

# HOUSING PLAN

## Introduction

The housing element is the portion of the Town Master Plan that addresses the housing needs, both present and future, of the community and, to some extent, the region. The housing element has taken on special importance due to court decisions and legislation that require municipalities to provide a realistic opportunity for the development of affordable housing.

In 1975, the New Jersey Supreme Court handed down its first Mount Laurel decision. In that decision, the Court imposed an obligation on "developing municipalities", through their plans and development regulations, to provide an opportunity for the provision of a share of the regional housing need for families of low and moderate income, or "affordable housing" as it has become known. In 1983, the Court handed down a second decision, which has been referred to as Mount Laurel II. In that decision, the Court no longer limited the requirement to provide for affordable housing to developing municipalities, but related the obligation to the State Development Guide Plan (SDGP), which delineated the State into various planning areas. Those areas designated in the SDGP as "growth areas" were required to provide a plan for the provision of affordable housing for the local community and a portion of the region's population.

In January 1985, New Jersey adopted the Fair Housing Act. The act was the Legislature's response to the Supreme Court's Mount Laurel affordable housing decisions. The act established the Council on Affordable Housing (COAH), and assigned to COAH the responsibility for monitoring affordable housing activity throughout the State. Included among COAH's responsibilities under the act are the establishment of housing regions, the determination of state and regional affordable housing needs, and the promulgation of guidelines and criteria for determining the municipal shares of regional affordable housing needs. The act also strongly links municipal planning and zoning to the provision of affordable housing. Under the act, a municipal zoning ordinance is valid only if the municipality adopts a housing element as part of its master plan, and only if the zoning ordinance is substantially consistent with the housing element.

## 1990 Affordable Housing Plan

Following adoption of the Fair Housing Act, COAH adopted procedural and substantive rules that set forth the requirements for municipalities under the Act. As initially adopted, the rules determined the local and regional need for affordable housing units, and allocated a "fair share" of the regional need to each municipality

in the region for the period from 1987 to 1993. The obligation assigned to Westfield at that time was 414 housing units, of which 105 were indigenous units (an estimate of existing substandard housing needing rehabilitation). The remaining 309 units were estimates of need for new affordable housing units in Westfield.

Subsequently, and as a result of litigation initiated by certain developers, the Town received an order and final judgment of repose and compliance from the Superior Court of New Jersey, Law Division, dated November 8, 1991. In its judgment, the court reduced Westfield's affordable housing obligation to 156 housing units, comprised of the 105 existing indigenous units and 51 units of new construction. The 51-unit new construction requirement was reduced from COAH's 309-unit allocation due to the shortage of developable vacant land in Westfield. The court further granted 89 units of credit for rehabilitation of substandard housing in the Town since 1980. Thus, the plan approved by the court was required to provide opportunities for the rehabilitation of 16 existing housing units (105 – 89) and the construction of 51 new units. The approved plan addressed these obligations in the following manner:

- 16 units in Westfield were to be rehabilitated through funding and participation in a program designed for this purpose. This requirement has been satisfied through participation in the Union County rehabilitation program.
- 21 units of new construction were to be addressed through the Town entering into a regional contribution agreement (RCA) with a municipality in the region, whereby the Town would contribute funds toward the creation of affordable units in the receiving municipality. The funding for this agreement was to be provided through the sale of certain public lands and through a fee in lieu of affordable housing development on a tract of land at the north end of Prospect Street. This regional contribution agreement was subsequently executed.
- 17 units of new construction were to be addressed through creation of the RA-5A and RA-5B zone districts, with a requirement that 20% of the housing units be affordable units. This rezoning has been implemented and remains in place.
- 13 units of new construction would be addressed through rezoning and development of the balance of the RA-4 zone district for senior citizen rental apartments, or in the alternative, through rezoning to a more conventional inclusionary zone permitting multi-family housing which would require that 20% of the housing units be affordable units. In approving the senior citizen housing option, the court granted a waiver of the rule limiting the proportion of senior citizen housing units in the plan. In granting the waiver, the court determined that the 133 units proposed in the senior citizen housing project by Westfield were far in excess of the 13 units that would have resulted without the waiver. A 131-unit senior citizen housing project was subsequently developed.

In May 1994, COAH amended its rules and established revised affordable housing allocations for the period between 1987 and 1999. The revised allocations determined that the Town of Westfield's affordable housing obligation is 281 housing units, of which 143 are existing substandard units needing rehabilitation, and 138 are new units. COAH's allocation, however, recognizes the vacant land adjustment granted previously by the court.

This housing element sets forth the Town's plan for addressing the ongoing obligation.

### **Determination of Housing Need**

In general, there is a fairly good match between Westfield's existing housing stock and its existing population in terms of housing type, size and quality. A wide range of housing types and sizes exists, and the zoning pattern is designed to continue this range. The shrinking household size, however, suggests that new housing units need not be as large as in the past, at least from a practical perspective. Market demand exists for larger homes, despite the smaller household sizes. The projected increase in the number of senior citizens points to a continuing need for housing units suitable for persons in this age group. These units generally are smaller than average, are conveniently located near shopping areas and services, require less maintenance and are lower in cost. The ability to adapt to these needs is severely limited, however, by the shortage of developable land in the Town. One location has been identified in the central business district, as discussed in the land use plan, as a potential site for additional age-restricted housing units.

### Affordable Housing Need

The Council on Affordable Housing has assigned to the Town of Westfield a pre-credited affordable housing need of 281 units, consisting of 138 units of new construction and 143 units of rehabilitation. This calculation is set forth below, based upon COAH data:

#### *Pre-Credited Housing Need*

Indigenous Need	158
Reallocated Present Need	<u>80</u>
Present Need	238
Prospective Need 1993-1999	<u>16</u>
Total Need 1993-1999	254

## Adjustments

Prior-cycle Prospective Need 1987-1993	98
Demolitions	8
Less Filtering	- 46
Less Residential Conversion	- 17
Less Spontaneous Rehabilitation	<u>- 15</u>
	28

Precredited Need 281 \* (total need plus adjustments)

*\* The precredited need number of 281 is one unit less than the above figures would indicate due to rounding.*

Of the precredited need components, two relate to the rehabilitation obligation: indigenous need (158 units) and spontaneous rehabilitation (-15 units). After subtracting the spontaneous rehabilitation units from the indigenous need, the resulting obligation for rehabilitation is 143 units.

The portion of the precredited need that is not part of the rehabilitation obligation, (i.e.,  $281 - 143 = 138$  units) must be addressed through construction of new housing units.

### *Credits and Reductions*

It is estimated that Westfield is eligible for 308<sup>1,2</sup> units of reductions and credits for affordable housing. The units of credit are set forth below:

#### New Construction

Existing Affordable Units <sup>1</sup>	131	(credit)
Rental Bonus Credits <sup>1, 3</sup>	4	(bonus credit)
Regional Contribution Agreement	21	(credit)
Existing Zoning	<u>17</u>	(reduction)
Total Credits and Reduction	173	

#### Rehabilitation

Units Rehabilitated Since 1980	<u>133</u>	(89 per court order, $\pm 44$ since <sup>2</sup> )
Total Credits	308	

<sup>1</sup> Calculations of affordable units and rental bonus credits do not include calculations for the group home at 56 Mohawk Trail, owned and operated by the Association for Retarded Citizens of Union County II (Block 5117, Lot 16).

<sup>2</sup> Exact figures for rehabilitation are unavailable. Although requested from the Union County Housing Rehabilitation program, they have not been released.

<sup>3</sup> The rental bonus credits in the table are calculated using a 1/3 bonus credit for each age-restricted unit, with 13 age-restricted units eligible for credit. The 13 age-restricted eligible units are based upon a rental obligation of 13 units, which is 25% of the realistic development potential of 51 units pursuant to the 1991 court order.

### *Unmet Affordable Housing Need*

After applying the credits and reductions discussed above, the Town's unmet need is reduced to 10 units of rehabilitation. This is calculated by reducing the 143-unit precredited rehabilitation obligation by the approximately 133 units of rehabilitation in the Town since 1980.

### **Proposed Plan**

The affordable housing plan for Westfield is essentially in place, and consists of continuing the policies and programs that have been followed since the 1991 court order, as discussed below.

### New Construction

The plan proposes to continue the existing zoning regulations in place for the RA-4, RA-5A and RA-5B zone districts. Each of these zones is described in the following paragraphs.

The RA-4 zone is located at the end of Columbus Avenue, Grandview Avenue, Irving Avenue and Ripley Avenue, adjacent to the municipal boundary with Garwood. Although the properties in the entire zone contains 18.49 acres, the portion addressed in the housing element, Block 4901, Lot 9 on the tax map, contains only 8.31 acres. The zone permits senior citizen housing for persons of low and moderate income. The housing is required to be developed under a limited dividend or non-profit housing corporation sponsorship and financed under State and/or Federal housing programs. The permitted density is 16 dwelling units per acre. Affordability controls are required to be consistent with the rules of the New Jersey Council on Affordable Housing. The zone is presently developed with 303 age-restricted rental housing units, 131 of which were developed pursuant to the 1991 court decision. The site of these 131 units is designated as "Site A" on the AFFORDABLE HOUSING PLAN map.

The RA-5A zone is located on Springfield Avenue and is designated as "Site C" on the AFFORDABLE HOUSING PLAN map. The property in the zone contains 6.55 acres, 6.53 of which are free from environmental constraints according to the court-approved plan. The site is identified as Block 1905, Lot 13 on the tax map, and is presently used for a commercial garden center/nursery with an apartment on the upper floors. The site is served with adequate sewer and water utilities. Permitted uses in the zone, in addition to the garden center/nursery and apartment, are limited to multi-family residences and townhouses. The permitted density is 8 units per acre, which would result a total development of 52 units. A 20% set-aside for affordable units is required, i.e., 10 of the 52 total units. Affordability controls consistent with the rules of the Council on Affordable Housing are required.

The RA-5B zone is located adjacent to the intersections of Grandview Avenue with Windsor Avenue, Myrtle Avenue and Grove Street, and is designated as "Site B" on the AFFORDABLE HOUSING PLAN map. The properties within the zone are identified as Block 4005, Lots 1 and 2; Block 4006, Lots 1, 2 and 3; and Block 4007, Lot 13 on the tax map. The total area of the properties is 4.30 acres, 4.25 acres of which are free from environmental constraints according to the court-approved plan. The State of New Jersey inspection station on South Avenue presently uses Lot 2 in Block 4005; the remainder of the zone is vacant. The zone regulations are essentially the same as for the RA-5A zone, except that garden centers/nurseries and apartments accessory to the same are not permitted. Based upon the permitted density of 8 units per acre, 34 total units could be developed on the site, of which 20%, i.e., 7 would be required to be affordable.

#### Rehabilitation

The plan proposes that the Town assist in the rehabilitation of at least 10 deficient units (estimated) for qualified households through participation in the Union County housing rehabilitation program. The actual number of units required to be rehabilitated will need to be determined by the Council on Affordable Housing, based upon information held by the County, but made unavailable to the Town, concerning the number and eligibility of units rehabilitated subsequent to the prior affordable housing litigation. Based upon the limited information provided by Union County, an average of 4 to 5 units have been rehabilitated each year in Westfield during the 1990's. Westfield presently is a participant in the County program, and has participated for many years. The plan proposes to continue that participation.

#### Pending Adoption of New Affordable Housing Rules

At the time of this writing, the Council on Affordable Housing has proposed the adoption of new rules that would impose an affordable housing obligation upon all municipalities based upon a formula corresponding to new development within the municipality. The Town should monitor this situation closely and where appropriate, new development should be required to address any obligation that may result from such development.