

AMENDED HOUSING ELEMENT AND FAIR SHARE PLAN

Township of Harding
Morris County, New Jersey

December 2018
Adopted by the Planning Board December 17, 2018

Prepared By:



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Community Planning Consultants
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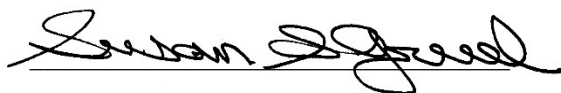
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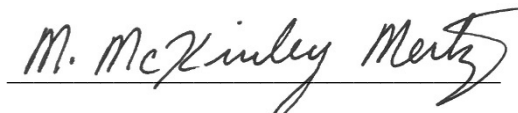
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PART 1: HOUSING ELEMENT

INTRODUCTION

The need to provide a realistic opportunity for the construction of affordable housing in New Jersey, the country's densest state, has been recognized for decades. In the case of Southern Burlington County NAACP v. the Township of Mount Laurel, (commonly known as Mount Laurel I), the New Jersey Supreme Court established the doctrine that municipalities in New Jersey have a constitutional obligation to zone for a variety and choice of housing types that would be affordable to low- and moderate-income households. In its Mount Laurel II decision, decided on January 20, 1983 (Mount Laurel II), the Supreme Court expanded the Mount Laurel doctrine by determining that each New Jersey municipality was required to create a realistic opportunity for the construction of housing affordable to low- and moderate-income households sufficient to meet its "fair share" of the need for housing. Developing municipalities were required to address a fair share of the regional need for affordable housing.

In response to the threat of "builder's remedy" lawsuits endorsed by the Mount Laurel II decision, the New Jersey Legislature adopted the Fair Housing Act in 1985 (Chapter 222, Laws Of New Jersey, 1985). The New Jersey Fair Housing Act (FHA) established the Council on Affordable Housing (COAH) as an administrative alternative to builder's remedy lawsuits and the concomitant jurisdiction of the courts. COAH was given the responsibility of dividing the state into housing regions, determining regional and municipal fair share affordable housing obligations, and adopting regulations that would establish the guidelines and approaches that municipalities may use in addressing their affordable housing need.

In 2008, the Legislature amended the Fair Housing Act to add requirements for very-low-income housing. Very-low-income households are those in which the gross household income is 30% or less than the region's median household income. Low-income households are those with incomes no greater than 50 percent of the region's median household income. Moderate-income households are those with incomes no greater than 80 percent and no less than 50 percent of the region's median household income. Each is adjusted for household size and is in relation to the median gross income of the housing region in which the municipality is located.

This Housing Element and Fair Share Plan for Harding Township has been prepared in accordance with applicable law. Moreover, the Township filed a declaratory judgment action pursuant to In re Adoption of N.J.A.C. 5:96 & 5:97 by the N.J. Council on Affordable Housing, 221 N.J. 1 (2015) ("Mount Laurel IV"). In this decision (decided March 10, 2015), the Supreme Court held that since COAH was moribund, trial courts were to resume their role as the forum of first

instance for evaluating municipal compliance with Mount Laurel obligations, and also established a transitional process for municipalities to seek temporary immunity and ultimately a Judgment of Compliance and Repose ("JOR") or the "judicial equivalent" of Substantive Certification from COAH.

HARDING'S HISTORY OF AFFORDABLE HOUSING

The Township of Harding has a long history of participation and compliance with COAH. The Township petitioned COAH for Second Round Certification on December 13, 1995 and received substantive certification on November 6, 1996, with an extended certification date of February 9, 2005. The Township's Second Round Certification expired on December 20, 2005. The Township subsequently participated in the Third Round Certification process. Harding prepared a Housing Element and Fair Share Plan in 2008, which was adopted on November 17, 2008. The Township then filed its petition for Third Round Substantive Certification on December 20, 2008 and was one of only a few municipalities to receive Third Round Certification under the amended Third Round Rules, which occurred on May 14, 2009.

In response to Mount Laurel IV, the Township filed a declaratory judgement action ("Action") on July 7, 2015. In an Order dated September 1, 2015, the Township was granted temporary immunity from builder's remedy actions and continues to have immunity as of the adoption of this Plan.

On February 26, 2016, Mt. Kemble Associates (Mt. Kemble) was granted leave to intervene in the Township's Action. Fair Share Housing Center (FSHC) is also a participating party in the Action in accordance with Mount Laurel IV. A settlement agreement with Mr. Kemble was executed on February 9, 2018, ("Mt. Kemble Agreement") and a settlement agreement with FSHC, incorporating the Mt. Kemble Agreement was executed by the Township on September 21, 2018 and by FSHC on September 27, 2018 ("Settlement Agreement").

A Fairness Hearing was held November 2, 2018 in which the Court approved the Settlement Agreement between the Township and FSHC and deemed the agreement fair and reasonable and that it adequately protects the interest of low- and moderate-income households. An Order was issued by the Honorable Maryann L. Nergaard, J.S.C. on November 14, 2018 (see Appendix F). The Court found that the Township is entitled to a durational adjustment in accordance with N.J.A.C. 5:93-4.3, due to the lack of sufficient infrastructure to accommodate the entirety of its Third Round obligation. The Court also found that the requested waiver of N.J.A.C. 5:93-4.3(c)4, which requires the Township to permit affordable housing development on any site not included in this Fair Share Plan, is appropriate for the Township.

A Compliance Hearing has been scheduled of March 1, 2019. Prior to that hearing, the Township must satisfy the conditions set forth by the Court Master's October 28, 2018 report. One such condition is the preparation and adoption of a Housing Element and Fair Share Plan. The following Housing Element and Fair Share Plan effectuates the Settlement Agreements between the Township and FSHC and the Township and Mt. Kemble Associates that were approved by the Court.

PLANNING FOR AFFORDABLE HOUSING

Pursuant to both the Fair Housing Act N.J.S.A. 52:27D-310 ("FHA") and the Municipal Land Use Law ("MLUL") N.J.S.A. 40:55D-28, municipalities in New Jersey are required to include a housing element in their master plans. The principal purpose of the housing element is to describe the specific, intended methods that a municipality plans to use in order to meet its low- and moderate-income housing obligation. Further, the housing element is meant to demonstrate the existing zoning or planned zoning changes that will allow for the provision of adequate capacity to accommodate household and employment growth projections, and to achieve the goal of access to affordable housing for present and future populations. The statutorily required contents of the housing element are:

- a. 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;
- b. A projection of the municipality's housing stock, including the probable future construction of low and moderate income housing, for ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands;
- c. An analysis of the municipality's demographic characteristics, including but not necessarily limited to, household size, income level and age;
- d. An analysis of the existing and probable future employment characteristics of the municipality;
- e. 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

- f. 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.

MUNICIPAL SUMMARY

The Township of Harding is a 20.4 square mile rural community located in northern New Jersey in the County of Morris. The Township is surrounded by Mendham Township to the west, Morris Township to the north, Chatham Township to the east, Long Hill Township to the South, and Bernards Township and Bernardsville Borough in Somerset County to the southwest.

According to the 2010 Census, Harding's population was 3,758, which represents an increase of about 18 percent from 2000. The US Census Bureau 2012-2016 American Community Survey (ACS) estimates a total population in 2016 of 3,881. The median age in 2010 was 49 years, and the average household size decreased slightly from the 2000 level of 2.69 persons to 2.60 persons in 2010.

The housing stock of the Township is predominantly single-family detached dwelling units. A majority (22%) of the housing structures were built in 1939 or earlier. This was followed by nearly 19 percent of structures being built in the 1980s. According to the guidelines established by COAH, the Township is located in Housing Region 2, a region that consists of Essex, Morris, Union, and Warren counties. Based on the 2018 Regional Income Limits¹, the median income in Region 2 for a four-person household is \$95,364, the moderate-income is \$76,291, the low-income is \$47,682, and the very-low-income is \$28,609.

¹ Prepared by the Affordable Housing Professions of New Jersey

FAIR SHARE OBLIGATION SUMMARY

The settlement between the Township of Harding and the FSHC assigns a Present Need obligation of 0 units, a Prior Round obligation of 83 units, and a Prospective Need obligation of 176 units.

The Township has fully addressed its entire obligation through the following mechanisms:

- Existing Credits
 - The Farm (100% affordable) (24 units)
- Rezoning of the Mt. Kemble site for inclusionary zoning (16 units)
- Universal Institute group home (5 units)
- Proposed Cerebral Palsy of New Jersey (CPNJ) group home (4 units)
- Proposed two (2) new units at The Farm
- Durational Adjustment due to lack of infrastructure
 - Proposed Overlay along the southern section of the Route 202 corridor (Mt. Kemble Avenue) with a Mandatory Affordable Set-Aside (73 units)
- Proposed CCRC Development (40 age-restricted units)
- Amendment to the Township's Accessory Apartments Ordinance (10 units)
- RCA Credit from the Prior Round (43 units)
- Rental Bonus Credits (42 credits between the Prior and Third Round)

DEMOGRAPHIC CHARACTERISTICS

Population

The population trends experienced in Harding, Morris County, and the State of New Jersey from 1930 through 2010 are shown below as well as the 2016 population estimate from the U.S. Census Bureau American Community Survey. There were 3,758 residents in Harding in 2010, which was a relatively large increase of 578 people, or 18.2 percent, from 2000. The 2016 population estimate also shows a slight increase to 3,881 persons. Harding has primarily experienced steady growth over the past 80 years with small decreases in population during the 1980s and 2000s. The largest and most significant increase in population occurred during the 1960s when population within the Township increased by 36.2 percent from 1950 to 1960. Morris County and the State have also experience continued growth since 1930. Similar to Harding, both the County and State experienced their largest growth in the 1950s.

Population Trends									
Year	Harding Township			Morris County			New Jersey		
	Population	Change		Population	Change		Population	Change	
		Number	Percent		Number	Percent		Number	Percent
1930	1,206	-	-	110,445	-	-	4,041,334	-	-
1940	1,565	359	29.8%	125,732	15,287	13.8%	4,160,165	118,831	2.9%
1950	1,970	405	25.9%	164,371	38,639	30.7%	4,835,329	675,164	16.2%
1960	2,683	713	36.2%	261,620	97,249	59.2%	6,066,782	1,231,453	25.5%
1970	3,249	566	21.1%	383,454	121,834	46.6%	7,171,112	1,104,330	18.2%
1980	3,236	-13	-0.4%	407,630	24,176	6.3%	7,365,011	193,899	2.7%
1990	3,640	404	12.5%	421,353	13,723	3.4%	7,730,188	365,177	5.0%
2000	3,180	-460	-12.6%	470,212	48,859	11.6%	8,414,350	684,162	8.9%
2010	3,758	578	18.2%	498,811	28,599	6.1%	8,791,894	377,544	4.5%
2016 Estimates	3,881	123	3.3%	498,215	-596	-0.1%	8,978,416	186,522	2.1%

Source: U.S. Census Bureau, 2012-2016 ACS 5-Year Estimates

Population Composition by Age

The median age of the residents in Harding in 2010 was 49 years. Analysis of age group characteristics provides insight into the actual changes in population. This comparison is helpful in determining impacts these changes have on housing needs, community facilities and services for the municipality. As detailed in the table below, the entire composition of Harding experienced notable shifts since 2000. The most significant increase was in the 15 to 24 age cohort, which saw an increase of 68.5 percent. The 65 and over age cohort also increased significantly by approximately 54.5 percent. A significant decrease was seen in the under 25 to 34 age cohort (-31.5%).

Population by Age 2000 and 2010, Township of Harding						
Population	2000		2010		Change, 2000 to 2010	
	Number	Percentage	Number	Percentage	Number	Percentage
Total population	3,180	100.0%	3,838	100.0%	658	20.7%
Under 5 years	199	6.3%	139	3.6%	-60	-30.2%
5 to 14	483	15.2%	569	14.8%	86	17.8%
15 to 24	235	7.4%	396	10.3%	161	68.5%
25 to 34	216	6.8%	148	3.9%	-68	-31.5%
35 to 44	481	15.1%	408	10.6%	-73	-15.2%
45 to 54	550	17.3%	719	18.7%	169	30.7%
55 to 64	495	15.6%	654	17.0%	159	32.1%
65 and over	521	16.4%	805	21.0%	284	54.5%

Source: US Census Bureau

Morris County experienced population fluctuation as well. The most significant increase was in the 55 to 64 age cohort, which grew by 32.6 percent. Significant increases were also seen in the 65 and over cohort (25%) and 15 to 24 age cohort (20.1%). Similar to Harding, a decrease was experienced in the 25 to 34 age cohort (-18.7%).

Population by Age 2000 and 2010, Morris County						
Population	2000		2010		Change, 2000 to 2010	
	Number	Percentage	Number	Percentage	Number	Percentage
Total population	470,212	100.0%	492,276	100.0%	22,064	4.7%
Under 5 years	32,906	7.0%	27,342	5.6%	-5,564	-16.9%
5 to 14	66,659	14.2%	68,510	13.9%	1,851	2.8%
15 to 24	47,169	10.0%	56,672	11.5%	9,503	20.1%
25 to 34	63,689	13.5%	51,794	10.5%	-11,895	-18.7%
35 to 44	86,465	18.4%	72,187	14.7%	-14,278	-16.5%
45 to 54	71,867	15.3%	85,379	17.3%	13,512	18.8%
55 to 64	46,927	10.0%	62,237	12.6%	15,310	32.6%
65 and over	54,530	11.6%	68,155	13.8%	13,625	25.0%

Source: US Census Bureau

Households

A household is defined as one or more persons, either related or not, living together in a housing unit. In 2010 there were a total of 1,474 households in Harding. Roughly 59 percent of the households were occupied by two persons or less. The average household size of the Township in 2010 was 2.6, slightly less than that of the County's average of 2.68. Both the Township's and the County's largest percentage of households was a two-person household, 38.5% and 30.6% respectively. The Township's second most common household size was one-person households

(20.6%), followed by four-person households (15.7%), and the County's was one-person households (23.5%).

Household Size- Occupied Housing Units, 2010 Township of Harding and Morris County				
	Township		County	
	Number	Percent	Number	Percent
Total Households	1,474	100.0%	180,534	100.0%
1-person household	304	20.6%	42,424	23.5%
2-person household	567	38.5%	55,285	30.6%
3-person household	217	14.7%	31,085	17.2%
4-person household	232	15.7%	31,741	17.6%
5-person household	111	7.5%	13,606	7.5%
6-person household	35	2.4%	4,216	2.3%
7-or-more-person household	8	0.5%	2,177	1.2%
Average Household Size	2.6		2.68	

Source: US Census Bureau 2010

Family households are defined as two or more persons living in the same household, related by blood, marriage or adoption. They do not include same-sex married couples. Most households in the Township in 2010 were family households, comprising 76.4 percent of all households. The average family size was 2.93 persons. The majority of family households (89.9%) were married-couple families, of which over half (60.1%) had no children under the age of 18. Roughly 20 percent of the households were one-person households, with male householders representing 43.4 percent and female householders representing 56.6 percent.

In providing more detail of American households, the 2010 Census includes the sub-groups of non-traditional households: Other family and Non-family households. "Other" family households made up 7.7 percent of all households, of which 73.7 percent were female households with no husband present. "Non-family" households are defined as households that consist of a householder living alone or sharing the home exclusively with people whom he/she is not related. Non-family households comprised approximately 3.0 percent of all households in the Township.

Household Size and Type, 2010 Township of Harding		
	Total	Percent
Total Households	1,474	100.0%
1 person household	304	20.6%
Male householder	132	43.4%
Female householder	172	56.6%
2 or more person household	1,170	79.4%
Family households	1,126	76.4%
Married Couple Family	1,012	89.9%
With own children under 18 years	404	39.9%
No children under 18 years	608	60.1%
Other Family	114	7.7%
Male householder, no wife present	30	26.3%
With own children under 18 years	12	40.0%
No own children under 18 year	18	60.0%
Female householder, no husband present	84	73.7%
With own children under 18 years	44	52.4%
No own children under 18 year	40	47.6%
Nonfamily Households	44	3.0%
Male householder	25	56.8%
Female householder	19	43.2%
Average Family Size	2.93*	

Source: US Census Bureau 2010, *2012-2016 ACS Table

Income

As measured in 2016, Harding had a significantly higher median household income compared to Morris County and the State of New Jersey. In 2016, the median income in Harding was \$172,250, roughly \$62,452 more than that of the County and \$98,548 more than the State's median income.

Per Capita and Household Income		
	2016 Per Capita Income	2016 Median Household Income
Harding	\$110,750	\$172,250
Morris County	\$51,182	\$102,798
New Jersey	\$37,538	\$73,702

Source: 2012-2016 American Community Survey 5-year Estimates

In 2016, over 82 percent of all households in the Township earned \$50,000 or more with the largest percentage (43.7%) earning \$200,000 or more. This percentage was followed by those households that earned \$100,000 to \$149,999 (14.6%) and finally those who earned \$75,000 to

\$99,999 (10.6%). About 9 percent of households earned less than \$35,000. In Morris County, the most common income bracket was the \$100,000 to \$149,000 range with roughly 20 percent of households earning that much. Roughly 14.4 percent of households in the County earned less than \$35,000.

Household Income Township of Harding and Morris County, 2016				
	Harding		Morris County	
	Number	Percentage	Number	Percentage
Total Households	1,565	100.0%	179,734	100.0%
Less than \$10,000	10	0.6%	4,751	2.6%
\$10,000 to \$14,999	12	0.8%	3,807	2.1%
\$15,000 to \$24,999	33	2.1%	8,674	4.8%
\$25,000 to \$34,999	86	5.5%	8,655	4.8%
\$35,000 to \$49,999	132	8.4%	13,478	7.5%
\$50,000 to \$74,999	97	6.2%	24,386	13.6%
\$75,000 to \$99,999	166	10.6%	23,084	12.8%
\$100,000 to \$149,999	229	14.6%	36,025	20.0%
\$150,000 to \$199,999	116	7.4%	22,171	12.3%
\$200,000 or more	684	43.7%	34,703	19.3%
Median Household Income	\$172,250		\$102,798	
Source: 2012-2016 American Community Survey 5-year Estimates				

Poverty Status

Of the 3,881 persons of Harding's population for which poverty status is determined, 131 individuals, or 3.4 percent, lived in poverty in 2016. Of those in poverty, a majority (81.7%) were in the age range of 18 to 64 years old. About 18 percent were children (under the age of 18) and roughly 1 percent were seniors (over 65). The County had a slightly higher poverty rate of 4.6 percent.

Poverty Status Harding Township and Morris County, 2016				
	Harding		Morris County	
	Number	Percentage	Number	Percentage
Total persons	3,881	-	490,713	-
Total persons below poverty level	131	3.4%	22,483	4.6%
Under 18	23	17.6%	5,258	23.4%
18 to 64	107	81.7%	13,265	59.0%
65 and over	1	0.8%	3,960	17.6%

Source: 2012-2016 American Community Survey 5-Year Estimate

Household Costs

The tables below show the expenditures for housing for those who own and rent housing in Harding and Morris County. Most people in the Township lived in homes they owned, and according to the 2012-2016 5-year estimates by the ACS, roughly 23.8 percent of all owner-occupied households spent 30 percent or more of their household income on housing. About 27.6 percent of renter-occupied households spent 30 percent or more of their household income on housing. General affordability standards set a limit at 30 percent of gross income to be allocated for owner-occupied housing costs and 28 percent of gross income to be allocated for renter-occupied housing costs.

Selected Monthly Owner Costs as a Percentage of Household Income 2016 Estimates				
	Harding		Morris County	
	Number	Percentage	Number	Percentage
Total Owner-Occupied Housing Units	1,458	100.0%	135,369	100.0%
Less than 15%	579	39.7%	15,777	11.7%
15 to 19%	159	10.9%	22,167	16.4%
20 to 24%	310	21.3%	19,409	14.3%
25 to 29%	63	4.3%	14,730	10.9%
30 to 34%	55	3.8%	10,802	8.0%
35% or more	292	20.0%	32,753	24.2%
Not computed	0	0.0%	616	0.5%

Gross Rent as a Percentage of Household Income 2016 Estimates				
	Harding		Morris County	
	Number	Percentage	Number	Percentage
Total Renter-Occupied Housing Units	98	100.0%	42,260	100.0%
Less than 15%	0	0.0%	6,472	15.3%
15 to 19%	14	14.3%	6,196	14.7%
20 to 24%	47	48.0%	6,112	14.5%
25 to 29%	10	10.2%	5,109	12.1%
30 to 34%	0	0.0%	3,595	8.5%
35% or more	27	27.6%	14,776	35.0%
Not computed	9	9.2%	2,105	5.0%

Source: 2012-2016 American Community 5-Year Estimates

Similar to Harding, a large majority of Morris County residents own their home. Roughly 32.2 percent of all County owner-occupied homes spent 30 percent or more of their household income on housing, and 43.5 percent of renter-occupied households spent 30 percent or more of their household income on housing.

EXISTING HOUSING CONDITIONS

Housing Unit Data

Harding's housing stock consists of primarily older structures. In 2010, Harding had a total of 1,474 occupied housing units. A majority of these units (1,297 or 88%) were owner-occupied while 177 units (12%) were renter-occupied. The Township experienced steady housing growth over time, with the largest growth occurring in the 1980s (18.5%). A large percentage (22.0%) of the housing stock was built before 1940. The median year of construction for the housing stock in Harding is 1974.

Housing Data Harding Township, 2010		
	Number	Percentage
Total Housing Units	1,610	100.0%
Occupied Housing Units	1,474	91.6%
Owner Occupied	1,297	88.0%
Renter Occupied	177	12.0%

Source: 2010 Census

Year Structure Built		
	Number	Percentage
Built 1939 or earlier	396	22.0%
Built 1940 to 1949	112	6.2%
Built 1950 to 1959	117	6.5%
Built 1960 to 1969	201	11.2%
Built 1970 to 1979	173	9.6%
Built 1980 to 1989	333	18.5%
Built 1990 to 1999	197	11.0%
Built 2000 to 2009	196	10.9%
Built 2010 or later	72	4.0%
Total	1,797	100.0%
Median Year Structure Built	1974	

Source: 2012-2016 American Community Survey 5-Year Estimates

Housing Type and Size

The majority of the housing stock in Harding is single-family detached housing, with most structures containing nine or more rooms. In 2016, there were 1,509 single-family detached homes representing 84 percent of the housing stock. Single-family attached homes were the next most common housing type representing 10.8 percent of the Township's housing stock.

The median number of rooms within housing structures in the Township was 9 with the largest percentage of structures (58.5%) having 9 rooms or more.

Housing Type and Size Harding Township, 2016 Estimates		
Units in Structure	Total	Percentage
Total	1,797	100.0%
1, detached	1,509	84.0%
1, attached	194	10.8%
2	10	0.6%
3 or 4	12	0.7%
5 to 9	42	2.3%
10 to 19	0	0.0%
20 to 49	30	1.7%
50 or more	0	0.0%
Mobile home	0	0.0%
Boat, RV, van, etc.	0	0.0%
Rooms	Total	Percentage
1 room	0	0.0%
2 rooms	32	1.8%
3 rooms	0	0.0%
4 rooms	42	2.3%
5 rooms	167	9.3%
6 rooms	143	8.0%
7 rooms	159	8.8%
8 rooms	202	11.2%
9 or more rooms	1,052	58.5%
Median number of rooms	9	

Source: 2012-2016 ACA 5-Year Estimates

In terms of residential growth, for the period January 2000 through December 2018, the Township issued building permits authorizing the development of 178 units. The majority of the Township's building permits were authorized before 2009, with 119 of the 178 permits issued between 2000 and 2009.

Housing Units Authorized by Building Permits: 2000-2016* Township of Harding				
Year	1 & 2 Family	Multi Family	Mixed-Use	Total
2000-2003	-	-	-	40
2004	18	0	0	18
2005	34	0	0	34
2006	8	0	0	8
2007	9	0	0	9
2008	10	0	0	10
2009	4	0	0	4
2010	8	0	0	8
2011	5	0	0	5
2012	4	0	0	4
2013	5	0	0	5
2014	5	10	0	15
2015	7	0	0	7
2016	8	0	0	8
2017	3	0	0	3
Total	125	10	0	178

Source: State of New Jersey Department of Community Affairs Building Permits: Yearly Summary Data

*The DCA Construction Reporter did not begin to report housing permits by type until 2004.

Occupancy

According to the 2010 Census, of the 1,610 units in Harding, 1,474 (91.55%) were occupied while only 136 (8.4%) were vacant. Of those units that were vacant, about 5.1 percent were for rent, another 15.4 percent were for sale, and 37.5 percent were for seasonal, recreational or occasional use.

Occupancy Status Township of Harding, 2010		
	Total	Percentage
Total Housing Units	1,610	100%
Occupied	1,474	91.55%
Vacant Housing Units	136	8.4%
For Rent	7	5.1%
Rented, not occupied	4	2.9%
For Sale Only	21	15.4%
Sold, not occupied	10	7.4%
For Seasonal, Recreational or Occasional Use	51	37.5%
Other Vacant	43	31.6%

Source: 2010 Census

Housing Values and Contract Rents

According to the 2012-2016 ACS Survey, nearly the entire owner-occupied housing stock in Harding (95.3%) were valued at over \$300,000, and approximately 57.3 percent of all units were financed by a mortgage, contract to purchase, or similar debt. Housing values for owner-occupied housings units are listed in the table below along with mortgage status data. The most common housing-value range for the Township was \$500,000 and greater with 80.8 percent of all owner-occupied units falling within this range. The second most common value range was between \$300,000 and \$399,999, comprising 8.4 percent of all owner-occupied units. The median value of an owner-occupied housing unit in Harding was \$1,006,100. Though majority of units were covered by a mortgage (57.3%), roughly 43 percent had no mortgage at all.

The County's trends somewhat mirror that of the Township with nearly 78 percent of homes valued at over \$300,000 and 70 percent of housing units functioning with a mortgage, contract to purchase, or similar debt. About 30% of the County's housing units do not have a mortgage.

Value for Owner-Occupied Housing Units Township of Harding and Morris County, 2016 Estimates				
	Harding Township		Morris County	
	Number	Percentage	Number	Percentage
Total	1,458	100.0%	135,369	100.0%
Less than \$50,000	54	3.7%	2,633	1.9%
\$50,000 to \$99,999	0	0.0%	1,164	0.9%
\$100,000 to \$149,999	6	0.4%	1,488	1.1%
\$150,000 to \$199,999	0	0.0%	3,662	2.7%
\$200,000 to \$299,999	9	0.6%	20,864	15.4%
\$300,000 to \$399,999	123	8.4%	30,746	22.7%
\$400,000 to \$499,999	88	6.0%	24,673	18.2%
\$500,000 and greater	1,178	80.8%	50,139	37.0%
Median Value	\$1,006,100		\$428,900	

Source: 2012-2016 American Community Survey 5-Year Estimates, Tables B25075 and B25077

Mortgage Status Township of Harding and Morris County, 2016 Estimates				
	Harding Township		Morris County	
	Number	Percentage	Number	Percentage
Housing units with a mortgage, contract to purchase, or similar debt:	835	57.3%	95,324	70.4%
With either a second mortgage or home equity loan, but not both:	95	11.4%	19,778	20.7%
Second mortgage only	0	0.0%	2,214	11.2%
Home equity loan only	95	100.0%	17,564	88.8%
Both second mortgage and home equity loan	0	0.0%	590	0.6%
No second mortgage and no home equity loan	740	88.6%	74,956	78.6%
Housing units without a mortgage	623	42.7%	40,045	29.6%

Source: 2012-2016 American Community Survey 5-Year Estimates

According to the 2012-2016 5-year estimates produced by the ACS, the median contract rent in Harding was \$1,442. The highest percentage of renters (39.3%) paid between \$1,500 and \$1,999 for rent, followed by 29.9 percent who paid \$1,000 to \$1,499 for rent. The County's median contract rent was slightly lower at \$1,277. The majority of renters in the County paid between \$1,000 and \$1,499 for rent.

Contract Rent Township of Harding and Morris County, 2016 Estimates				
	Harding		Morris County	
	Number	Percentage	Number	Percentage
Total Renter Occupied Units	107	100.0%	44,365	100.0%
Less than \$200	0	0.0%	827	1.9%
\$200 to \$499	0	0.0%	1,621	3.7%
\$500 to \$699	12	11.2%	1,279	2.9%
\$700 to \$899	12	11.2%	2,798	6.3%
\$900 to \$999	0	0.0%	3,813	8.6%
\$1,000 to \$1,499	32	29.9%	18,140	40.9%
\$1,500 to \$1,999	42	39.3%	8,836	19.9%
\$2,000 or more	0	0.0%	5,436	12.3%
No cash rent	9	8.4%	1,615	3.6%
Median Contract Rent	\$1,442		\$1,277	

Source: 2012-2016 American Community Survey 5-Year Estimates

Housing Conditions

The following table details the condition of the housing within Harding. Overcrowding and age, plumbing, and kitchen facilities are used to determine housing deficiency. In 2016, there were no owner-occupied or renter-occupied units in Harding that experienced overcrowding (more than one person per room). Throughout the Township, no units lacked complete plumbing facilities or complete kitchen facilities. Nineteen units lacked telephone service in 2016.

Housing Conditions Township of Harding, 2016 Estimates		
	Number	Percentage
House Heating Fuel-Occupied Housing Units		
Total	1,565	100.0%
Utility gas	1,271	81.2%
Bottled, tank, or LP gas	0	0.0%
Electricity	86	5.5%
Fuel oil, kerosene, etc.	155	9.9%
Coal or coke	12	0.8%
Wood	0	0.0%
Solar energy	0	0.0%
Other fuel	41	2.6%
No fuel used	0	0.0%
Occupants per Room- Occupied Housing Units		
Total	1,565	100.0%
Owner-Occupied (Over 1.0)	0	0.0%
Renter-Occupied (Over 1.0)	0	0.0%
Facilities-Total Units		
Total	1,565	100.0%
Lacking complete plumbing facilities	0	0.0%
Lacking complete kitchen facilities	0	0.0%
Telephone Service- Occupied Housing Units		
Total	1,565	100.0%
No Service	19	1.2%
Source: 2012-2016 ACS 5-Year Estimates, Table B25040, B25014, DP04		

EMPLOYMENT DATA

The following tables detail changes in employment from 2006 to 2017 for Harding, Morris County, and New Jersey. Employment in Harding remained steady from 2006 to 2008 as the labor force continued to increase gradually each year. The unemployment rate in Harding saw minimal fluctuation between 2006 and 2008 with its lowest rate occurring in 2007 at 2.2 percent. In 2012, the unemployment rate reached a decade high of 6.4 percent. Since this peak, the unemployment rate has decreased, and in 2017 was at 3.0 percent. The unemployment rate of the Township has remained steadily lower than that of the County and State as a whole, who have experienced similar unemployment trends over the past eleven years.

Harding Employment and Residential Labor Force -- 2006 - 2017				
Year	Labor Force	Employment	Unemployment	Unemployment Rate
2006	1,486	1,448	38	2.6%
2007	1,492	1,459	33	2.2%
2008	1,511	1,468	43	2.8%
2009	1,496	1,419	77	5.1%
2010	1,895	1,789	106	5.6%
2011	1,846	1,760	86	4.6%
2012	1,628	1,524	104	6.4%
2013	1,596	1,509	87	5.5%
2014	1,597	1,517	80	5.0%
2015	1,595	1,536	59	3.7%
2016	1,585	1,533	52	3.3%
2017	1,577	1,530	47	3.0%

Morris County Employment and Residential Labor Force -- 2006 - 2017				
Year	Labor Force	Employment	Unemployment	Unemployment Rate
2006	271,011	261,872	9,139	3.4%
2007	271,713	263,489	8,224	3.0%
2008	275,403	264,632	10,771	3.9%
2009	275,319	255,852	19,467	7.1%
2010	265,178	245,546	19,632	7.4%
2011	265,885	247,128	18,757	7.1%
2012	267,661	248,680	18,981	7.1%
2013	263,328	247,144	16,184	6.1%
2014	262,018	248,904	13,114	5.0%
2015	263,272	252,145	11,127	4.2%
2016	261,143	250,925	10,218	3.9%
2017	259,911	250,447	9,464	3.6%

New Jersey Employment and Resident Labor Force -- 2003 - 2017				
Year	Labor Force	Employment	Unemployment	Unemployment Rate
2006	4,445,900	4,236,500	209,400	4.7%
2007	4,441,800	4,251,800	190,000	4.3%
2008	4,504,400	4,264,000	240,500	5.3%
2009	4,550,600	4,138,600	412,100	9.1%
2010	4,555,300	4,121,500	433,900	9.5%
2011	4,565,700	4,140,500	425,300	9.3%
2012	4,588,100	4,162,100	426,000	9.3%
2013	4,534,400	4,164,400	370,000	8.2%
2014	4,518,700	4,218,400	300,300	6.6%
2015	4,543,800	4,288,800	255,000	5.6%
2016	4,530,800	4,305,500	225,300	5.0%
2017	4,518,800	4,309,700	209,100	4.6%

Source: NJ Dept. of Labor & Workforce Development Labor Force Estimates

Employment Status

The 2012-2016 5-year American Community Survey estimates reveal that 53.3 percent of Harding's 16 and over population is in the labor force. The ACS estimates reveal that 68.7 percent of the County's 16 and over population is in the labor force. Nearly half (46.7%) of the Township's 16 and over population is not in the labor force, compared to just 31.3 percent of the County's.

Employment Township of Harding and Morris County, 2016 Estimates				
	Harding Township		Morris County	
	Number	Percentage	Number	Percentage
Population 16 years and over	3,196	100.0%	401,695	100.0%
In labor force	1,705	53.3%	276,096	68.7%
Civilian Labor Force	1,705	53.3%	275,948	68.7%
Employed	1,623	50.8%	260,569	64.9%
Unemployed	82	2.6%	15,379	3.8%
Armed Forces	0	0.0%	148	0.0%
Not in labor force	1,491	46.7%	125,599	31.3%

Source: 2012-2016 American Community Survey 5-Year Estimates

Class of Worker and Occupation

According to the 2012-2016 ACS Estimates, the majority of workers (83.6%) living in Harding were a part of the private wage and salary worker group. This group includes people who work for wages, salary, commission, and tips for a private for-profit employer or a private not-for-profit, tax-exempt or charitable organization. The second largest category was government worker (9.2%), followed by those who were self-employed.

Class of Worker Township of Harding, 2016 Estimates		
	Number	Percentage
Employed Civilian population 16 years and over	1,623	100.0%
Private Wage and Salary Worker	1,357	83.6%
Government Worker	150	9.2%
Self-Employed Worker	103	6.3%
Unpaid Family Worker	13	0.8%

Source: 2012-2016 American Community Survey 5-Year Estimates

The occupational breakdown shown in the table below includes only private wage and salary workers. Those that worked within the private wage field were concentrated heavily in management and professional positions as well as sales and office occupations. Together the two fields account for roughly 88.3 percent of the entire resident workforce.

Resident Employment by Occupation Township of Harding, 2016 Estimates		
	Number	Percentage
Employed Civilian population 16 years and over	1,623	100.0%
Management, business, science and arts occupations	1,021	62.9%
Service occupations	126	7.8%
Sales and office occupations	412	25.4%
Natural resources, construction and maintenance occupations	18	1.1%
Production Transportation and material moving occupations	46	2.8%

Source: 2012-2016 American Community Survey 5-Year Estimates

The most common industry for Harding residents is the finance and insurance, and real estate and rental and leasing industry, making up approximately 29.7% of employment in the Township. The second most common industry is professional, scientific, and management, and administrative and waste management services, which employs 19.0 percent of the Township's resident workforce.

Employment by Industry Township of Harding, 2016 Estimates		
Industry	Number	Percentage
Civilian employed population 16 years and over	1,623	100.0%
Agriculture, forestry, fishing and hunting, mining	27	1.7%
Construction	64	3.9%
Manufacturing	158	9.7%
Wholesale Trade	17	1.0%
Retail Trade	93	5.7%
Transportation and Warehousing, and Utilities	8	0.5%
Information	24	1.5%
Finance and insurance, and real estate and rental and leasing	482	29.7%
Professional, scientific, and management, and administrative and waste management services	308	19.0%
Educational services, and health care and social assistance	190	11.7%
Arts, entertainment, and recreation, and accommodation and food services	109	6.7%
Other Services, except public administration	78	4.8%
Public administration	65	4.0%

Source: 2012-2016 American Community Survey 5-Year Estimates

Commuting to Work

According to the 2012-2016 ACS Estimates, the mean travel time to work for those who lived in the Township was 30.8 minutes. The vast majority of commuters, roughly 83.7 percent, traveled less than an hour to work, and roughly 66 percent had less than a half-hour commute.

Travel Time to Work Township of Harding, 2016 Estimates		
	Number	Percentage
Workers who did not work at home	1,556	100.0%
Less than 10 minutes	235	15.1%
10 to 14 minutes	145	9.3%
15 to 19 minutes	365	23.5%
20 to 24 minutes	171	11.0%
25 to 29 minutes	113	7.3%
30 to 34 minutes	100	6.4%
35 to 44 minutes	137	8.8%
45 to 59 minutes	36	2.3%
60 to 89 minutes	66	4.2%
90 or more minutes	188	12.1%
Mean travel time to work (minutes)	30.8	

Source: 2012-2016 American Community Survey 5-Year Estimates

The largest portion of workers drove to work alone (79.3%), while roughly 5.5 percent carpooled. Approximately 9.9 percent of workers commuted via public transportation and another 2.3 percent worked from home.

Means of Commute Township of Harding, 2016 Estimates		
	Number	Percentage
Workers 16 years and over	1,593	100.0%
Car, truck, van- Drove Alone	1,264	79.3%
Car, truck, van- Carpooled	88	5.5%
Public Transportation	158	9.9%
Walked	46	2.9%
Other Means	0	0.0%
Worked at home	37	2.3%

Source: 2012-2016 American Community Survey 5-Year Estimates

Covered Employment

There is currently very limited information available on actual jobs within municipalities. The Department of Labor collects information on covered employment, which is employment and wage data for private employees covered by unemployment insurance. The following two tables provide a snapshot of private employers located within Harding. The table below reflects the number of jobs covered by private employment insurance from 2006 through 2017. The table on the following page reflects the disbursement of jobs by industry in 2017.

According to data from the New Jersey Department of Labor and Workforce Development, the highest number of covered jobs in Harding was in 2006 when 617 jobs were covered by unemployment insurance. Private employment has decreased relatively steadily in Harding since 2006, but had a large jump in 2013, increasing by 29.1 percent.

Private Wage Covered Employment 2006-2017 Township of Harding			
Year	Number of Jobs	# Change	% Change
2006	617	-	-
2007	561	-56	-9.1%
2008	555	-6	-1.1%
2009	508	-47	-8.5%
2010	463	-45	-8.9%
2011	431	-32	-6.9%
2012	443	12	2.8%
2013	572	129	29.1%
2014	549	-23	-4.0%
2015	548	-1	-0.2%
2016	513	-35	-6.4%
2017	492	-21	-4.1%

Source: NJ Dept. of Labor & workforce Development Labor Force Estimate

In-Township Establishments and Employees by Industry: 2016

The table below depicts the average annual number of establishments and employees by industry sector that exist within the Township, as grouped by North American Industry Classification System (NAICS). In 2017, the Township had an annual average of 88 establishments employing on average 492 persons. The admin/waste remediation trade was the predominant sector, accounting for nearly 3.9 percent of the establishments in Harding and 10.1 percent of the Township's in-place employment. However, "Other Services" accounted for 31.5 percent of the Township's in-place employment.

Average Number of Establishments and Employees by Industry: 2017		
Industry	2017 Average	
	Units	Employment
Agriculture	.	.
Utilities	.	.
Construction	4	10
Manufacturing	.	.
Wholesale Trade	.	.
Retail Trade	.	.
Transp/Warehousing	.	.
Information	.	.
Finance/Insurance	.	.
Real Estate	3	6
Professional/Technical	.	.
Admin/Waste Remediation	11	45
Health/Social	.	.
Arts/Entertainment	.	.
Accommodations/Food	.	.
Other Services	34	155
Private Sector Totals	88	492
Local Government Totals	2	103

Source: NJ Dept. of Labor & workforce Development Labor Force Estimate

Data have been suppressed (-) for industries with few units or where one employer is a significant percentage of employment or wages of the industry.

Probable Future Employment Opportunities

The North Jersey Transportation Planning Authority (NJTPA) completes regional forecasts for the New York/New Jersey metropolitan area every four years for populations, households, and employment. The most recent report was released in 2017. Due to Harding Township being a largely rural community, and the Township's employment trends, not much is expected in terms of job growth. The 2017 NJTPA report predicts Harding's employment will increase annually by 0.2 percent.

In addition, the New Jersey Department of Labor releases a Regional Community Fact Book for each county in New Jersey. Morris County's most recent Fact Book was released in January 2013. Between 2010 and 2020, the County is projected to increase its job holding by 24,800 jobs, the third highest gain amongst the state's 21 counties. The healthcare and social services industry is projected to create the most jobs in Morris County, adding a predicted total of 24,800 jobs.

PART 2: FAIR SHARE PLAN

INTRODUCTION

The following Fair Share Plan (the "Plan") details Harding's present need, prior round obligation (1987-1999), and prospective and modified present affordable housing need (1999-2025). This Plan proposes mechanisms for which the Township can realistically provide opportunities for affordable housing for moderate-, low-, and very low- income households.

The need for affordable housing in New Jersey is divided into three components:

- *Present Need* – The present need, or rehabilitation share, represents the number of existing housing units that are both deficient and occupied by low- and moderate-income households. This number is derived from review and analysis of housing conditions reported in the U.S. Census and American Community Survey.
- *Prior Round Obligation* – The Prior Round obligation is the cumulative 1987-1999 fair share obligation determined by 2014 COAH regulations. The First Round and the Second Round are mutually referred to as the "Prior Round."
- *Third Round Need* – July 1, 1999 - June 30, 2025 (which includes what is commonly referred to as the "gap period" (1999-2015)) - On January 18, 2017, the Supreme Court issued In Re Declaratory Judgment Actions Filed by Various Municipalities, County of Ocean, Pursuant To The Supreme Court's Decision In In re Adoption of N.J.A.C. 5:96, 221 N.J. 1 (2015) ("Mount Laurel V"), holding that the need for affordable housing that accrued during the gap period (1999-2015) was not present or prospective need under the plain definitions of those terms in the FHA; however, there is an obligation with respect to that period for households that came into existence during that period that must be addressed in the Third Round.

Harding's affordable housing obligations are as follows per the settlement between the Township and Fair Share Housing Center (FSHC):

Rehabilitation Share	0
Prior Round Obligation	83
Third Round	176

The following Fair Share Plan is written in conformance with the Settlement Agreement between the Township and FSHC.

REHABILITATION SHARE / PRESENT NEED

The term Present Need, as used in COAH's Prior Round Rules (N.J.A.C. 5:93), meant the sum of a municipality's indigenous need (the deficient housing units in the municipality occupied by low- and moderate-income households), and the reallocated present need, which is the portion of the housing region's present need that is redistributed to other municipalities throughout the housing region. Under the Prior Round rules, evidence of deficient housing included: year structure was built, persons per room, plumbing facilities, kitchen facilities, heating fuel, sewer service, and water supply.

The Third Round rules reduced the number of criteria used as evidence of deficient housing to three: pre-1960 over-crowded units, which are units that have more than 1.0 persons per room; incomplete plumbing; and incomplete kitchen facilities. This reduction in the number of criteria was found by the Appellate Division to be within COAH's discretion and was upheld in the Supreme Court's decision *In re N.J.A.C. 5:96 & 97*.

The previously discussed Mount Laurel IV decision agreed under the Appellate Division that reallocated Present Need is no longer a component in the determination of the Present Need. Therefore, Present Need now equates only to the indigenous need, the obligation based on deficient housing as determined by pre-1960 over-crowded units, incomplete plumbing, and incomplete kitchen facilities, generated within the Township itself, now refined as the Rehabilitation Share/Present Need.

Pursuant to the 2018 Settlement Agreement with FSHC, Harding does not have a Present Need obligation.

PRIOR ROUND OBLIGATION (1987-1999)

The Township has a Prior Round obligation of 83 units, which has been met in its entirety through the following mechanisms:

Regional Contribution Agreement (RCA) with the City of Orange

In the Prior Round, municipalities could enter into an RCA with another municipality in the same housing region. The program allowed one municipality ("sending" municipality) to pay a fee to another municipality ("receiving" municipality), which would agree to provide affordable housing units that fulfilled up to half of the sending municipality's COAH obligation. In 1996, Harding entered into an RCA with the City of Orange and transferred 43 of its 83-unit obligation to Orange. The transfer of the funds was completed on December 31, 1996. When the legislature amended the FHA in July 2008, it removed the RCA program as a permitted option for municipal compliance with the FHA.

The Township will apply 41 of the 43 credits to its Prior Round obligation.

100% Affordable - The Farm at Harding

The Farm at Harding ("The Farm") is a 24-unit 100% rental affordable project developed by the Township. The site was acquired by the Township in 1994 and is situated on 8.3 acres at the intersection of Kitchell Road and Woodland Avenue (700 Woodland Avenue; Block 2 Lot 16), adjacent to Morris Township. In 1997, the State Planning Commission extended the Planning Area 1 boundary from Morris Township to include this site. The site is also one of the only sites within the Township served by public water and sewer infrastructure. Each of the 24 units received their certificate of occupancy on August 11, 2006. The development is comprised of five (5) one-bedroom units, 14 two-bedroom units, and five (5) three-bedroom units. Rental prices for the units are as follow: \$682 (low-income) and \$1,023 (moderate-income) for the one-bedroom units; \$813 (low-income) and \$1,164 (moderate income) for the two-bedroom units; and \$934 (low-income) and \$1,418 (moderate-income) for the three-bedroom units. Documentation for The Farm can be found in Appendix A.

Of the constructed 24 units, 21 will be applied to the Township Prior Round obligation.



Prior Round Rental Bonus Credits

The Township will apply 21 rental bonus credits towards its Prior Round obligation from The Farm.

Summary of Harding's Prior Round Obligation	
Prior Round Obligation	83
RCA with City of Orange (funds transferred 1996)	41
The Farm at Harding (100% rental affordable)	21
Rental Bonus Credits (from The Farm)	21
Total Prior Round	83

ROUND 3 NEED

Under the Settlement Agreement between the Township and the FSHC, the Township has a Third Round obligation of 176 units. All sites that were proposed for inclusionary development are included in this Plan. No proposed sites were rejected by the Township. The Township has met its Third Round obligation in its entirety through the following mechanisms.

Regional Contribution Agreement (RCA) with the City of Orange

The Township will apply the remaining 2 units from the RCA with the City of Orange to its Third Round obligation.

100% Affordable - The Farm at Harding

The Township will apply the remaining three (3) rental units from The Farm to its Third Round obligation.

Additionally, Harding will construct two (2) new rental units at The Farm. When the project was constructed in 2006, it was designed with an opportunity for additional future construction. The additional two (2) units will be applied to the Township's Third Round obligation. It is anticipated the Township will construct the additional two (2) units with funds provided pursuant to its Settlement Agreement with Mt. Kemble Associates, as discussed on the following page, supplemented, if necessary, by funds from the Township's Affordable Housing Trust Fund. Documentation for The Farm can be found in Appendix A.

The site at The Farm at Harding is appropriate for multi-family housing as it is available, approvable, developable, and suitable:

- The site is within the sewer service area and has access to public water.

- The site has access to appropriate public rights-of-way. The development is on the corner of Woodland Avenue and Kitchell Road and has direct driveway access to Kitchell Road.
- The site is adjacent to compatible uses, including the multi-family housing development, Moore Estates, located across Kitchel Road and Woodland Avenue in the adjacent Morris Township. Additionally, there is ample parkland and open space nearby. The site is also currently developed with a 24-unit 100% affordable rental development.
- The site is minimally constrained by 0.2 acres of wetlands along its northeast corner. The site was originally designed in such a way so as to accommodate additional development without the need to encroach onto constrained areas. There is ample room to expand the development by two (2) units.
- The site is within the AH Affordable Housing Zone that permits up to four (4) dwelling units per acre and permits multi-family housing. The current development on the subject property is approximately 2.9 dwelling units per acre. With the addition of the two (2) new units, the site will have a density of 3.1 dwelling units per acre.
- The site is not subject to any dedication, easement, right-of-way, covenant, condition, restriction, lien or encumbrance that would prohibit or interfere materially with the use of the site for the development of housing.
- The site is consistent with the State Development and Redevelopment Plan as the entire site is within Planning Area 1 (PA1), the Metropolitan Planning Area, which encourages development. The site is the only part of Harding Township to be within Planning Area 1.

Supportive and Special Needs Housing

Universal Institute Group Home

Universal Institute operates a group home at 41 Tiger Lily Lane (Block 23 Lot 5) in Harding Township. Universal Institute established the group home in Harding in 2001. The owner of the group home is 195 MT Pleasant Avenue, LLC, located in Livingston, New Jersey. The project contains 5 permanent supportive housing units for adults with Traumatic Brain Injury. The facility is licensed through the New Jersey Department of Human Services Division of Developmental Disabilities but is a self-funded institute. Universal Institute was approved as a component of the Township's Third Round Certification. Documentation for the Universal Institute facility can be found in Appendix B.

Existing Affordable Accessory Residence Program

Enacted by Ordinance 5-09 on June 10, 2009, the Township's Affordable Accessory Residence Program permits affordable accessory residences in the R-1 and RR Zoning Districts on lots of at least 5 acres in size. In accordance with N.J.S.A. 5:93-5.9, up to 10 accessory apartments may be created and used to address a municipal housing obligation. The 2009 ordinance (Section 225-166 of the Township's Land Use and Development Chapter of the General Code) establishes the Township's Administrative Agent as the consultant who will administer the program. To encourage the production of accessory apartments, the Township provides a one-time subsidy of \$20,000 to each property owner establishing a residence pursuant to the 2009 ordinance. The Township will update this ordinance to ensure all standards are based on the current legislation.

The Township will apply all 10 available credits from the Affordable Accessory Residence Program to its Third Round obligation.



Proposed Inclusionary Mt. Kemble Development

On February 26, 2016, Mt. Kemble Associates was granted leave to intervene in the Action. Mt. Kemble Associates is the owner of the property located at Block 23.02 Lot 5 on the Township's official Tax Map ("Mt. Kemble Property" or "Property") (see map on the following page). The Mt. Kemble Property encompasses 15 acres on the Township's northern border with Morris Township and is within the Morris Township sewer service area. The property is located between Route 202 (Mt. Kemble Avenue) and Interstate 287. While the Property is within Harding Township's borders, its access is from Route 202, which is located within Morris Township's municipal boundary. The Property has no access to Interstate 287.

The Township and Mt. Kemble Associates negotiated an agreement regarding the development on the Property. The MT. Kemble Agreement was executed on January 3, 2018 with a revised "final" agreement executed by Mt. Kemble Associates on February 9, 2018 and by the Township on February 12, 2018.

The Mt. Kemble Property will produce 80 market-rate for-sale townhouse units and 16 fee simple or rental affordable units, to be incorporated into the development as stacked flats. A concept plan can be found in Appendix C. Mt. Kemble Associates is responsible for obtaining and securing public water service for the development and the Township will amend its Wastewater Management Plan to include the Mt. Kemble property and proposed development. Mt. Kemble Associates will also pay a sum of \$1,000,000 to the Township's Affordable Housing Trust Fund, which will be used to construct the two (2) new rental units at The Farm.

As detailed in the Mt. Kemble Agreement, the Township prepared and adopted a zoning ordinance for the subject Property on July 9, 2018. The ordinance creates a new zone, entitled "TH-1 Townhouse Zone 1" that permits single-family, twin house, and/or townhouse development on the subject site with an affordable housing set-aside of 16 units, subject to the affordability controls of the Uniform Housing Affordability Controls N.J.A.C. 5:80-26.1 et seq. ("UHAC"). The adopted ordinance is attached in Appendix C.

All 16 units will be applied to the Township's Third Round obligation.

Block 23.02 Lot 5 is appropriate for multi-family housing as it is available, approvable, developable, and suitable:

- The site is within the Morris Township sewer service area.

- Pursuant to the Mt. Kemble Agreement executed in February 2018, the proposed development will not have access to either Route 287 or Blackwell Avenue, but instead will access Mt. Kemble Avenue (Route 202) through the property to the north.
- The site is adjacent to compatible uses, including a single-family residential development directly west as well as the Harding Green townhome development located west of the single-family development along Mt. Kemble Avenue. Additional single-family developments are located north of the subject property within Morris Township.
- The site is minimally constrained by environmental elements. There is, however, significant room on the site to develop the proposed 96 units (see concept plan in Appendix C).
- The site is within the TH-1 Townhouse Zone 1 that permits single-family, twin house, and/or townhouse development. The zone allows for up to 96 units, of which 16 shall be affordable.
- The site is not subject to any dedication, easement, right-of-way, covenant, condition, restriction, lien or encumbrance that would prohibit or interfere materially with the use of the site for the development of housing.



Proposed Supportive and Special Needs Housing: Cerebral Palsy of North Jersey (CPNJ) Facility

The proposed CPNJ project is located at 1050 Mt. Kemble Avenue (Route 202), Block 46.01 Lot 7 on the Township's tax maps. The property is currently owned by the Township and will be sold to CPNJ for a nominal sum of \$1 pursuant to N.J.S.A. 40A:12-21 for its use. CPNJ's headquarters are in Livingston, New Jersey. The organization runs programs and schools across New Jersey, serving over 1,500 individuals.

The facility in Harding is proposed to provide 4 bedrooms, all of which will be applied to the Township's Third Round obligation. The project is intended to complete construction by the end of September 2019. The property will be deed restricted for a minimum of 30 years. Documentation, including a site plan, for the proposed CPNJ facility can be found in Appendix D.

The site is appropriate for special needs housing as it is available, approvable, developable, and suitable:

- The site will have its own on-site subsurface septic system (see site plan in Appendix D).
- The site has access to an appropriate public right-of-way as it fronts on Mt. Kemble Avenue (Route 202), a major roadway that bisects the Township.
- The site is located within a zone (B-2 Business Zone) that permits single-family dwellings. However, the Township will amend the zoning if necessary, of the B-2 zone to explicitly permit group homes and supportive needs housing. Any required amendments to the bulk standards will be made as well.
- The site is constrained by approximately 1.5 acres along the eastern section of the site. The proposed structure, however, is positioned on the western section of the site so as not encroach upon the wetland areas (see concept plan).
- A pro forma for the site as well as a proposed timetable are included in Appendix D.
- The site is not subject to any dedication, easement, right-of-way, covenant, condition, restriction, lien or encumbrance that would prohibit or interfere materially with the use of the site for the development of housing.



**Proposed CCRC Facility with Multi-Family Age-Restricted Affordable Component
(Hurstmont/Glen Alpin Site)**

On November 19, 2018, the Township Committee adopted Resolution TC 18-196 directing the Planning Board to conduct an investigation and hold a public hearing to determine whether the properties located at 679 Mt Kemble Avenue ("Hurstmont") and 685 Mount Kemble Avenue ("Glen Alpin"), collectively known as the "Hurstmont/Glen Alpin Site," qualify for designation as "an area in need of redevelopment" pursuant to the Local Redevelopment and Housing Law (LRHL) (N.J.S.A. 40A:12A-1, et seq.). As of this Plan, the redevelopment investigation is ongoing. See Appendix E for the adopted Resolution.

The two properties are located on the west side of Mt Kemble Road at the intersection with Tempe Wick Road (County Road 646). The Hurstmont property measures 19.9 acres in size, and the Glen Alpin property is 9.6 acres for a combined total of 29.5 acres. The Glen Alpin property is currently developed with a 19th Century gothic revival house and the Hurstmont property is currently developed with a nearly 15,000 square-foot classic revival residence, constructed at the turn of the century. Both residences have been vacant for a significant period of time. The Hurstmont property abuts the National Park Service's Jockey Hollow site.

The Hurstmont/Glen Alpin Site is proposed to be developed with a Continuing Care Retirement Community (CCRC), on the Hurstmont section of the site (the existing residence is to be demolished). The historic home on the Glen Alpin property will be restored and maintained. CCRC facilities are retirement communities that offer residents a continuum of aging care needs (independent living, assisted living, nursing care) all within the same community. The proposed CCRC facility will be composed of 40 carriage/village homes suitable for independent living, 125 independent living apartments, and 85 assisted living and memory care beds/units with 24/7 medical care.

Of the entire 250-unit/bed project, 40 units will be set-aside for affordable housing:

The affordable component of the proposed CCRC facility will be developed subject to UHAC regulations (N.J.A.C. 5:80-26.1 et seq.), including a UHAC-compliant deed restriction of at least 30 years.

The site is appropriate for CCRC/residential development available, approvable, developable, and suitable:

- The facility will have its own on-site sub-surface septic field that will serve the entire CCRC community and Glen Alpin restoration.
- The site has access to public rights-of-way as it is located on the corner of Temple Wick Road and Mt. Kemble Avenue (Route 202).
- The site is adjacent to compatible uses, including single-family residences on both Temple Wick Road and Mt. Kemble Avenue (Route 202). Additionally, the National Park Service's Jockey Hollow site is located north of the Hurstmont property, providing significant open space.
- The site is in the process of investigation to determine if it qualifies as an "area in need of redevelopment" pursuant to the Local Redevelopment and Housing Law (LRHL) (N.J.S.A. 40A:12A-1, et seq.).
- The site is minimally restricted by environmental constraints that do not pose an issue
- The Glen Alpin property is listed on the Township's ROSI (Recreation and Open Space Inventory). While the Township is proposing to keep the existing building, a Green Acres diversion may be needed. It should be noted the CCRC facility is proposed to be completely developed on the Hurstmont property, not the Glen Alpin property.
- The Hurstmont property is not subject to any dedication, easement, right-of-way, covenant, condition, restriction, lien or encumbrance that would prohibit or interfere materially with the use of the site for the development of a CCRC facility.



Durational Adjustment – Overlay Zone

The Township of Harding received the Court's approval during the Fairness Hearing for a durational adjustment for 73 units of its Third Round obligation based upon the lack of sufficient water, sewage capacity, and sewer infrastructure within the Township. Pursuant to N.J.S.A. 52:27D-307(c)(2) and N.J.A.C. 5:93-4.1-4.3, a municipality can seek a durational adjustment based on a lack of infrastructure. The adjustment allows the municipality to defer its low- and moderate-income housing obligation until the infrastructure required to develop additional housing is implemented. As part of the Settlement the Township required a waiver of the requirement to permit affordable housing development on any site not included in this Fair Share Plan, even if NJDEP approves a proposal for sewer and water services to that site as set forth in N.J.A.C. 5:93-4.3(c)4. The Court granted the durational adjustment as well as the aforementioned waiver at the Fairness Hearing, held on November 2, 2018.

The Township has identified a number of sites that total approximately 49 acres at the southern end of the Route 202 corridor for overlay zoning to permit inclusionary development if sufficient water and/or sewer become available. The Township will adopt an Affordable Housing Overlay Zone to permit the construction of inclusionary, mixed-use development at densities ranging from 6 to 10 units per acre. An Overlay Zone allows the existing, underlying zoning to remain with the option of developing a site within the parameters of the Overlay. The following are the properties proposed for the overlay zone (also see map on the following pages):

Block 46.01	Lot 9	Block 46.01	Lot 9.01
Block 46.01	Lot 10	Block 46.01	Lot 8
Block 46.01	Lot 13.02	Block 33.03	Lot 4
Block 32	Lot 4	Block 33.03	Lot 8
Block 32	Lot 1.02	Block 33.03	Lot 18
Block 32	Lot 9.01	Block 33.03	Lot 19
Block 32	Lot 9.02	Block 33.03	Lot 3.02
Block 46.01	Lot 9		

The properties at Block 32 Lots 4, 1.02, 9.01, and 9.02; Block 46.01 Lots 9.01 and 8; Block 33.03 Lots 4, 8, 18, 19, and 3.02 will be allowed to develop at 6 dwelling units per acre. If existing lots or assembled lots produce a parcel that is two acres or more in size, the density on those two-acre-or-greater parcels may be increased to 8 dwelling units per acre. An affordable set-aside of 20% for sales projects and 15% for rental projects is required. This portion of the overlay could produce 33 affordable units.

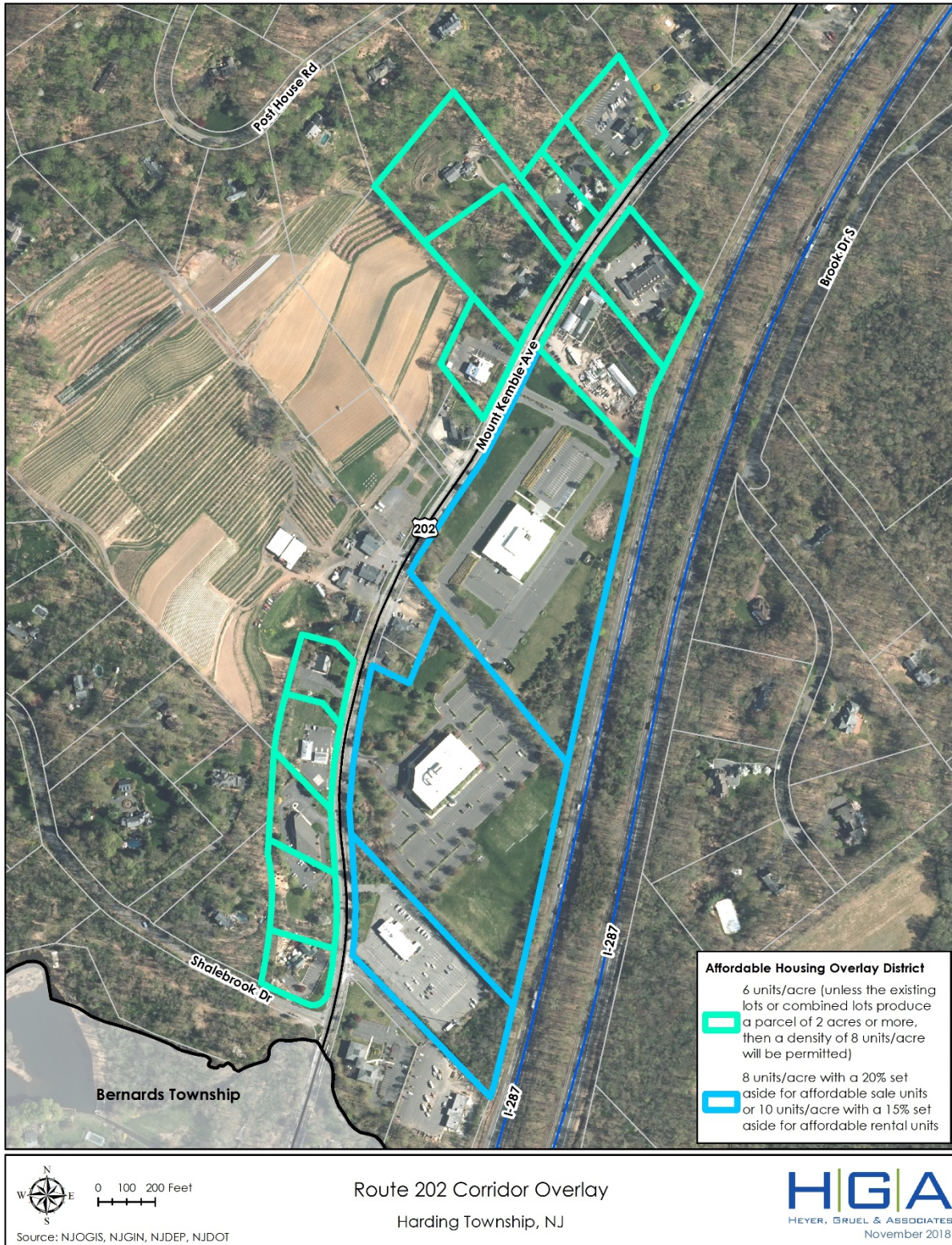
The two existing office buildings at Block 46.01 Lots 9 and 10 and the Verizon site at Block 43.01 Lot 13.02 will be permitted to develop at a density of 8 dwelling units per acre for projects that

comprise for-sale units, or at 10 dwelling units per acre for projects that comprise for-rent units. An affordable set-aside of 20% for sales projects and 15% for rental projects is required. These sites may be developed through adaptive reuse of the existing buildings, adaptive reuse and expansion of the existing buildings, or the demolition and construction of new mixed-use buildings. These three properties may be redeveloped at the above-mentioned densities whether on a treatment system approved by appropriate authorities or by the extension of sewer service. These properties would be expected to produce 50 to 52 affordable units.

All developments created through the Overlay Zone shall be mixed-use in nature, i.e. ground floor retail shall be required with a maximum of two stories of residential units above.

The area that comprises the overlay zone is suitable for the proposed development. Upon the implementation of the appropriate infrastructure and utilities, the sites will become developable:

- Pursuant to the durational adjustment, the properties within the Overlay Zone will not be developed until either sewer is provided or sufficient septic systems are put in place. Future developments will therefore have access to appropriate sewer or septic.
- The properties have access to public rights-of-way. The entire overlay has frontage along the Route 202 (Mt. Kemble Avenue) corridor, which traverses the Township, connecting residents with Basking Ridge to the south and Morris Township to the north.
- The area designated for the overlay is adjacent to compatible uses, including both commercial and residential uses.
- None of the sites within the overlay zone are encumbered by environmental constraints that would prohibit or impede development of mixed-use structures.
- When appropriate infrastructure is implemented within the overlay area, the area will not be subject to any dedication, easement, right-of-way, covenant, condition, restriction, lien or encumbrance that would prohibit or interfere materially with the development of mixed-use structures.



SUMMARY OF FAIR SHARE COMPLIANCE

Summary of Harding Township's Obligation	
Prior Round Obligation	83
Regional Contribution Agreement (RCA)	
RCA with City of Orange	41
Existing 100% Affordable Municipal Project	
The Farm	21
Rental Bonus Credits	21
<i>Total Prior Round Credits</i>	<i>83</i>
Third Round Obligation	176
Existing 100% Affordable Rental Municipal Project	
The Farm (from Prior Round)	3*
Proposed 100% Affordable Rental Municipal Project	
The Farm	2
Regional Contribution Agreement (RCA)	
RCA with City of Orange (from Prior Round)	2*
Supportive/Special Needs Housing	
Universal Institute (existing)	5
CPNJ (proposed)	4
Accessory Apartment Program	
Accessory Apartments	10
Proposed Inclusionary Development	
Block 23.02 Lot 5 (Mt. Kemble site)	16
Proposed Redevelopment Area	
Inclusionary multi-family age-restricted development (Hurstmont/Glen Alpin site)	40
Rental Bonus Credits	21
Durational Adjustment (Route 202 Overlay Zone)	73
<i>Total Third Round Credits</i>	<i>176</i>

* Units that are left over (i.e. not counted) from the Prior Round

ADDITIONAL REQUIREMENTS

Very Low-Income Requirement: The Township will ensure that 13% of all of the affordable units, with the exception of units constructed as of July 1, 2008 and units subject to preliminary or final site plan approval prior to that date, will be affordable to very low-income households. Half of the very low-income units will be made available to families.

Rental Bonus Credits: All rental bonus credits claimed in this plan have been applied in accordance with N.J.A.C. 5:93-5.15(d).

Low/Moderate Income Split: At least half of the units addressing the Township's obligation shall be affordable to very-low income and low-income households, and the remaining will be affordable to moderate-income households.

Rental Requirement: At least 25% of the Township's obligation will be met through rental units, and at least half of these units will be available to families.

Round 3 Family Requirement: At least half of the units addressing the Township's obligation will be available to families.

Age Restricted Cap: The Township agrees to comply with COAH's Round 2 age-restricted cap of 25%. The Township is not requesting a waiver to exceed the age-restricted cap.

Spending Plan: The Township will prepare a Spending Plan. The Township will ask the Court to approve the Spending Plan so that the Township's Affordable Housing Trust Fund monies can be expended.

Affirmative Marketing: The individual developers will be responsible to ensure that proper affirmative marketing of all of the affordable units is properly implemented.