constructed and occupied

Block 468.08, Lot 1 and 2.01

This inclusionary, non-age-restricted, rental development was included in the Third Round Fair Share Plan for which the Township's received Third Round Substantive Certification from COAH in 2010.

It contains 28 rental units affordable to low and moderate income households.

- Franklin Commons - constructed and occupied

Block 129, Lot 1-28

This 100% affordable, non-age-restricted, rental development was included in the Third Round Fair Share Plan for which the Township's received Third Round Substantive Certification from COAH in 2010.

It contains 65 affordable rental units including 7 units restricted for occupancy by very low income households.

The development is located within the Township's Renaissance Redevelopment Area.

- Habitat for Humanity "I" and "II" - constructed and occupied

Through its on-going partnership with the Township, Raritan Valley Habitat for Humanity has constructed 16 affordable homes within the Township over 15 year at the following locations:

- 120 South Dover Avenue
- 120 Sydney Place
- 122 Sydney Place
- 305 Girard Avenue
- 21 Alex Place
- 31 Alex Place
- 35 Alex Place
- 130 Girard Avenue
- 131 Girard Avenue
- 134 Girard Avenue
- 135 Girard Avenue
- 2 Clifton Street
- 4 Clifton Street
- 6 Clifton Street
- 37 Irvington Avenue
- 16 Viking Avenue

- Hidden Brook at Franklin/ Presbyterian Homes - constructed and occupied

Block 424.04, Lot 17

This 100% affordable, senior, rental development was included in the Third Round Fair Share Plan for which the Township's received Third Round Substantive Certification from COAH in 2010.

It contains 85 affordable rental units restricted to low income seniors.

- Parkside Senior - constructed and occupied

Block 150, Lot 1.02

This 100% affordable, senior, rental development was included in the Third Round Fair Share Plan for which the Township's received Third Round Substantive Certification from COAH in 2010.

The development contains 70 affordable rental units including 20 units restricted for occupancy by very low income households.

It is located within the Township's Renaissance Redevelopment Area.

- Parkside Family - constructed and occupied

Block 150, Lot 1.01; Block 148, Lot 1.01; Block 146, Lot 1.02; Block 142.01, Lot 12.01; Block 142.02, Lot 12.01; Block 142.03, Lot 12.01

This 100% affordable, non-age-restricted, rental development was included in the Third Round Fair Share Plan for which the Township's received Third Round Substantive Certification from COAH in 2010.

The development contains 68 affordable rental units including 30 units restricted for occupancy by very low income households.

It is located within the Township's Renaissance Redevelopment Area.

- Somerset Park - constructed and occupied

Block 37.02, Lot 5.05

This inclusionary, non-age-restricted, rental development was included in the Third Round Fair Share Plan for which the Township's received Third Round Substantive Certification from COAH in 2010.

It contains 84 rental units affordable to low and moderate income households.

- Summerfields at Franklin - under construction, more than 1/3 of affordable units occupied

Block 516; Lots 6.04, 15, 4.04

This inclusionary, rental development was included in the Third Round Fair Share Plan for which the Township's received Third Round Substantive Certification from COAH in 2010.

The development will contain a total of 150 affordable rental units consisting of 50 age-restricted affordable rental units and 100 non-age-restricted affordable rental units (of which 24 will be restricted for occupancy for very low income households).

- Independence Crossing - constructed and occupied

Block 232, Lot 1.01

This 100% affordable, senior, rental development was not included in the Third Round Fair Share Plan for which the Township's received Third Round Substantive Certification from COAH in 2010. However, the Township received *COAH approval* of an Amended Spending Plan which was submitted pursuant to N.J.A.C. 5:97-8.11, Consideration for mechanisms not in the adopted Fair Share Plan, which permits a municipality to request authorization for expenditure of affordable housing trust funds on an emergent affordable housing mechanisms not included in the municipal Fair Share Plan, in the form of an amendment to the spending plan. Per COAH approval of the Amended Spending Plan, the Township contributed \$300,000 from its Affordable Housing Trust Fund towards this development.

It contains 63 affordable rental units of which 58 affordable units are restricted to seniors and 5 special needs units affordable to very low income households in accordance. These 5 units are not age-restricted.

- Voorhees Station - constructed and occupied

Block 118, Lot 1.01; Block 119, Lot 22.01; Block 120, 1.01

This non age-restricted, rental development was not included in the Third Round Fair Share Plan for which the Township's received Third Round Substantive Certification from COAH in 2010. However, the Township received *COAH approval* of an Amended Spending Plan which was submitted pursuant to N.J.A.C. 5:97-8.11, Consideration for mechanisms not in the adopted Fair Share Plan, which permits a municipality to request authorization for expenditure of affordable housing trust funds on an emergent affordable housing mechanisms not included in the municipal Fair Share Plan, in the form of an amendment to the spending plan. Per COAH approval of the Amended Spending Plan, the Township contributed \$300,000 from its Affordable Housing Trust Fund towards this development.

It contains 61 affordable rental units of which 8 units are restricted for occupancy by very low income households.

It is located within the Township's Renaissance Redevelopment Area.

- Leewood - roughly one-half of the affordable units constructed and occupied

The development is located within the Township's Renaissance Redevelopment Area. Leewood Renaissance at Franklin LLC is the designated redeveloper of the Multi-Family Residential (MFR) zone within the Renaissance Redevelopment Area. The development is being constructed in various phases. Nineteen (19) of the affordable units have been constructed and occupied. Another 19 affordable units are within phases that have preliminary site plan approval by the Township Planning Board.

This non-age-restricted inclusionary home ownership development was included in the Third Round Fair Share Plan for which the Township's received Third Round Substantive Certification from COAH in 2010. The obligation to provide affordable housing is stipulated in the Redevelopment Agreement.

Project Descriptions: Approved Developments

- Florez Townhomes - development approval in place

Block 235, Lots 9 & 10 (453-455 Franklin Boulevard)

This townhouse development has an approved use variance with subsequent site plan approval. The approval was conditioned on the provision of five (5) affordable housing units. The units are not age-restricted and will not be restricted for rental. The resolutions are included in Appendix G.

The development was included in the Third Round Fair Share Plan for which the Township's received Third Round Substantive Certification from COAH.

- Corporate Community - development approval in place

Block 233, Lots 1, 7-14, 31-36 610 Franklin Boulevard)

Under Docket No ZBA-17-00001, the Township Zoning Board of Adjustment granted use variance and site plan development approval which consists of a mixed-use building that includes a total of twenty two (22) affordable senior rental units. Per the resolution, a limited number of units may be available to low- and moderate-income veterans and such units may be non-age-restricted.

The resolution (memorialized 12/21/2017) is included in Appendix G.

This development is cited in both the Settlement Agreement and the Report of the Special Master.

- Somerset Square - development approval in place; Redevelopment Agreement in place

Block 112, Lots 1-8, 9.01, 16.01, 25.01 & 42-49; Block 117, Lots 20-47.(41 Berry Street; 28, 34 and 36 Voorhees Avenue; and 19 School Avenue)

This development is the most-recently approved phase of the redevelopment of the Churchill Millstone portion of the Township's Renaissance Redevelopment Area. RPM Development LCC is the designated redeveloper. RPM constructed the Parkside Family, Parkside Senior, Berry Street Commons, Franklin Commons and Voorhees Station developments included in this plan.

Under Docket No PLN-17-00009, the Township Planning Board granted preliminary and final site plan approval to the development which consists of a total of 151 rental units of which 45% (68 units) will be market rate and 55% (83 units) will be affordable units. The 83 affordable units will be non-age-restricted affordable rental units.

This development is cited in both the Settlement Agreement and the Report of the Special Master.

The resolution of the Township Planning Board granting site plan approval to this development (memorialized 6/21/2017) is included in Appendix G.

- Levin Properties - development approval in place

Block 468.09, Lot 34 (31 Cedar Grove Lane)

Under Docket No. ZBA-15-00017 the Township Zoning Board of Adjustment granted use variance and site plan development approval to the development which consists of construction of fifty (50) townhomes. Per the resolution, ten (10) of the units shall be affordable units. Such units are not age-restricted and not restricted to rental.

This development is not cited in the Settlement Agreement and the Report of the Special Master as it is newly-approved.

The resolution of the Township Zoning Board of Adjustment granting use variance to this development (memorialized 09/07/2017) is included in Appendix G.

- Habitat for Humanity "III" - 6 additional Habitat for Humanity units; subject to a developer agreement

Continuing its partnership with the Raritan Valley Habitat for Humanity (RVHFH), the Township recently entered into an agreement (Appendix B) with RVHFH to convey a total of five Township-owned properties to RVHFH. It is anticipated that a total of six (6) affordable homes will be built on these properties:

- 140 Churchill Avenue: Block 95, Lots 33-34: 1 home
- 234 Ralph Street: Block 207, Lots 1-8: 2 homes
- 589 Howard Avenue: Block 534, Lots 6-9:1 home

- 178 Churchill Avenue: Block 95, Lots 15-16: 1 home
- Delmonico Avenue: Block 93, Lots 40-41:1 home

Project Descriptions: Developments with Zoning and Agreements in Place

- Springhill Senior

The Springhill Senior development (Block 347, Lot 7) is included in the Township’s plan for 127 total units in an independent senior living facility, which includes 38 affordable age-restricted rental units (of which 10 will be very-low income units).

This age-restricted inclusionary rental development was included in the Third Round Fair Share Plan for which the Township’s received Third Round Substantive Certification from COAH in 2010. The obligation to provide affordable housing is stipulated in the Developers Agreement included with that plan. The Township subsequently rezoned the property consistent with its Third Round Substantive Certification including but not limited to the affordable housing requirements summarized above (Section 112-33.1 of the Township’s Land Development Ordinance). This zoning remains in place.

- Future RPM and Leewood Phases

As addressed above, these developments are located within the Township’s Renaissance Redevelopment Area. Leewood Renaissance at Franklin LLC is the designated redeveloper of the Multi-Family Residential (MFR) zone within the Renaissance Redevelopment Area while RPM Development LCC is the designated redeveloper of the Churchill Millstone portion. The respective Redevelopment Agreements address the provision of affordable housing. As the exact unit counts for future phases is not known at this time, this HESFP *conservatively* estimates at least 130 total affordable units being created as part of future phases of the RPM and Leewood development⁴.

Extension of Expiring Controls

The Township will extend the affordable controls on the affordable units in the developments listed in the table below. The resolution of the Township Council extending the affordability controls on these developments is included in Appendix H. All of these units are non-age restricted home ownership affordable units and all were included in COAH’s grant of prior round Substantive Certification. The control period for this extension will be at least 30 years.

The extension of affordable controls provided for in this plan are consistent with the Township’s Settlement Agreement with FSHC and the goal of preserving affordable units within the Township. To the extent necessary, the Settlement Agreement, the Township resolution provided in Appendix H and the adoption of this HEFSP shall constitute an amendment to the respective Affordable Housing Plans for the developments outlined in Table III-4 below and any other affordable plan covering the units within these developments.

⁴ To illustrate the conservative nature of this minimum estimate, reference is made to Somerset Square (RPM’s latest phase) which is an inclusionary development containing 83 affordable units.

Table III-4: Extension of Expiring Controls

	Affordable Units	Owner	Moderate	Low	occupied
Beacon Hill (SH V)	73	73	46	27	73
Quailbrook East	27	27	17	10	27
Society Hill III	64	64	58	6	64
Society Hill VI	72	72	54	18	72
Wynnfield (SH VIII)	79	79	48	31	79
TOTAL	315	315	223	92	315

Supportive/ Special Needs Housing

The following supportive/ special needs housing facilities were included in the Township's third round plan that received Third Round Substantive Certification from COAH in 2010. These facilities continue to operate and are included in this plan:

- Alternatives, Inc. I (Block 542, Lot 22): 11 units/bedrooms
- Somerset ARC (Block 15, Lot 3.02): 3 units/bedrooms
- Center for Family Support (Block 422, Lot 7): 5 units/bedrooms
- Developmental Disabilities Assn. (Block 100, Lot 1.01): 3 units/bedrooms
- Enable, Inc I (Block 342, Lot 35): 4 units/bedrooms
- Matheny Group Home I (Block 424.02, Lot 31): 6 units/bedrooms
- Matheny Group Home II (Block 448, Lot 1.13): 5 units/bedrooms
- NJ Assoc. of Deaf/ Blind Inc. (Block 409, Lot 18): 4 units/bedrooms
- Allies, Inc. (Block 375, Lot 9): 5 bedrooms
- Allisa Care/ Caring Inc. (Block 323, Lot 10): 5 units/bedrooms
- Community Options (Block 335, Lot 22): 3 units/bedrooms
- Cedar Grove Development Inc. (Block 424.02, Lot 15): 3 units/bedrooms
- Devereux New Jersey (Block 401, Lot 17): 4 units/bedrooms
- Enable, Inc II (Block 388, Lot 15): 4 units/bedrooms
- Phoenix Corp. (Block 429, Lot 15): 3 units/bedrooms

With respect to the Center for Great Expectations (Block 424.01, Lot 39.06), the Hon. Thomas C. Miller, P.J.Cv. issued an Order dated 7/1/16, upon recommendation from the court-appointed Special Master, allowing the expenditure of \$300,000 from the Township's affordable housing trust fund for permanent transition housing and indicating that the Township shall receive credits for eight (8) very low income housing credits.

The following additional supportive/ special needs housing facilities are counted towards the Township's obligation. The first three facilities were not discovered as part of the preparation of the Township's previous Fair Share Plan. However, they remain in operation and are included in this plan. The latter five facilities have been created subsequent to submittal of the Township's Fair Share Plan. The last two facilities resulted from the Township's participation in the State's Special Need Partnership program.

- Developmental Disabilities Assn. (Block 337, Lot 21): 5 units/bedrooms (1982)
- Somerset ARC (Block 84.03 Lot 20) : 5 units/bedrooms (1984)
- Somerset ARC (Block 34.01, Lot 17): 4 units/bedrooms (1986)
- ADTI Housing Corp. (Block 419, Lot 10): 4 units/bedrooms (2011)
- Community Options Enterprises Inc (Block 342, Lot 10): 3 units/bedrooms (2013)
- CIBC Foundation Inc. c/o Hall Gwendd (Block 362, Lot 59): 3 units/bedrooms (2014)
- Reformed Church of Highland Park Aff Hsg Corp (Block 357, Lot 8): 3 units/bedrooms (2014)
- Alternatives (Block 342, Lot 4): 3 units/bedrooms (2016)

The table below provides a detailed breakdown of these facilities.

Table III-5: Supportive/ Special Needs Housing

Name	Block/ Lot	Address	Prior Round	Third Round	Very low
ADTI Housing Corp.	419/10	106 Charles St		4	
Allies, Inc.	375/ 9	121 Drake Rd		5	
Allisa Care/ Caring Inc.	323/ 10	18 Bloomfield Av		5	
Alternatives*	342/ 4	37 Johnson Rd		3	3
Alternatives, Inc. I	542/ 22	558-560 Madison Av	11		
Cedar Grove Development Inc.	424.02/ 15	30 Cedar Grove Ln		3	
Center for Family Support	422/ 7	71 Wilson Rd	5		
Center for Great Expectations	424.01/39.06	19B Dellwood Lane		8	8
CIBC Foundation Inc. c/o Hall Gwendd	362/ 59	60 MacAfree Rd		3	
Community Options Enterprises Inc	342/ 10	5 Orchid Ct		3	
Community Options	335/ 22	6 Fulton Rd	3		
Developmental Disabilities Assn.	337/ 21	7 Evans Ct	5		
Developmental Disabilities Assn.	100/ 1.01	130 Codington Av	3		
Devereux New Jersey	401/ 17	12 Hughes Rd		4	
Enable, Inc I	342/ 35	22 Lebed Dr		4	

Name	Block/ Lot	Address	Prior Round	Third Round	Very low
Enable, Inc II	388/ 15	1260 Easton Av		4	
Matheny Group Home I	424.02/ 31	26 Lakeside Dr		6	
Matheny Group Home II	448/ 1.13	2 Walnut Ave	5		
NJ Assoc. of Deaf/ Blind Inc.	409/ 18	251 Berger St	4		
Phoenix Corp.	429/ 15	75 Fourteenth St		3	
Reformed Church of Highland Park Aff Hsg Corp*	357/ 8	1 Flower Rd		3	3
Somerset ARC	34.01/ 17	75 Claremont Rd	4		
Somerset ARC	84.03/ 20	37 Buffa Dr	5		
Somerset ARC	15/ 3.02	7 Honeyman St	3		
TOTAL			48	58	14

* Resulted from the Township's participation in the State's Special Need Partnership program

Additional Affordable Housing Opportunities

Section 112-74 of the Township Land Development Ordinance requires a 15% affordable set-aside for apartment and townhouse developments (with a density bonus if the provided affordable set-aside is 20%), which uses are permitted within the Township's Cluster Residential (C-R) zone. Thus, any future apartment and townhouse developments within the C-R zone are likely to result in the production of additional affordable housing. As stipulated in the Settlement Agreement, the affordable set-asides in Section 112-74 of the Township Land Development Ordinance will remain in place.

Low Income Requirement

At least 50 percent (50%) of the units addressing the Third Round Prospective Need shall be affordable to very-low-income and low-income households. Table III-3, above, demonstrates compliance. A total of 785 (63%) of the affordable units are affordable to very-low-income and low-income households, with the remainder affordable to moderate-income households.

Very Low Income Requirements

At least thirteen percent (13%) of the units referenced in this plan, with the exception of units constructed as of July 1, 2008, shall be very-low income units (i.e., affordable to households with a total gross annual household income equal to 30 percent or less of the median household income in the housing region). Further, 50% of such units shall be non-age-restricted.

Franklin's very low income requirement is 138⁵ units. The table below demonstrates Franklin's compliance with the 13% very low income requirement with 173 very low income units provided. The table also demonstrates compliance with the requirement that 50% of the very low income units be non-age-restricted with 137 non-age-restricted very low income units provided (where 69 are required).

Table III-6: Addressing the Very Low Income Housing Requirement

	Very Low Income Units
Avalon at Somerset*	35
Berry Street Commons*	10
Franklin Commons*	7
Independence Crossing	5
Parkside Senior	20
Parkside Family*	30
Summerfields at Franklin*	24
Voorhees Station*	8
Springhill Senior	10
Future RPM and Leewood Phases*	10
Supportive/ Special Needs Housing*	14
TOTAL	173

* Non-age-restricted

The majority of these units (128) have these units are constructed and occupied, with the majority of the remainder to be provided in the next phase of the approved Summerfields at Franklin development (24 very low income units) which is currently under construction.

The 6 units provided collectively by the Alternatives facility at 37 Johnson Road and the Reformed Church of Highland Park Affordable Housing Corporation facility at 1 Flower Drive are counted towards the Township's very low income requirements as such units resulted from the Township's participation in the State's Special Need Partnership program. The 8 units in the Center of Great Expectations are counted as well as discussed above.

The Township reserves the right to count additional special need housing homes towards the Township's very low income obligation if it is determined that such units are reserved for very low income individuals. It is further noted that The Lena and David T. Wilentz Senior Residence (fka, "Central Jersey Home for the Aged"), the 100-unit "prior cycle" development described above, is restricted to very low income households as well and is so restricted in perpetuity.

⁵ 13% of: the number of total affordable units cited (1,231) in Table III-3 minus Hidden Brook and Somerset Park (which were constructed as of July 1, 2008).

Application of Bonuses and Bonus Cap

Third Round bonuses have been applied consistent with N.J.A.C. 5:93-5.15(d) and the Settlement Agreement. Table III-3, above, demonstrates the units to which the family rental bonus has been applied up to the 25% bonus cap of 519.⁶

Rental Housing and Family Rental Requirements

At least twenty-five percent (25%) of the Third Round Prospective Need shall be met through rental units, with at least one-half (50%) of such units being non-age-restricted. Table III-3, above, and the Table III-7, below, demonstrate compliance.

A total of 1,135 units (55% of the Third Round Prospective Need; 73% of the units⁷) are rental units. A total of 807 of the rental units (71% of all rental units) are non-age-restricted.

Table III-7: Addressing the Rental Housing Requirement

	Type	Rental Units
Avalon at Somerset	Family Rental	58
Berry Street Commons	Family Rental	92
Cedar Manor	Family Rental	28
Franklin Commons	Family Rental	65
Hidden Brook at Franklin/ Presbyterian Homes	Age-restricted Rental	85
Independence Crossing	Age-restricted Rental	58
Independence Crossing	Supportive/ Special Needs Housing	5
Parkside Senior	Age-restricted Rental	70
Parkside Family	Family Rental	68
Somerset Park	Family Rental	84
Summerfields at Franklin	Family Rental	100
Summerfields at Franklin	Age-restricted Rental	50
Voorhees Station	Family Rental	61
Special Needs Housing	Supportive/ Special Needs Housing	58
Springhill Senior	Age-restricted Rental	38
Somerset Square	Family Rental	83
Corporate Community	Age-restricted Rental	22
Future RPM Phases	Family Rental	110
	TOTAL	1,135

Family Housing Requirement

At least one-half (50%) of the units addressing the Third Round Prospective Need must be provided in the form of family housing (i.e., not restricted to seniors only). Table III-3, above, and the Table III-8, below, demonstrate compliance.

⁶ 25% of the obligation.

⁷ 1135/(1231 new units+315 units being extended)

A total of 773 units are required, while 1,160 family units are provided.

Table III-8: Addressing the Family Housing Requirement

	Family Units
Avalon at Somerset	58
Berry Street Commons	92
Cedar Manor	28
Florez Townhomes	5
Franklin Commons	65
Habitat for Humanity "I" and "II"	16
Habitat for Humanity "III"	7
Leewood	38
Parkside Family	68
Somerset Park	84
Summerfields at Franklin	100
Voorhees Station	61
Somerset Square	83
Levin Properties	10
Future RPM and Leewood Phases	130
Extension of Expiring Controls	315
TOTAL	1,160

Age-Restricted Limitation

The number of age-restricted (i.e., senior) units that may be counted towards a municipality's third round obligation is capped at 25% of the obligation. Thus, the maximum number of senior units that the Township could count towards its third round obligation is 519 units. This plan demonstrates compliance as a total of 323 senior units are provided.

Table III-9: Age-Restricted Affordable Units

	Senior Units
Hidden Brook at Franklin/ Presbyterian Homes	85
Independence Crossing	58
Parkside Senior	70
Summerfields at Franklin	50
Springhill Senior	38
Corporate Community	22
TOTAL	323

Implementing Ordinances and Resolutions

The Report of the Special Master indicates that the Fair Share Plan should include any proposed ordinances and resolutions needed to implement the Plan.

The resolution of the Planning Board adopting the HEFSP is included in Appendix A. The resolution of the Township Council endorsing same is also provided in Appendix A.

A draft Affirmative Marketing Plan and a draft Affordable Housing Ordinance, which comply with the Settlement Agreement and Report of the Special Master, as well as applicable UHAC and COAH Rules, are provided in Appendices L and M, respectively.

A new Spending Plan is included in the Plan in Appendix O. It will be presented to the Township for endorsement and submitted to the Special Master for comment prior to submittal to the Court for approval.

A draft Development Fee Ordinance is provided in Appendix P.

No ordinance or resolution is required at this time to implement the following: the Township's on-going housing rehabilitation program; appointment of Municipal Housing Liaison (Mark Healey, AICP/PP was appointed by the Township Council many years ago which resolution was properly submitted with COAH and remains in effect); appointment of an Administrative Agent (Central Jersey Housing Resource Center ⁸has been appointed the Township's Administrative Agent while other firms provide administrative agent services for particular developments at the developers expense.⁹

C. Rehabilitation "Present Need" Share

Franklin Township has a rehabilitation or "present need" obligation of 104 units. "Present need" is a component of a municipality's fair share housing obligations, which may be addressed under COAH Second Round rules by either a local housing rehabilitation program or by creating new units of affordable housing.

The Township has an on-going municipally-sponsored rehabilitation program that has been in existence for over a decade. This program has been utilized in both prior rounds to address its rehabilitation obligation. The program has been previously approved by COAH. The program requires a ten (10) year deed restriction as per COAH's substantive rules. The Township has funded the program using Community Development Block Grant (CDBG) Program funds and previously through Neighborhood Preservation Program funds.

Table III-10: Rehabilitation Share

Obligation	Completed	Remaining	Per Year
104	65	39	4

⁸ CJHRC serves as administrative agent for the following developments: Beacon Hill (SH V); Quailbrook East; Society Hill III; Society Hill VI; Wynnfield (SH VIII); Somerset Park; and Countryside. CJHRC also provides counseling to prospective applicants and administers the Township's downpayment assistance and foreclosure prevention programs.

⁹ *Community Grants Planning & Housing (CGP&H)* – Avalon at Somerset; *Housing Affordability Service (HAS)* – Leewood; *Piazza & Associates, Inc.*- Summerfields, Cedar Manor, Whitehall Gardens, Franklin Boulevard Commons, Berry Street Commons, Voorhees Station, Parkside Family, and Parkside Senior.

The Township has rehabilitated 65 units thus far, leaving a remaining obligation of 39 units, or roughly 4 units per year for the next 10 years.

The Township will continue to operate its on-going housing rehabilitation program which will be funded through CDBG Program funds and the Township's Affordable Housing Trust Fund.

IV. SUMMARY AND CONCLUSION

This plan demonstrates the manner in which Franklin Township continues to meet (and exceed) its obligation to provide affordable housing. Further, this plan contains

The Township has received Substantive Certification from COAH under all three rounds of COAH rules. More significantly, however, the affordable units proposed in the approved Township's Fair Share Plans have been built and are occupied by low and moderate income households.

As demonstrated above, the Township exceeded its 766 unit prior round obligation by 97 with 723 affordable units constructed and 863 total credits. The Township also exceeds its prospective need for the Third Round of 2,076 units with 2,162 total credits

The Township's Third Round Plan consists of the following components:

- 1,231 new "third round" units
- 97 unit surplus from prior round
- 315 unit extension of expiring credits
- 519 bonus credits

Of the 1,231 new Third Round units:

- 814 have been constructed and occupied by low and moderate income households
- Another 249 affordable units have site development approvals in place, the majority of which (i.e., the 100 affordable units remaining in the Summerfields development and next 19 affordable units in Leewood) are currently under construction
- The remaining 168 units (e.g., last phases of the Leewood and the RPM developments) are already zoned for the proposed developments and have redevelopment agreements in place that address the obligation to provide affordable housing.

Lastly, in addition to meeting the overall obligation, this plan also demonstrates the Township's compliance with following requirements: the rehabilitation "present need" share; the 13% very low income housing requirement; the 50% low income housing requirement; the 25% rental housing requirement (with at least 50% available to families); the 50% family housing requirement; and the 25% age-restricted housing cap.