AFFORDABLE HOUSING THIRD ROUND MIDPOINT REVIEW TOWNSHIP OF UPPER DEERFIELD CUMBERLAND COUNTY, NEW JERSEY

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Table of Contents

Dumaga	_
Purpose	
Background	
Rehabilitation Obligation Review	
Prior Round Review	
Third Round Review	2
Summary	4

PURPOSE

Upper Deerfield's Settlement Agreement with Fair Share Housing Center ("FSHC") requires that the Township comply with the statutory midpoint review requirements of the Fair Housing Act ("FHA") and specifically N.J.S.A. 52:27D-313, which provides in relevant part: "[t]he Council shall establish procedures for a realistic opportunity review at the midpoint of the certification period and shall provide for notice to the public." Pursuant to the FSHC Settlement Agreement, that review requires the Township to post on its website, with a copy to FSHC and an opportunity for comment, a status report regarding its fair share compliance mechanisms and whether or not unbuilt sites/unfulfilled mechanisms continue to present a realistic opportunity for construction of affordable housing. This report has been prepared to comply with those statutory midpoint review requirements.

BACKGROUND

The Township had been the defendant in a builder's remedy lawsuit, which was ultimately dismissed in December 2016 after the Township was found to be in compliance with all thenextant COAH regulations. The dismissal included a requirement that within 45 days the Township file an action seeking a court judgment of such compliance, and the Township filed its declaratory judgment complaint on January 2, 2017. Through the declaratory judgment process, the Township and FSHC agreed to settle the litigation and to present that settlement to the trial court with jurisdiction over the matter to review. Upper Deerfield Township entered into a Settlement Agreement with FSHC on October 23, 2018. Following a fairness hearing conducted on January 7, 2019, the municipality's affordable housing proposal was deemed fair to the low- and moderate-income citizens of the Township's housing region, and an order approving the settlement agreement was entered on January 22, 2019. This report has been prepared to comply with the terms of that Settlement Agreement, which require a review at the midpoint of the Third Round – i.e., July 1, 2020 – of whether the unbuilt compliance mechanisms included in the Settlement Agreement and the Housing Element and Fair Share Plan continue to present a realistic opportunity for the development of affordable housing.

The Settlement Agreement established the Township's Third Round Fair Share obligation as follows:

Rehabilitation share: 31 units

Prior Round obligation: 242 units

Third Round gap and prospective need obligation: 280 units

REHABILITATION OBLIGATION REVIEW

The Township has a Rehabilitation obligation of 31 units, which it had fully satisfied at the time it adopted its Housing Element and Fair Share Plan in June 2019.

PRIOR ROUND REVIEW

The Township has a Prior Round obligation of 242 units, which it fully satisfied with 181 out of 283 units at the existing Countryside Village rental development, plus 61 rental bonuses, the maximum permitted.

Because Countryside Village is a tax-credit development that is open to tenants at 60% or less of regional median income, the terms of the Settlement Agreement require the Township to provide yearly updates demonstrating that at least 100 of the 283 units are occupied by either very low-income households at 30% or less of regional median income, or low-income households at 50% or less of regional median income. A unit census secured from the property manager in May 2020 indicates that 93 of the units are occupied by tenants earning less than 30% of regional median income, and another 85 units are occupied by tenants earning between 30% and 50% of regional median income.

THIRD ROUND REVIEW

The Township will fully address its 280-unit Third Round obligation with 10 units of existing special needs and supportive housing, 31 units from the existing Countryside Village 100% affordable development, 169 units from anticipated inclusionary development, and 70 rental bonuses, the maximum permitted. The table below provides additional detail.

Table 2. Upper Deerfield Township's Third Round 280-Unit Obligation Compliance Status				
Mechanism	Units	Status	Notes	
Alternative Living Arrangements				
Devereux Foundation (two facilities)	7	Existing		
Scioto Properties	4	Existing		
100% Affordable Development				
Countryside Village	31 + 31 rental bonuses	Existing	Updated unit census indicates more than 100 units currently occupied by low- or very low-income tenants, as required	
Inclusionary Development				
Bristol Ponds	36 + 36 rental bonuses	Adopted redevelopment plan	See below for status update	
Seabrook East	7 + 3 rental bonuses	Adopted resolution declaring area in need of redevelopment	See below for status update	
Stone Bridge Run	56	Rezoning	Required rezoning to density of six units/acre completed 9/5/2019	
Town Center	70	Adopted redevelopment plan; rezoning required	See below for status update	

Bristol Ponds: A redevelopment designation required by the Settlement Agreement was adopted in December 2018, and a redevelopment plan, also required by the Settlement Agreement, was also adopted in December 2018. The Township reports a redevelopment agreement is currently being negotiated, and site plans are currently undergoing review before a formal application is submitted.

Seabrook East: The terms of the Settlement Agreement permit the developer to provide seven affordable units on-site, or eight affordable units, including one very low-income unit, off-site

by acquiring eight nearby dwellings, gut-rehabilitating them and deed-restricting them. In December 2018, the developer executed a contract as required by the Settlement Agreement, and has indicated a preference for providing eight affordable units off-site. In April 2020, neighboring Seabrook Village, where the units to be rehabilitated are located, was included in a redevelopment area. The Township reports a redevelopment plan has been drafted, and the developer is in the process of taking title to the property.

Town Center: A redevelopment plan for a portion of Upper Deerfield including this site was adopted in 2005, but the plan did not allow for any residential development. The Settlement Agreement required this site to be rezoned to permit age-restricted residential development, and the rezoning was adopted in September 2019.

SUMMARY

Upper Deerfield Township has taken all measures required by the Settlement Agreement to ensure that the proposed compliance mechanisms included in its adopted Housing Element and Fair Share Plan continue to present a realistic opportunity for the development of affordable housing, and anticipates that all contemplated units will be completed and occupied by the end of the Third Round in 2025.