



BOROUGH OF HIGHTSTOWN PLANNING BOARD

156 Bank Street, Hightstown, NJ 08520
Phone: 609-490-5100 x617 Fax: 609-371-0267

PLANNING BOARD REORGANIZATION/REGULAR MEETING AGENDA

Hightstown Firehouse

MONDAY, JANUARY 9, 2023 - 7:30 P.M.

PLEASE TURN OFF ALL CELL PHONES DURING YOUR ATTENDANCE AT THIS MEETING TO AVOID SOUNDS/RINGING OR CONVERSATIONS THAT MAY INTERFERE WITH THE RECORDING OR THE ABILITY OF ATTENDEES TO HEAR THE PROCEEDINGS. THANK YOU FOR YOUR COOPERATION.

Meeting called to order by Chairperson Beverly Asselstine

STATEMENT: Adequate notice of this meeting has been given in accordance with the Open Public Meetings Act, pursuant to Public Law 1975, Chapter 231. Said notice was advertised in the Trenton Times and Windsor-Hights Herald as required by law and is posted on the Hightstown Borough website.

Flag Salute

Oath of Office	Mayor Susan Bluth (Class I)	4 years	December 31, 2026
	Dimitri Musing (Class II)	1 year	December 31, 2023
	Fred Monferrat (Class III)	1 year	December 31, 2023
	Matthew Morgan (Class IV)	4 years	December 31, 2026
	Raymond Cabot (Alternate #2)	2 years	December 31, 2024

Roll Call – Planning Board

Approval of Agenda

Approval of Minutes November 14, 2022 – Regular Virtual Meeting
December 12, 2022 – Regular Virtual Meeting

Public Comment

Resolution 2023-01 – Meeting Schedule 2023
2023-02 – Newspaper Designation
2023-03 – Planning Board Secretary – Jane Davis
2023-04 – Planning Board Engineer – Carmela Roberts
2023-05 – Planning Board Attorney – Michael Herbert
2023-06 – Planning Board Planner – Brian Slaugh

Public Comment



**BOROUGH OF HIGHTSTOWN
PLANNING BOARD**

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Phone: 609-490-5100 x617 Fax: 609-371-0267

PLANNING BOARD REORGANIZATION/REGULAR MEETING AGENDA

Hightstown Firehouse

MONDAY, JANUARY 9, 2023 - 7:30 P.M.

Subcommittee Appointments

Architectural Review Committee

Affordable Housing Subcommittee

Bicycle Planning Subcommittee

Cannabis Subcommittee

Ordinance Subcommittee

Liaisons – Historic Preservation Commission

– Environmental Commission

Old Business

Downtown Redevelopment Area

Affordable Housing Plan

New Business

Committee and Professional Reports

Chairman and Board Member Comments

Adjourn

MINUTES 11-14-2022

Meeting minutes from the November 12, 2022 Planning Board meeting are forthcoming from the Planning Board Secretary.



THE BOROUGH OF HIGHTSTOWN PLANNING BOARD

REGULAR VIRTUAL MEETING MINUTES MONDAY, DECEMBER 12, 2022, 7:30 P.M.

Ms. Asselstine introduces

OPEN SESSION

Bev Asselstine, Chairperson, called the meeting to order at 7:30 p.m. and read the Open Public Meetings Act statement: “Adequate notice of this meeting has been given in accordance with the Open Public Meetings Act, pursuant to Public Law 1975, Chapter 231. Said notice was sent to the Trenton Times and the Windsor-Hights Herald and is posted on the Borough’s website. Due to Covid-19 and self-distancing protocols, this meeting was held remotely through www.zoom.com.”

Flag Salute, led by Mayor Quattrone

Roll Call

Planning Board	PRESENT	ABSENT	LATE ARRIVAL
Mayor Quattrone	X		
Councilman Misiura	X		
Ms. Asselstine, Chair	X		
Ms. Jackson, Vice-Chair	X		
Mr. Laudenberg		X	
Mr. Searing	X		
Ms. Watkins	X		
Mr. Balcewicz, Alt. #1	X		
Mr. Cabot, Alt. #2	X		
Mr. Gainey		X	
Mr. Yandoli	X		

Also in attendance: Jane Davis – Planning Board Secretary, Michael Herbert – Attorney, Carmela Roberts – Engineer, Brian Slaugh – Planner & George Chin – Zoning Official (late arrival)

Approval of Agenda

Ms. Asselstine asks for a motion to approve the Agenda. Motion made by Mayor Quattrone and seconded by Mr. Cabot to approve the Agenda for the December 12, 2022 Planning Board meeting.

Roll Call Vote: Mayor Quattrone, Mr. Misiura, Ms. Asselstine, Ms. Jackson, ~~Mr. Laudenberg~~, Mr. Searing, Ms. Watkins, Mr. Balcewicz, Mr. Cabot, ~~Mr. Gainey~~ & Mr. Yandoli. Mr. Laudenberg & Mr. Gainey were absent. Motion passed 9-0; 2 absences.

Approval of Minutes

Ms. Asselstine asks for a motion to approve the meeting minutes from the regular virtual meeting on October 11, 2022. Motion made by Mr. Balcewicz and seconded by Mr. Misiura.

Roll Call Vote: ~~Mayor Quattrone~~, Mr. Misiura, Ms. Asselstine, Ms. Jackson, ~~Mr. Laudenberg~~, ~~Mr. Searing~~, Ms. Watkins, Mr. Balcewicz, ~~Mr. Cabot~~, ~~Mr. Gainey~~ & ~~Mr. Yandoli~~. Mayor Quattrone, Mr. Searing, Mr. Cabot & Mr. Yandoli abstained, Mr. Laudenberg & Mr. Gainey were absent. Motion passed 5-0; 4 abstentions & 2 absences.



**THE BOROUGH OF HIGHTSTOWN
PLANNING BOARD**
REGULAR VIRTUAL MEETING MINUTES
MONDAY, DECEMBER 12, 2022, 7:30 P.M.

Public Comment

There were no members of the public, Ms. Asselstine opens & closes public comment.

Resolution

2022-09 – Application #2021-02 – Americana Kitchen & Bar – Preliminary & Final Site Plan – Ms. Asselstine introduces the resolutions and comments on inconsistencies with the compactor location. The original motion did not include the agreed upon location as suggested in Ms. Roberts letter to move the dumpsters off of Borough property entirely. Mr. Herbert clarifies that the Applicant agreed to all of the letter provided by Ms. Roberts. Mr. Balcewicz asks for additional clarification on the issue. Further discussion ensues. Mr. Balcewicz comments regarding that the parking stall size listed in the resolution is not clear. Mr. Herbert confirms that this will be reworded prior to sign offs.

With the Board having clarification and being in agreeance, Ms. Asselstine asks for a motion to approve Resolution 2022-09 for amended site plan approval for restaurant parking lot changes as discussed and modified. Motion made by Mr. Balcewicz and seconded by Ms. Watkins.

Roll Call Vote: ~~Mayor Quattrone, Mr. Misiura, Ms. Asselstine, Ms. Jackson, Mr. Laudemberger, Mr. Searing, Ms. Watkins, Mr. Balcewicz, Mr. Cabot, Mr. Gainey & Mr. Yandoli.~~ Mayor Quattrone, Mr. Misiura, Mr. Searing, Mr. Cabot & Mr. Yandoli abstained; Mr. Laudemberger & Mr. Gainey were absent. Motion passed 5-0; 4 abstentions; 2 absences.

2022-10 – Application #2018-04 – Spring Point at Meadow Lakes – Extension request – Ms. Asselstine introduces the resolution and Mr. Herbert explains the extension request explaining that it's considered a "Note Pro Tunc". The Applicant seeks two 1-year extensions, giving them a deadline of October 15, 2023. Ms. Asselstine comments on a minor revision.

Being that there are no additional comments, Ms. Asselstine asks for a motion to approve Resolution 2022-10 with discussed revision. Motion made by Mr. Searing and seconded by Ms. Watkins.

Roll Call Vote: Mayor Quattrone, Mr. Misiura, Ms. Asselstine, ~~Ms. Jackson, Mr. Laudemberger,~~ Mr. Searing, Ms. Watkins, Mr. Balcewicz, ~~Mr. Cabot, Mr. Gainey~~ & Mr. Yandoli. Ms. Jackson & Mr. Cabot abstained; Mr. Laudemberger & Mr. Gainey were absent. Motion passed 7-0; 2 abstentions; 2 absences.



THE BOROUGH OF HIGHTSTOWN PLANNING BOARD

REGULAR VIRTUAL MEETING MINUTES MONDAY, DECEMBER 12, 2022, 7:30 P.M.

2022-11 – Application #PB2022-05 – The Peddie School – 301 East Ward Street – Ms. Asselstine introduces the resolution and Mr. Herbert explains the nature of the application and that minor errors and revisions were already discussed/made by the Applicant’s attorney and the Board Secretary.

Ms. Asselstine asks for a motion to Resolution 2022-11 as previously revised. Motion made by Mr. Searing and seconded by Mr. Balcewicz.

Roll Call Vote: Mayor Quattrone, ~~Mr. Misiura~~, Ms. Asselstine, ~~Ms. Jackson~~, ~~Mr. Laudenberger~~, Mr. Searing, Ms. Watkins, Mr. Balcewicz, ~~Mr. Cabot~~, ~~Mr. Gainey~~ & Mr. Yandoli. Mr. Misiura, Ms. Jackson & Mr. Cabot abstained, Mr. Laudenberger & Mr. Gainey were absent. Motion passed 6-0; 3 abstentions & 2 absences.

Old Business

Downtown Redevelopment Area – Mr. Slaugh shares the pre-existing vision plan and explains the history of the Downtown Redevelopment area. He goes on to give an update on the viability of developing the existing Wells Fargo site and possibility of utilizing part of the Baptist Church lakefront. A letter of interest had been obtained by a potential buyer from the DEP that determined Peddie Lake contained a Wood Turtle, thus considering 150-foot buffer from the Peddie Lake shoreline undevelopable. This finding ultimately will impact the existing redevelopment concept plan. Mr. Slaugh suggests the redevelopment area being designated needs to be revisited based on this new information in addition to the updated flood hazard map. Mr. Slaugh recommends the existing bank property (Block 28, Lots 51, 52 & 53) still be considered as an area in need of redevelopment, since the other lots initially recommended have criteria that is hard to meet given the circumstances. Another interesting finding is that in 1926 the church cemetery was relocated. Fourteen of the bodies were never claimed so they were exhumed and reburied at the higher elevation on the church property. This was envisioned as being a walking path. He goes on to explain that any redevelopment that would take place on the existing Church, Bank or Tavern property, the first floor would need to be elevated due to the flood hazard. Ms. Roberts comments that it would be possible to redevelop any area that is impervious coverage versus and existing green areas and any change of use from parking lot to building coverage is generally considered a cleaning up of the water in the area. Discussion continues. Mr. Slaugh will send a memo with his finding and start drafting a report based on the preliminary study. Mr. Cabot asks if the parsonage property on Ward Street is a part of the area to be redeveloped. This topic will be a continued discussion in January.

Affordable Housing Plan – Ms. Asselstine refers to Mr. Slaugh. He refers to and explains the Third Round Housing Element and Fair Share Plan DRAFT. The first 25 pages are the analysis, demographics, etc. The remaining pages are obligation calculations. Mr. Slaugh explains the calculations in the report – the realistic opportunity to meet our municipal obligation through inclusionary development and identifying and rezoning areas in need of redevelopment. There is further discussion and explanation of the Affordable Housing process. The next step is to fill out the Appendix for the Board to act on. A draft of the Housing element will be sent to the Council with the intent to hold a public hearing in February. No additional comments were made by the Board.



**THE BOROUGH OF HIGHTSTOWN
PLANNING BOARD**

REGULAR VIRTUAL MEETING MINUTES
MONDAY, DECEMBER 12, 2022, 7:30 P.M.

New Business

Committee and Professional Reports

Ms. Roberts – Announces that the NJDOT grant application for Maxwell Avenue was approved which will be upwards of \$600,000.

Chairman and Board Member Comments

Ms. Asselstine thanks Mayor Quattrone, Councilmember Misiura, Mr. Searing & Ms., Jackson for serving the Board and wishes them well.

Things to note for future discussion. The next Master Plan Reexamination will be in 2024. Ms. Asselstine would like to discuss the idea of an open house and public outreach for comments on the Master Plan at the Reorganization meeting. A committee will need to be formed in advance of the reexamination.

Mr. Misiura thanks everyone who he has served with for the past almost 20 years.

Mayor Quattrone thanks the Board. And he selected the members based on who had interest in Hightstown and the future of Hightstown. He thanks Mr. Misiura as a valuable Board member and for the many years he served.

There being no further business, Ms. Asselstine asks for a motion to adjourn. Motion made Mayor Quattrone and seconded by Mr. Misiura. All ayes. Meeting adjourned at 9:11 PM.

Submitted by:

Jane Davis, Planning Board Secretary

Resolution 2023-01

*BOROUGH OF HIGHTSTOWN PLANNING BOARD
COUNTY OF MERCER, STATE OF NEW JERSEY*

APPROVING THE PLANNING BOARD MEETING SCHEDULE FOR THE YEAR 2023

BE IT RESOLVED by the Planning Board of the Borough of Hightstown that the meetings of the Planning Board for 2023 and for the first meeting in 2024 will begin at 7:30 p.m. and will be held at the Hightstown Firehouse at 140 North Main Street, Hightstown, on the following dates.

2023 SCHEDULED MEETING DATES

MONDAY	February 13
MONDAY	March 13
MONDAY	April 10
MONDAY	May 8
MONDAY	June 12
MONDAY	July 10
MONDAY	August 14
MONDAY	September 11
TUESDAY	October 10
MONDAY	November 13
MONDAY	December 11

2024 REORGANIZATION MEETING

MONDAY	January 8
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All relevant documents for scheduled meetings will be made available prior to the meeting at www.hightstownborough.com and in-person by appointment only at 156 Bank Street, Hightstown.

CERTIFICATION

I hereby certify the foregoing to be a true copy of a resolution adopted by the Planning Board at a meeting held on January 9, 2023.

Jane Davis
Planning Board Secretary

Resolution 2023-02

*BOROUGH OF HIGHTSTOWN PLANNING BOARD
COUNTY OF MERCER, STATE OF NEW JERSEY*

DESIGNATING OFFICIAL NEWSPAPERS

BE IT RESOLVED by the Planning Board of the Borough of Hightstown that the *Trenton Times* and *Cranbury Press Windsor-Hights Herald* are hereby designated as the official newspapers for the year 2023.

CERTIFICATION

I hereby certify the foregoing to be a true copy of a resolution adopted by the Planning Board at a meeting held on January 9, 2023.

Jane Davis
Planning Board Secretary

Resolution 2023-03

*BOROUGH OF HIGHTSTOWN PLANNING BOARD
COUNTY OF MERCER, STATE OF NEW JERSEY*

APPOINTING PLANNING BOARD SECRETARY

WHEREAS, there exists a need for a Planning Board Secretary for the Borough of Hightstown Planning Board; and

WHEREAS, it is the desire of the Planning Board to appoint Jane Davis to this position; and

NOW, THEREFORE, BE IT RESOLVED by the Planning Board of the Borough of Hightstown, as follows:

1. Jane Davis is hereby appointed as Planning Board Secretary for the year 2023 at the rate of \$24.72 per hour.
2. A copy of this Resolution shall be placed on file with the Borough Clerk.
3. A notice of this action shall be published once in an official newspaper of the Borough as required by law.
4. This Resolution is contingent upon the provision of funding in the Borough's 2023 budget, where funds are being made available.

CERTIFICATION

I hereby certify the foregoing to be a true copy of a resolution adopted by the Planning Board at a meeting held on January 9, 2023.

Jane Davis
Planning Board Secretary

Resolution 2023-04

*BOROUGH OF HIGHTSTOWN PLANNING BOARD
COUNTY OF MERCER, STATE OF NEW JERSEY*

APPOINTING PLANNING BOARD ENGINEER

WHEREAS, there exists a need for engineering services for the Planning Board of the Borough of Hightstown, and

WHEREAS, Carmela Roberts, Roberts Engineering Group, LLC has served in the previous years as both the Borough Engineer and the Planning Board Engineer, and

WHEREAS, the Planning Board desires the continued services of Ms. Roberts for the 2023 year as the Planning Board Engineer as stated in her "Hourly Fee Schedule" previously approved by Borough Council.

WHEREAS, this contract is awarded as a "non-fair and open contract" pursuant to and in accordance with the Local Unit Pay-to-Play Law.

NOW, THEREFORE, BE IT RESOLVED by the Planning Board of the Borough of Hightstown, as follows:

1. Carmela Roberts is hereby appointed Planning Board Engineer for the 2023 year.
2. A copy of this Resolution shall be placed on file with the Borough Clerk.
3. A notice of this action shall be published once in an official newspaper of the Borough as required by law.
4. This Resolution is contingent upon the provision of funding in the Borough's 2023 budget, where funds are being made available.

CERTIFICATION

I hereby certify the foregoing to be a true copy of a resolution adopted by the Planning Board at a meeting held on January 9, 2023.

Jane Davis
Planning Board Secretary

Resolution 2023-05

*BOROUGH OF HIGHTSTOWN PLANNING BOARD
COUNTY OF MERCER, STATE OF NEW JERSEY*

APPOINTING AND AUTHORIZING AN AGREEMENT FOR PROFESSIONAL LEGAL SERVICES – PARKER MCCAY P.A.

WHEREAS, there exists the need for specialized legal services for the Planning Board during 2023; and

WHEREAS, it is the desire of Planning Board to appoint **Michael W. Herbert, Parker McCay P.A., Hamilton, New Jersey**, as Planning Board Attorney for the year 2023; and

WHEREAS, the cost for the proposed services shall be as stated in the “2023 Hourly Fee Schedule” as approved by the Planning Board; and

WHEREAS, funds for this purpose will be made available in the 2023 budget; and,

WHEREAS, the anticipated term of this contract is for the 2023 calendar year, and it may only be renewed upon further action of the Planning Board; and

WHEREAS, this contract is awarded as a “fair and open contract” pursuant to and in accordance with the Local Unit Pay-to-Play Law.

NOW, THEREFORE, BE AND IT IS HEREBY RESOLVED, by the Planning Board of the Borough of Hightstown that the Planning Board Chairman is authorized to execute and the Planning Board Secretary to attest an agreement between the Borough of Hightstown and Parker McCay P.A., for professional legal services for the year 2023.

NOW, THEREFORE, BE IT RESOLVED by the Planning Board of the Borough of Hightstown, as follows:

1. The Chairman and Secretary are hereby authorized and directed to execute an Agreement with Michael W. Herbert, Esq., Parker McCay P.A., 3840 Quakerbridge Road, Suite 200, Hamilton, New Jersey 08619.
2. This Contract is awarded without competitive bidding as a “Professional Service” under the provisions of the Local Public Contracts Law, (N.J.S.A. 40A:11-5(a)) as a contract for services to be performed by a person authorized by law to practice a recognized profession that is regulated by law.
3. A copy of this Resolution and Contract shall be placed on file in the Office of the Borough Clerk.

4. Notice of Adoption of this Resolution should be published in an official Borough newspaper.

CERTIFICATION

I hereby certify the foregoing to be a true copy of a resolution adopted by the Planning Board at a meeting held on January 9, 2023.

Jane Davis
Planning Board Secretary

PROFESSIONAL SERVICES AGREEMENT

Legal Services – Planning Board

THIS AGREEMENT, made this 9th day of January 2023, by and between the Planning Board of the Borough of Hightstown, County of Mercer, State of New Jersey, hereinafter referred to as the Planning Board, and Michael W. Herbert, Esq., Parker McCay P.A., 3840 Quakerbridge Road, Suite 200, Hamilton, New Jersey 08619; and

WHEREAS, the Planning Board requires the services of an Attorney at Law of New Jersey to serve in the capacity of Planning Board Attorney; and

WHEREAS, the Planning Board has authorized the appointment of Michael W. Herbert, Esq., Parker McCay P.A., 3840 Quakerbridge Rd, Suite 200, Hamilton, New Jersey 08619, to serve as Planning Board Attorney during the Calendar Year 2023, as memorialized by adoption of Resolution 2023-05.

NOW, THEREFORE, BE IT HEREBY AGREED by the Planning Board and the Attorney that the Attorney will perform legal services for the Board and the Board will compensate the Attorney for such legal services as follows:

- | | | |
|----|-----------------------|-------------------|
| 1. | Attorneys | \$185.00 per hour |
| 2. | Paralegals/Law Clerks | \$100.00 per hour |
| 3. | Meeting Attendance | 1-hour minimum |

IN WITNESS WHEREOF, the Board and the Attorney have executed this Agreement as of the date first above written.

Attest by:

Hightstown Planning Board

Jane Davis, Secretary
Planning Board

Beverly Asselstine, Chairperson
Planning Board

Michael W. Herbert, Attorney

Resolution 2023-06

*BOROUGH OF HIGHTSTOWN PLANNING BOARD
COUNTY OF MERCER, STATE OF NEW JERSEY*

APPOINTING AND AUTHORIZING AN AGREEMENT FOR PROFESSIONAL PLANNING SERVICES – BRIAN M. SLAUGH

WHEREAS, there exists the need for specialized planning services for the Planning Board during 2023; and

WHEREAS, it is the desire of Planning Board to appoint Brian M. Slaugh, PP, AICP of the firm Clarke Caton Hintz, 100 Barrack Street, Trenton, New Jersey, as Planning Board Planner for the year 2023; and

WHEREAS, funds for this purpose will be made available in the 2023 budget; and,

WHEREAS, the anticipated term of this contract is for one (1) year, and it may only be renewed upon further action of the Planning Board; and

WHEREAS, this contract is awarded as a “non fair and open contract” pursuant to and in accordance with the Local Unit Pay-to-Play Law.

NOW, THEREFORE, BE IT RESOLVED by the Planning Board of the Borough of Hightstown, as follows:

1. Brian M. Slaugh is hereby appointed Planning Board Planner for the 2023 year.
2. A copy of this Resolution shall be placed on file with the Borough Clerk.
3. A notice of this action shall be published once in an official newspaper of the Borough as required by law.
4. This Resolution is contingent upon the provision of funding in the Borough’s 2023 budget, where funds are being made available.

CERTIFICATION

I hereby certify the foregoing to be a true copy of a resolution adopted by the Planning Board at a meeting held on January 9, 2023.

Jane Davis
Planning Board Secretary

DRAFT

Third Round Housing Element and Fair Share Plan



Adaptive Reuse, Affordable Housing, Seattle, WA

Borough of Hightstown Mercer County, New Jersey

January 9, 2023

Clarke Caton Hintz



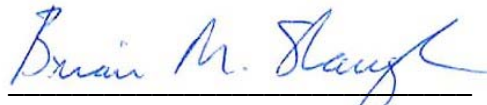
Housing Element and Fair Share Plan

Planning Board Borough of Hightstown Mercer County, New Jersey

Adopted _____

Endorsed by the Borough Council _____

Prepared by



Brian M. Slauch, PP, AICP
New Jersey Professional Planner License no. 3743
With the assistance of

Elaine R. Clisham, PP, AICP
New Jersey Professional Planner License no. 6507

CLARKE CATON HINTZ, PC
100 Barrack Street
Trenton, New Jersey 08608
(609) 883-8383

A signed and sealed original is on file with the Borough Clerk

Borough Council

Susan Bluth, Mayor
Joshua Jackson, Council President
Joseph Cicalese
Cristina Fowler
Todd Franz
Frederick Montferrat

Margaret (Peggy) Riggio, RMC, CMR, Municipal Clerk
Dimitri Musing, Borough Administrator
Frederick C. Raffetto, Esq., Borough Attorney
Carmela Roberts, PE, Borough Engineer
Brian M. Slaugh, PP, AICP, Borough Planner

Borough Planning Board

Beverly Asselstine, Class IV, Chair
Susan Bluth, Class I, Mayor
Dimitri Musing, Class II
Fred Montferrat, Class III
Nathaniel Gainey, Class IV
John Laudenberg, Class IV
Matthew Morgan, Class IV
Beth Watkins, Class IV
Chris Yandoli, Class IV
Joseph F. Balcewicz, 1st Alternate
Raymond Cabot, 2nd Alternate

Jane Davis, Planning Board Secretary
Michael Herbert, Esq., Planning Board Attorney

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[tbd]

INTRODUCTION

The Housing Element and Fair Share Plan for Hightstown Borough addresses its constitutional obligation to provide for affordable housing under the mandate of the Mount Laurel Doctrine established by the New Jersey Supreme Court beginning in 1975 and codified by the state legislature in the New Jersey Fair Housing Act of 1985.¹ Together, the Housing Element and Fair Share Plan constitute the affordable housing plan for the Borough of Hightstown. The Housing Element is a component of the Borough's Master Plan for development and redevelopment, and the Fair Share Plan constitutes the means and documents designed to implement the Housing Element, also known colloquially as the "Housing Plan."

The Mount Laurel Doctrine has a long and complicated history since it was first articulated by the New Jersey Supreme Court in 1975. At this point in time, the Supreme Court has retaken control of the process of ensuring the provision of affordable housing in the state. As part of this process, various lower court decisions have been made (see bottom of page 2). The one of particular importance to the development of this Housing Plan established affordable housing numbers in Mercer County for what is called the Third Round of obligation for municipalities. This decision was made in, "In the Matter of the Application of the Municipality of Princeton²" consolidated with, "In the Matter of West Windsor Township³" entitled, Opinion on Fair Share Methodology to Implement the Mount Laurel Affordable Housing Doctrine for the Third Round, issued on March 8, 2018. Since the decision was issued by Judge Mary C. Jacobson, A.J.S.C., this is known as the "Jacobson Methodology." This method and determination of affordable housing numbers has been utilized in the development of this Housing Plan.

Hightstown Borough stipulates that its affordable housing obligations are as follows:

- Rehabilitation Share of 39 units;
- Prior Round obligation of 38 units; and
- A Third Round obligation encompassing both the Gap Present Need and Prospective Need of 68 units.

In accordance with this process, the Borough of Hightstown and its Planning Board have prepared this Housing Element and Fair Share Plan and the accompanying Spending Plan.

BRIEF HISTORY AND REGIONAL LOCATION

Hightstown Borough sits at the eastern edge of Mercer County, measuring 1.27 square miles in area. It is entirely surrounded by the Township of East Windsor. It is part of the State

¹ - *N.J.S.A. 52:27D-301 et seq.*

² - Docket MER-L-1550-15

³ - Docket MER-L-1561-15

Development and Redevelopment Plan's (SDRP) Planning Area 2, the Suburban Planning area, which comprises areas adjacent to higher-density Metropolitan Planning areas but characterized by lower intensity of development and greater availability of developable land. In addition to this regional characterization, however, the State Development and Redevelopment Plan designates the Borough as a Town Center. The Borough is home to the Peddie School, a private, coeducational boarding and day school founded in 1864, which occupies a 280-acre campus, including Peddie Lake, on the eastern side of the Borough. Rocky Brook feeds Peddie Lake which is a defining feature of Hightstown's downtown, and flows outward to the northwest.

Hightstown was named for John and Mary Hight, who established a tavern in the area in the 1750s. The land that became the Borough of Hightstown and the surrounding East Windsor Township was originally acquired by William Penn in the late 1600s. He wanted to settle the land with Quakers, who were being persecuted in England and New England. The Borough's Stockton Street Historic District covers both sides of Stockton Street (County Route 571), from Railroad Avenue to Summit Street, and a portion of Rogers Avenue. The first railroad in the United States to connect two major cities, New York and Philadelphia, the Camden and Amboy Railroad, originally ran along what is now Railroad Avenue. In 1832, the John Bull, the first locomotive in the country, provided the first steam-powered passenger rail service in the country, stopping at Stockton Street. Hightstown no longer has train service available.

State Route 33 runs through the Borough from the southwest to the northeast and travels eastward at Peddie Lake to nearby Interchange 8 of the New Jersey Turnpike. County Route 571 (Stockton Street) comes into the Borough from Princeton to the west and continues southeast as far as Toms River, New Jersey. State Route 130 runs north-south immediately to the west of the Borough. Until the COVID-19 pandemic in 2020, there was express bus service via Coach USA between Hightstown and both Midtown and Wall Street in New York City.

The Borough's population from the 2020 U.S. Census was 5,900, an increase of 406, or 7.4% from the 2010 Census count of 5,494. Additional demographic characteristics are found in the tables beginning on page 9. The tables are based on estimates from the American Community Survey⁴ as more detailed information from the 2020 Census is not yet available.

AFFORDABLE HOUSING JUDICIAL AND LEGISLATIVE BACKGROUND

The affordable housing landscape in New Jersey is complex and became more so following the failure of the state agency created by the 1985 New Jersey Fair Housing Act (FHA), the Council on Affordable Housing (COAH), to produce a set of rules for the Third Round that passed constitutional muster. This section provides an overview of the laws, decisions and

⁴ - The American Community Survey replaced the long-form census as the source for much of the housing data necessary to complete this section. The census is a one-time count of the population while the ACS is an estimate taken over five years through sampling. For this reason, data in the ACS is subject to a greater margin of error than the U.S. Census since it is based on sampling.

rules that pertain to affordable housing in the state in a quest to answer general questions and the mandates applying to local government in New Jersey on this subject.

Providing affordable housing within developing municipalities was found to be a constitutional obligation by the New Jersey Supreme Court in its landmark 1975 decision now referred to as Mount Laurel I. The Court found that developing municipalities have a constitutional obligation to provide a realistic opportunity for the construction of low- and moderate-income housing.⁵ In its 1983 Mount Laurel II decision, the Supreme Court extended the obligation to all municipalities within any “growth area” as designated in the State Development Guide Plan (now superseded by the State Development and Redevelopment Plan [SDRP]). Subject to a number of limitations, Mount Laurel II also gave developers the opportunity to secure a “builder’s remedy.”⁶ In a builder’s remedy, a developer is granted the right to develop what is typically a multi-family project on land that was not zoned to permit this use or at a greater density than otherwise allowed if a “substantial” percentage of the units are reserved for low and moderate income households.

As noted above, in 1985, the Legislature enacted the FHA in response to the Mount Laurel II decision. With the creation of COAH, the state Legislature conferred primary jurisdiction for affordable housing matters to the new agency and charged it with promulgating regulations to, (1) establish housing regions; (2) estimate low- and moderate-income housing needs; (3) set criteria and guidelines for municipalities to determine and address their affordable housing numbers; and (4) create a process for the review and approval of housing elements and fair share plans that met constitutional guidelines.

First and Second Round Methods

COAH created the criteria and guidelines for municipalities to determine and address their respective affordable housing obligation, or number of affordable dwellings.⁷ Following guidelines established by the U.S. Department of Housing and Urban Development (“HUD”), COAH defined affordable housing as dwellings that were affordable to households with incomes 80% or less of the regional household income – which typically included between 38% and 41% of the total population. COAH originally established a formula for determining municipal affordable housing obligations for the six-year period between 1987 and 1993 (*N.J.A.C. 5:92-1 et seq.*), which became known as the First Round. The First Round rules established an existing need (variously known as “present need” or “rehabilitation share”) where substandard housing was being occupied by low- and moderate-income households, and future demand (“prospective need” or “fair share”) to be satisfied typically, but not exclusively, with new construction.

⁵ - Southern Burlington NAACP v. Twp. of Mount Laurel, 67 N.J. 151 (1975)

⁶ - Southern Burlington NAACP v. Twp. of Mount Laurel, 92 N.J. 158 (1983)

⁷ - Also called a municipality’s “fair share” of affordable housing.

The First Round rules were superseded by new COAH regulations in 1994 (*N.J.A.C. 5:93-1.1 et seq.*). The 1994 regulations recalculated a portion of the 1987-1993 affordable housing obligations for each municipality and computed the additional municipal affordable housing need from 1993 to 1999 using 1990 U.S. Census data. The regulations COAH adopted in 1994 are known as the Second Round rules. Though the FHA did not require that the housing rounds accumulate with time, COAH decided that each municipality's obligation would extend from the First Round forward into the future, *ad infinitum*. This cumulative new construction component from the two earlier rounds is called either the prior cycle or Prior Round. This plan will refer to the new construction obligation for the first and second housing cycles as the Prior Round obligation.

Third Round Method

On December 20, 2004, some five years after the end of the Second Round in 1999, COAH's first version of the Third Round rules (*N.J.A.C. 5:94-1 and 5:95-1*) became effective. The FHA had originally required housing rounds to be for a six-year period, but in 2001, this was amended to extend the time period to 10-year intervals. Therefore, the Third Round should have been from 1999 to 2009. However, because of the delay in promulgating updated rules, the Third Round was extended by five years to 2014 and condensed into an affordable housing delivery period of 10 years from January 1, 2004 through January 1, 2014. In other words, 15 years of obligatory affordable housing activity was to take place in 10 years. This set of rules changed, however, when on January 25, 2007 the New Jersey Appellate Division invalidated key elements of the 2004 version of the Third Round rules. COAH eventually issued revised rules that became effective on June 2, 2008 (as well as a further rule revision effective on October 20, 2008). While the agency met the Court's directive to provide residential development and job projections for the Third Round, it also extended again the time period to 2018. COAH retained the "growth share" approach that was challenged in its 2004 rules, but revised its ratios to require one affordable housing unit for every four market-rate housing units developed and one affordable housing unit for every 16 jobs created.

Just as various parties challenged COAH's initial Third Round regulations, parties also challenged COAH's 2008 revised Third Round rules. The Appellate Division issued a decision about this set of rules on October 8, 2010 (see below). Meanwhile several other important events occurred.

Fair Housing Act Amendments of 2008

On July 17, 2008, Governor Corzine signed P.L. 2008, c. 46, which amended the Fair Housing Act in a number of ways.⁸ Key provisions of the legislation included the following:

⁸ - Also known as the "Roberts Bill," named after former New Jersey Assembly Speaker Joseph Roberts, who sponsored it.

- It established a statewide 2.5% non-residential development fee instead of requiring non-residential developers to provide affordable housing.
- It eliminated regional contribution agreements as a means available to municipalities to transfer up to 50% of their required affordable housing to a “receiving” municipality.
- It added a requirement that 13% of all affordable housing units be restricted to very low-income households (30% or less of median income).
- It added a requirement that municipalities had to commit to spend development fees within four years of the date of collection after the law’s enactment on July 17, 2008.

Appellate Division’s 2010 Decision

On October 8, 2010, the Appellate Division issued a decision on the legal challenges to the 2008 iteration of COAH’s regulations.⁹ The Appellate Division affirmed the COAH regulations that assigned rehabilitation and Prior Round numbers to each municipality, but invalidated the regulations by which the agency allocated future affordable housing obligations in the Third Round. Specifically, the Appellate Division ruled that COAH could not allocate obligations through a “growth share” formula. The Court directed COAH to use similar methods to those used in the First and Second Rounds.

Judicial Activity from 2011 to 2014

COAH sought a stay from the New Jersey Supreme Court of the March 8, 2011 deadline the Appellate Division had imposed in its October 2010 decision for the agency to issue new Third Round housing numbers. On January 18, 2011 the Supreme Court granted COAH’s application for a stay, and on March 31, 2011 the Court granted petitions and cross-petitions to all of the various challenges to the Appellate Division’s 2010 decision. However, the Supreme Court did not hear oral argument on the various petitions and cross-petitions until November 14, 2012.

In the meantime, the Supreme Court decided an appeal by the executive branch of the Appellate Division’s decision on March 8, 2012 that prevented the dissolution of COAH under Governor Christie’s Reorganization Plan No. 001-2011. The Supreme Court upheld the lower Court’s ruling, finding that the governor did not have unilateral power to dissolve COAH. The Court found that such action requires the passage of new legislation.

On September 26, 2013, the Supreme Court upheld the Appellate Division decision in In Re Adoption of N.J.A.C. 5:96 and 5:97 by New Jersey Council on Affordable Housing, 215 N.J. 578 (2013), and ordered COAH to prepare the necessary rules. Subsequent delays in COAH’s rule preparation and ensuing litigation led to the New Jersey Supreme Court, on March 14,

⁹ - In Re N.J.A.C. 5:96 and 5:97, 416 N.J. Super. 462 (App. Div. 2010).

2014, setting forth a schedule for adoption. COAH approved draft Third Round rules on April 30, 2014. Although ordered by the New Jersey Supreme Court to adopt revised new rules by October 22, 2014, COAH failed to do so.

March 2015 New Jersey Supreme Court Decision

The failure of COAH to adopt new regulations as ordered by the New Jersey Supreme Court led Fair Share Housing Center (FSHC), as the lead plaintiff, to file a Motion in Aid of Litigant's Rights to compel the government to produce constitutional affordable housing regulations. The New Jersey Supreme Court heard oral arguments on the motion on January 6, 2015. Two months later, on March 10, 2015, the Supreme Court issued its ruling entitled, In Re N.J.A.C. 5:96 and 5:97, 221 N.J. 1 (2015).

The decision provided direction for how New Jersey municipalities were to comply with the constitutional requirement to provide their fair share of affordable housing. The Court transferred responsibility to review and approve housing plans from COAH to designated Mount Laurel trial judges. If they wished to be protected from exclusionary zoning lawsuits, municipalities were to apply to a Mount Laurel Court instead of COAH. The trial judges, usually with the assistance of an appointed Special Master to the Court, have been reviewing municipal plans much in the same manner as COAH previously did. Those municipalities whose plans are approved by the Court receive a Judgment of Compliance and Repose, the Court equivalent of COAH's substantive certification.

However, the Supreme Court was silent on the subject of how a municipality's fair share obligation was to be calculated. However, as previously noted, Mercer County municipalities are bound by a separate decision rendered by Judge Jacobson. In negotiated settlements since the Supreme Court's decision between many municipalities in the state and FSHC, the affordable housing numbers have tended towards using the Jacobson Methodology because of the thoroughness of the expert testimony and lengthy trial that took place in 2017, as well as the careful weighing of the evidence in Judge Jacobson's 217-page decision. As became clear during the trial, determining new affordable housing numbers was not a simple matter of rerunning the Second Round methodology with Third Round U.S. Census data. Each step in a 32-step process requires a judgement as to how the data and projections are used. Furthermore, the kinds of data gathered by the U.S. Census changed from 1990 to 2000, and then there is the effect or determination of the 2010 U.S. Census in the methodology.

January 2017 New Jersey Supreme Court Decision

The New Jersey Supreme Court had one additional issue to address before municipalities could complete their plans. On January 17, 2017, the Supreme Court issued its decision 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). The Supreme Court found that the "gap period," defined as the period between 1999, which was

the end of the Second Round, and 2015, generated a new construction affordable housing obligation that still existed as of the date of the Present Need calculation. The decision required an expanded definition of municipal “Present Need” beyond its original meaning as substandard housing where low- and moderate-income households lived to include new construction for low- and moderate-income households formed during the gap period that were entitled to their delayed opportunity to seek affordable housing.

Accordingly, any municipal affordable housing obligation is now composed of the following four components:

- Present Need or Rehabilitation Share;
- Prior Round Obligation (new construction 1987-1999);
- “Gap” Present Need (new construction 1999 to 2015), part of the Third Round; and
- Prospective Need (new construction in the Third Round from 2015 to 2025).

HOUSING ELEMENT AND FAIR SHARE REQUIREMENTS

In accordance with the Municipal Land Use Law (*N.J.S.A. 40:55D-1, et seq.*), a municipal Master Plan must include a housing plan element as the foundation for the municipal zoning ordinance (*N.J.S.A. 40:55D-28b (3)*). Pursuant to the FHA, a municipality’s housing element must be designed to provide access to affordable housing to meet present and prospective housing needs, with particular attention to low- and moderate-income housing. Specifically, *N.J.S.A. 52:27D-310* requires that the housing plan element contain at least the following:

- An inventory of the municipality’s housing stock by age, condition, purchase or rental value, occupancy characteristics, and type, including the number of units affordable to low and moderate income households and substandard housing capable of being rehabilitated;
- A projection of the municipality’s housing stock, including the probable future construction of low and moderate income housing, for the next 10 years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development, and probable residential development trends;
- An analysis of the municipality’s demographic characteristics, including, but not necessarily limited to, household size, income level, and age;
- An analysis of the existing and probable future employment characteristics of the municipality;

- A determination of the municipality's present and prospective fair share of low and moderate income housing and its capacity to accommodate its present and prospective housing needs, including its fair share of low and moderate income housing; and
- A consideration of the lands 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.

This housing plan has been drawn utilizing these master plan components.

AFFORDABILITY REQUIREMENTS

Affordable housing is defined under New Jersey's FHA as a dwelling, either for-sale or rent that is within the financial means of households of low or moderate income as income is measured within each housing region. Hightstown is in COAH's Region 4, which includes Mercer, Monmouth and Ocean Counties. These housing regions were established in the mid-1980s. Moderate-income households are those with incomes exceeding 50% up to 80% of the regional median income. Low-income households are those with annual incomes 50% or less than regional median income. In 2008 the New Jersey Legislature created an additional sub-category of low income – very low-income – which has been defined as households with incomes 30% or less of the regional median income.

The Uniform Housing Affordability Controls ("UHAC") found at *N.J.A.C. 5:80-26.3(d)* and *-(e)*, sets out income limits, maximum rents and maximum sales prices for dwellings to be considered affordable. For example, the maximum rent must be affordable to households that earn no more than 60% of the median income for the region and the average rent must be affordable to households earning no more than 52% of the median income. The maximum sale prices for affordable units must be affordable to households that earn no more than 70% of the median income and the average sale price must be affordable to a household that earns no more than 55% of the median income. However, the UHAC rules were not revised to address the very low-income requirements of the 2008 amendments to the Fair Housing Act. Consequently, this Housing Element and Fair Share Plan relies on the amended Fair Housing Act's establishment of the very low-income requirement at the 30% of median maximum and a minimum of 13% of total affordable units.

Regional median income had been defined by COAH annually using HUD income limits, but COAH stopped issuing income limits in 2014. To fill this gap, the Affordable Housing Professionals of New Jersey now publishes regional income limits annually for each housing region in New Jersey, using COAH's formulas. Their use has been approved by many courts in affordable housing decisions. The Borough will use the AHPNJ tables annually (usually in April) to update income limits or if some official agency takes this responsibility back.

Table 1 contains the 2022 income limits for Region 4.

Table 1. 2022 Income Limits for Region 4

Household Income Levels	1 Person Household	2 Person Household	3 Person Household	4 Person Household	5 Person Household	6 Person Household
Median	\$85,831	\$98,092	\$110,354	\$122,615	\$132,425	\$142,234
Moderate	\$68,665	\$78,474	\$88,283	\$98,092	\$105,940	\$113,787
Low	\$42,915	\$49,046	\$55,177	\$61,308	\$66,212	\$71,117
Very Low	\$25,749	\$29,428	\$33,106	\$36,785	\$39,727	\$42,670

Source: Affordable Housing Professionals of New Jersey, April 2022.

Tables 2 and 3 provide illustrative gross rents and sale prices for 2022. The sample rents and sale prices are illustrative and are gross figures, which do not account for the specified utility allowance in the case of rentals, or for homeowner’s association dues in the case of for-sale units.

Table 2. Illustrative 2022 Maximum Affordable Gross Rents for Region 4

Household Income Levels (% of Median Income)	1 Bedroom Unit Rent	2 Bedroom Unit Rent	3 Bedroom Unit Rent
Moderate (60%)	\$1,170	\$1,353	\$1,571
Low (50%)	\$941	\$1,077	\$1,252
Very Low (30%)	\$481	\$526	\$614

Source: Affordable Housing Professionals of New Jersey Affordable Housing General Rent Calculator, April 2022.

Table 3. Illustrative 2022 Maximum Affordable Sales Prices for Region 4

Household Income Levels (% of Median Income)	1 Bedroom Unit Price	2 Bedroom Unit Price	3 Bedroom Unit Price
Moderate (70%)	\$175,822	\$210,987	\$104,489
Low (50%)	\$125,587	\$150,705	\$174,148
Very Low (30%)	\$75,352	\$90,423	\$90,296

Source: Affordable Housing Professionals of New Jersey Affordable Housing General Sales Price Calculator, April 2022.

HOUSING CONDITIONS

Table 4 describes the types of housing units found in the Borough. Almost two-thirds of the Borough’s housing units are single-family dwellings, either attached or detached. Two-family units are typically one unit above the other, which is often called a duplex (though in some places the single family semi-detached dwelling is also called a duplex). Most of the remaining dwellings are located in smaller-scale multi-family developments, with fewer than 20 units.

Almost 60% of units are owner-occupied, and slightly more than one-third are renter-occupied. Of the 6.4% of units that are vacant, almost two-thirds are in two-unit structures.

Demand for homes in the Borough is currently matching and perhaps exceeding supply. (This may be a phenomenon associated with the COVID-19 pandemic, which appears to be precipitating increased demand for housing outside major metropolitan areas.) The 6.4% vacancy rate in the Borough is quite a bit lower than that of the county overall, which is 10.3%, and of the state, which is 10.6%. A check of the website Zillow.com shows that at the beginning of 2022 there were three homes and one vacant lot for sale in the Borough. Realtor.com shows no properties in the Borough currently being sold out of foreclosure, and the website of the Mercer County Sheriff's office shows two properties in the Borough currently subject to a Sheriff's Sale and another two recently sold.

Table 4. Units in Housing Structure by Tenure, 2019

Units in Structure	Total Units	%	Owner-Occupied	%	Renter-Occupied	%	Vacant	%
1-unit, detached	1,150	57.6	997	85.9	153	21.7	0	0.0
1-unit, attached	164	8.2	33	2.8	131	18.6	0	0.0
2 family units	98	4.9	0	0.0	17	2.4	81	63.3
3 or 4 units	92	4.6	28	2.4	64	9.1	0	0.0
5 to 9 units	210	10.5	49	4.2	161	22.8	0	0.0
10 to 19 units	211	10.6	54	4.7	180	25.5	47	36.8
20 or more units	70	3.5						
Total	1,995	100.0	1,161	100.0	706	100.0	128	100.0
Percent of Total Units				58.2		35.4		6.4

Source: 2015-2019 American Community Survey 5-Year Estimate (B25032, DP04)

According to the American Community Survey 2015-2019 estimates, the majority of Hightstown's housing stock was constructed prior to 1939, with smaller building booms between 1950 and 1969 – e.g., the post-war housing boom – and between 1980 and 1989, perhaps reflecting construction of the Wyckoff Mills development.

Table 5. Housing Units by Year Built, 2019

Year Built	Number of Units	Percent of Units
1939	646	32.4
1940 to 1949	31	1.6
1950 to 1959	292	14.6
1960 to 1969	305	15.3

Year Built	Number of Units	Percent of Units
1970 to 1979	129	6.5
1980 to 1989	353	17.7
1990 to 1999	38	1.9
2000 to 2009	125	6.3
2010 to 2017	76	3.9
Total Housing Units	1,995	100.0

Source: 2015-2019 American Community Survey 5-Year Estimate (Tables DP04, B25036, B25037)

Table 6, Housing Units by Number of Rooms, shows that, of the housing stock in Hightstown Borough, 48% of units have between four and six rooms, 28% of homes have seven or eight rooms, and 9.1% have nine or more rooms. The data from this table indicate that the housing stock in Hightstown is of average size, with a median number of rooms equaling 5.4. Further information on bedroom count details is found in Table 7, Housing Units by Number of Bedrooms.

Table 6. Housing Units by Number of Rooms, 2019

Rooms	Number of Units	Percent of Total
1	53	2.7%
2	34	1.7%
3	212	10.6%
4	460	23.1%
5	273	13.7%
6	223	11.2%
7	115	5.8%
8	443	22.2%
9+	182	9.1%
Total	1,995	100.0%
Median	5.4	

Source: 2015-2019 American Community Survey 5-Year Estimate (Table DP04)

The majority of housing units in the Borough – 63% – have either two or three bedrooms, which tracks with the almost 60% of the households in the Borough comprising two or three people. Thus, Borough residents do not appear to be either significantly over-housed or significantly under-housed, and indeed the ACS estimates that there are only 72 households (3.9% of all occupied units) with between 1.0 and 1.5 occupants per room, and no households with more than 1.5 occupants per room. Likewise, very few units qualify as “substandard;” the ACS estimates there are no units with incomplete plumbing and only 18 units with incomplete kitchen facilities.

Table 7. Housing Units by Number of Bedrooms, 2019

Number of Bedrooms	Number of Units	Percent of Units
No bedroom	112	5.6%
1 bedroom	273	13.7%
2 bedrooms	621	31.1%
3 bedrooms	636	31.9%
4 bedrooms	345	17.3%
5 or more bedrooms	8	0.4%
Total Housing Units	1,995	100.0%

Source: 2015-2019 American Community Survey 5-Year Estimate (Table DP04)

Table 8, Value of Owner-Occupied Housing Units, shows that the median home value in Hightstown decreased by approximately 1.8% between 2010 and 2019. This is less than the 5.9% decline in median home values in Mercer County overall. The Borough had slightly lower median values than the county in both 2010 (\$288,000 vs. \$309,300) and 2019 (\$282,700 vs. \$291,100). The overall number of owner-occupied units in the Borough decreased from 2010 to 2019, and, reflecting the decline in median value, the percentage of housing units valued between \$200,000 and \$499,999 also decreased, from 89.5% of all owner-occupied units in 2010 to 80.8% of all owner-occupied units in 2019, with the difference being made up by the larger percentage of owner-occupied units (9.6% in 2010 vs. 18.0% in 2019) valued below \$200,000.

Based on the 2021 Illustrative Sales Prices for Affordable Housing, as many as 42 owner-occupied housing units in Hightstown Borough may be affordable to low- or very low-income households, depending on household size and the number of bedrooms in the unit. Approximately 449 additional units (again, depending on household size and the number of bedrooms in the unit), or 38.7% of all owner-occupied units, may be affordable to moderate-income households.

Table 8. Value of Hightstown Owner-Occupied Housing Units, 2010 and 2019

Housing Unit Value	2010 Units	Percent	2019 Units	Percent
Less than \$50,000	0	0.0%	0	0.0%
\$50,000 to \$99,999	0	0.0%	0	0.0%
\$100,000 to \$149,999	23	1.8%	53	4.6%
\$150,000 to \$199,999	101	7.8%	156	13.4%
\$200,000 to \$299,999	596	46.1%	432	37.2%
\$300,000 to \$499,999	561	43.4%	506	43.6%

Housing Unit Value	2010 Units	Percent	2019 Units	Percent
\$500,000 to \$999,999	12	0.1%	14	1.2%
\$1,000,000 or more	0	0.0%	0	0.0%
Total	1,293	100.0%	1,161	100.0%
Median Value	\$288,000		\$282,700	

Source: 2006-2010 and 2015-2019 American Community Survey 5-Year Estimates (Table DP04)

Rents in Hightstown Borough generally skew higher than in Mercer County overall, with 42.6% of units in Hightstown renting for more than \$1,500 per month, compared to 32.2% of units in Mercer County renting in that range. The median rent in Hightstown in 2019 was \$1,458, compared to \$1,266 across Mercer County. Despite their being higher than in Mercer County overall, rents in Hightstown Borough are relatively affordable. Based on 2021 Illustrative Rents for Affordable Housing, approximately 95 units, or 13.5% of all rental units in the Borough, may be affordable to very low-income renters, depending on the number of bedrooms being rented. Another approximately 237 units, or 33.6% of all rental units in the Borough, may be affordable to low-income renters, and an additional 115 units, or 16.3% of all rental units in the Borough, may be affordable to moderate-income renters. In total, approximately 447 rental units, or 63.3% of all renter-occupied housing units, may be affordable to low- and moderate-income household, depending on household size and unit size. See Table 9, Gross Rent by Housing Unit in Hightstown and Mercer County, 2019.

Table 9. Gross Rent by Housing Unit in Hightstown and Mercer County, 2019

Gross Rent	Units in Hightstown	Percent of Total	Units in Mercer County	Percent of Total
Less than \$500	80	11.3%	4,885	10.2%
\$500 to \$999	32	4.5%	8,881	18.5%
\$1,000 to \$1,499	239	33.9%	17,453	36.4%
\$1,500 to \$1,999	174	24.6%	8,863	18.5%
\$2,000 to \$2,499	63	8.9%	3,957	8.2%
\$2,500 to \$2,999	35	5.0%	1,647	3.4%
\$3,000 or more	33	4.7%	999	2.1%
No cash rent	50	7.1%	1,326	2.8%
Total	706	100.0%	48,011	100.0%
Median Rent	\$1,458		\$1,266	

Sources: 2015-2019 American Community Survey (Table DP04)

Housing is generally considered to be affordable if the costs of rents, mortgages, and other essential costs consume 28% or less of an owner-household's income or 30% or less of a

renter-household’s income. (Homeowner rates are lower to account for the additional home maintenance costs associated with ownership.) In Hightstown Borough, 38.4% of all households are spending more than 30% of their incomes on housing, and almost 60% of those cost-burdened households are renters.

Table 10. Housing Affordability, 2019

Monthly Housing Costs as Percent of Income	Owner-Occupied	% of Total	Renter	% of Total	All Occupied	% of Total
Less than 20 Percent	574	49.4%	116	16.4%	690	37.0%
20 to 29 Percent	299	25.8%	112	15.9%	411	22.0%
30 Percent or More	288	24.8%	428	60.6%	716	38.4%
No Cash Rent			50	7.1%	50	2.7%
Total	1,161	100%	706	100%	1,867	100%

Source: 2015-2019 American Community Survey (Table S2503)

In 2019, no housing units were estimated to lack adequate plumbing facilities, and only 18 housing units were estimated to lack complete kitchen facilities. No units, including units constructed prior to 1950, were estimated to have more than one occupant per room. These data can, but do not always, indicate substandard housing stock that needs to be rehabilitated. Overcrowded housing can sometimes be occupied by lower income households who share space to save on housing costs. Anecdotally, fire inspections of commercially owner residential units have uncovered illegally subdivided apartments in Hightstown, which suggests that the American Community survey estimate may be underestimating overcrowding.

Table 11. Indicators of Housing Deficiency, 2019

Indicator	Incomplete Plumbing	Incomplete Kitchen	Crowded or Overcrowded, and Built Pre-1950
Number of Units	0	18	0

Source: 2015-2019 American Community Survey 5-Year Estimate (Tables DP04; B25050)

POPULATION CHARACTERISTICS

The population of Hightstown saw a robust 7.9% increase from 2010 to 2020, larger than the 5.3% increase from 2000-2010 and larger than the increase in Mercer County’s population during the same periods. See Table 12, Population Change.

Table 12. Population Change 2000 to 2020, Hightstown Borough and Mercer County

Government	2000	2010	Percent Change	2020	Percent Change	Percent Change, 2000-2020
Hightstown Borough	5,216	5,494	5.3%	5,900	7.4%	13.1%
Mercer County	350,761	366,513	4.5%	387,340	5.7%	10.4%

Source: U.S. Census 2000, 2010, 2020

Between 2010 and 2019, the American Community Survey estimated a 1.8% decrease in the number of Hightstown residents overall, a 16% decline in residents of elementary school age and those of working age. The largest growth was among the cohorts aged 55 through 74, whose population was estimated to grow 62.4% between 2010 and 2019, helping to raise the estimated median age by 5.8%. There were substantial decreases in older children cohorts, with the 15-19 cohort representing the largest decline (-50.4%). See Table 13, Population Age Cohorts, for additional detail. The change in 15-19 age cohort is puzzling, since in 2010, those individuals would have been 5-9 years old, with 292 people. The ACS has this dropping to 124 people in 2019. While perhaps the majority of adults 18-19 years old left for college, it would still not explain the severe change in this cohort. It may be an artifact of the ACS sampling and the small sample size; the 2020 census data will show a clearer picture. (Note the totals in Table 13 are different than in Table 12 since in the former population age cohorts are estimates rather than counts from the decennial census.)

Table 13. Population Age Cohorts, 2010 to 2019

Age Cohort	2010	Percent	2019	Percent	% Change
Under 5	471	8.6%	331	6.2%	-29.7%
5-9	292	5.3%	436	8.1%	49.3%
10-14	393	7.2%	225	4.2%	-42.7%
15-19	250	4.6%	124	2.3%	-50.4%
20-24	345	6.3%	366	6.8%	6.1%
25-34	900	16.4%	852	15.9%	-5.3%
35-44	874	16.0%	854	15.9%	-2.3%
45-54	703	12.8%	570	10.6%	-18.9%
55-59	203	3.7%	411	7.6%	102.5%
60-64	173	3.2%	241	4.5%	39.3%
65-74	389	7.1%	590	11.0%	51.7%
75-84	328	6.0%	228	4.2%	-30.5%
85+	154	2.8%	147	2.7%	-4.5%
Total	5,475	100.0%	5,375	100.0%	
Median Age	36.3		38.4		5.8%

2006-2010 and 2015-2019 American Community Survey 5-Year Estimates (DP05)

HOUSEHOLD CHARACTERISTICS

A household is defined by the U.S. Census Bureau as those people who occupy a single room or group of rooms constituting a housing unit, who may or may not be related. As a subset of households, a family is identified as a group of people including a householder and one or more people related by blood, marriage or adoption, all living in the same household. In 2019, there were an estimated 1,867 households in Hightstown Borough. Approximately 57.7% of the households are married couples, with or without children. Approximately 11.0% of the Borough’s households are non-family households, which include individuals living alone. See Table 14, Household Composition, for additional detail.

Table 14. Household Composition, 2019

Household Type	No. of Households	Percent
Family households	1,719	92.1%
Married-couple family	1,078	57.7%
With own children under 18 years	282	15.1%
Male householder, no spouse present	150	8.0%
With own children under 18 years	22	1.2%
Female householder, no spouse present	491	26.3%
With own children under 18 years	104	5.6%
Nonfamily households	206	11.0%
Householder living alone	150	8.0%
TOTAL HOUSEHOLDS	1,867	100.0%

Source: 2015-2019 American Community Survey 5-Year Estimates (DP02)

INCOME CHARACTERISTICS

Households and families in Hightstown have, on average, higher incomes than households in Mercer County. Median income in 2019 in Hightstown was \$104,864 for households and \$114,409 for families; comparable figures for the county were \$79,492 for households and \$107,209 for families. Table 15, Estimated Household Income, further illustrates these findings. The Borough’s poverty rates for individuals (10.8%) is lower than the county’s individual poverty rate (12.8%), but its poverty rate for families (8.4%) is higher than the county’s 7/7% family poverty rate. See Table 16, Individual and Family Poverty Rates, for the comparison.

Table 15. Estimated Household Income in Hightstown and Mercer County, 2019

Household Income	Hightstown	Percent	Mercer	Percent
Less than \$10,000	75	4.0%	10,689	8.2%
\$10,000-\$14,999	55	2.9%	4,735	3.6%
\$15,000-\$24,999	118	6.3%	7,839	6.0%
\$25,000-\$34,999	119	6.4%	8,717	6.7%
\$35,000-\$49,999	139	7.4%	10,175	7.8%
\$50,000-\$74,999	253	13.6%	19,976	15.3%
\$75,000-\$99,999	491	26.3%	14,936	11.4%
\$100,000-\$149,999	250	13.4%	22,480	17.2%
\$150,000-\$199,999	129	6.9%	11,792	9.0%
\$200,000+	238	12.7%	19,512	14.9%
Total	1,867	100.0%	130,851	100.0%

Household Income	Hightstown	Percent	Mercer	Percent
Median Income	\$104,864		\$79,492	

Source: 2015-2019 American Community Survey 5-Year Estimates (DP03)

Table 16. Individual and Family Poverty Rates, 2019

Jurisdiction	Families	Individuals
Hightstown	8.4%	10.8%
Mercer County	7.7%	12.8%

Source: 2015-2019 American Community Survey 5-Year Estimates (DP03 and S1702)

EMPLOYMENT CHARACTERISTICS

Table 17, Employed Residents by Civilian Economic Sector, shows the distribution of employment by civilian industry for employed Hightstown Borough residents in 2019. The four industries that employ the largest segments of the population were the education, health and social services industry at 29%; professional, scientific, management, administrative and waste management services at 14.8%; retail trade at 10.9%, and transportation, warehousing and utilities at 8.7%.

Table 17. Employed Residents by Civilian Economic Sector, 2019

Industry	Number	Percent
Agriculture, Forestry, Fishing and Hunting, and Mining	19	0.7%
Construction	0	0.0%
Manufacturing	199	7.7%
Wholesale Trade	100	3.9%
Retail Trade	282	10.9%
Transportation, Warehousing, and Utilities	225	8.7%
Information	17	0.7%
Financing, Insurance, Real Estate, Renting, and Leasing	222	8.6%
Professional, Scientific, Management, Administrative, and Waste Management Services	383	14.8%
Educational, Health and Social Services	750	29.0%
Arts, Entertainment, Recreation, Accommodation and Food Services	153	5.9%
Other	56	2.2%
Public Administration	180	7.0%
Total	2,586	100.0%

Source: 2015-2019 American Community Survey 5-Year Estimates (DP03)

Table 18, Employed Residents by Occupation, identifies the occupations of employed residents of Hightstown. While Borough residents work in a variety of industries, almost half (45.2%) of employed residents work in management, business, science, and arts and 22.2% are employed in sales and office occupations.

Table 18. Employed Residents by Occupation, 2019

Occupation	Number	Percent
Management, Business, Science, Arts	1,168	45.2%
Service	438	16.9%
Sales and Office	573	22.2%
Natural Resources, Construction, Maintenance	22	0.9%
Production, Transportation, Material Moving	385	14.9%
Total	2,586	100.0%

Source: 2015-2019 American Community Survey 5-Year Estimates (DP03)

According to the New Jersey Department of Labor and Workforce Development, between 2010 and 2020, the size of Hightstown’s labor force increased by 23.1%, with the largest year-over-year increase taking place between 2011 and 2012. The Borough’s highest unemployment rates were during 2012 and 2013; however, the 2020 unemployment estimate, reflecting the impact of the first year of the COVID-19 pandemic, rose sharply from previous years to 6.2%. Table 19, Change in Labor Force, illustrates these trends.

Table 19. Change in Labor Force Since 2010

Year	Labor Force	Employed	Unemployed	Unemployment Rate
2010	2,874	2,729	145	5.0
2011	3,015	2,865	149	5.0
2012	3,477	3,243	234	6.7
2013	3,471	3,261	210	6.1
2014	3,501	3,330	171	4.9
2015	3,516	3,376	140	4.0
2016	3,529	3,414	115	3.3
2017	3,408	3,303	105	3.1
2018	3,443	3,352	91	2.6
2019	3,537	3,460	77	2.2
2020	3,539	3,320	219	6.2

Source: New Jersey Department of Labor and Workforce Development

In contrast to Table 19 which indicates an estimate of the number of persons employed who are Hightstown residents, Table 20, Covered Employment Estimates in Hightstown and Mercer County, is intended to show how many jobs are available in the municipality – at least those jobs that are “covered” by unemployment insurance. It does not include the self-employed, unpaid family workers, most part-time or temporary employees, and certain agricultural and in-home domestic workers. In 2010, the number of working-age residents in Hightstown was 57.5% of the number of jobs available in the Borough. By 2019, the most recent year for which census data are available, that relationship had reversed: The workforce was almost 23.1% larger, but the number of jobs within Hightstown Borough had shrunk by almost 35%, and was now almost equal to the number of working-age residents, at least according to the U.S. Census. The difficulty with this statistic is this precipitous drop in employment might have been explained by the Great Recession if it had occurred a few years earlier, since 2010 was generally a time of slowly rising employment gains in the state from the bottom in the prior year. This raises the question of whether the 2010 data includes employers in East Windsor with a Hightstown address that was inaccurately included in the count, or if significant employment was not counted, such as, for example counting the East Windsor Regional High School jobs in East Windsor rather than Hightstown. If the latter, then the 2019 number is suspect. If the data are accurate, Hightstown went from providing 2.3% of all jobs in Mercer County to 1.3% of jobs by 2019. See Table 20, Covered Employment Estimates, for additional detail, but the information presented here should be viewed with some skepticism.

Table 20. Covered Employment Estimates in Hightstown and Mercer County

Year	Hightstown	Mercer County	Hightstown as % of Mercer County
2010	5,001	218,871	2.3%
2019	3,261	250,186	1.3%
% change	-34.8%	14.3%	-43.5%

Source: onthemap.ces.census.gov

The type of employment in Hightstown Borough is spread across a wide variety of industries. Retail trade jobs represented the largest concentration of employment in the Borough, at 18.2% of total jobs, with the next closest category, Professional/Technical, representing another 11.6% of jobs. Again, the data are problematic. Table 21, presumably using similar techniques used to produce Table 20, finds covered employment to be a little over 7,000 people in 2019. That would mean the Borough has an employed resident to jobs imbalance of 1:2.75. Typically, one would have to have large industrial and office parks to achieve that kind of mismatch between the employed population base and number of jobs and Hightstown simply does not have that kind of land use pattern. The most likely reason, again, is the inclusion of employers with Hightstown addresses who are located in East Windsor. Table 21, Covered Employment by Industry Sector, 2019, should perhaps be viewed as the types of jobs in Hightstown and portions of East Windsor.

Table 21. Covered Employment by Industry Sector, 2019

Category	Employment					Wages	
	March	June	Sept.	Dec.	Average	Annual	Weekly
PRIVATE SECTOR							
Agriculture	.	.	.	.	.	.	.
Construction	59	64	77	81	68	\$65,561	\$1,261
Manufacturing	562	580	629	635	598	\$85,990	\$1,654
Wholesale Trade	.	.	.	.	.	.	.
Retail Trade	1,260	1,284	1,279	1,399	1,289	\$24,973	\$480
Transportation/Warehouse	93	95	83	76	90	\$46,896	\$902
Information	341	334	317	326	330	\$107,619	\$2,070
Finance/Insurance	293	246	237	234	257	\$98,573	\$1,896
Real Estate	107	116	135	102	115	\$43,955	\$845
Professional/Technical	793	821	823	849	818	\$89,949	\$1,730
Management	.	.	.	.	.	.	.
Admin/Waste Remediation	390	373	367	347	365	\$47,279	\$909
Education	.	.	.	.	.	.	.
Health/Social	707	847	873	810	789	\$41,676	\$801
Arts/Entertainment	151	154	157	160	163	\$11,651	\$224
Accommodations/Food	751	778	745	732	755	\$18,878	\$363
Other Services	350	342	300	358	342	\$24,836	\$478
Unclassified	27	27	29	40	29	\$57,244	\$1,101
Subtotal/Average	6,698	6,875	6,850	6,868	6,823	\$56,179	\$1,080
PUBLIC SECTOR							
Federal Government	3	3	3	3	3	\$62,529	\$1,202
State Government	75	76	72	71	74	\$102,530	\$1,972
Local Government	175	175	181	176	181	\$66,377	\$1,276
Subtotal/Average	253	254	256	250	253	\$77,145	\$1,484
Total Covered Employment	6,951	7,129	7,106	7,118	7,076		

Source: New Jersey Department of Labor, Quarterly Census of Employment and Wages

As Table 22, Journey to Work, below shows, 70.3% of Hightstown’s employed residents drive to work alone, the same percentage as for Mercer County and only slightly lower than the 71.0% of New Jersey workers overall who drive alone to work. The relatively high percentage of residents driving to work alone is consistent with a town embedded in a suburban land use pattern and other auto-centric employment centers in the region around the Borough. (Note that the numbers in this table are American Community Survey estimates, and are different than those from the New Jersey Department of Labor.)

Table 22. Journey to Work, 2019

Mode	Hightstown Borough	Mercer County	New Jersey
Drive Alone	1,796	121,386	3,137,002
Carpool	277	18,062	348,602
Transit	29	13,306	510,746
Walk	155	7,582	118,774
Other	176	2,082	88,520
Work at Home	123	10,368	217,410
Total	2,556	172,786	4,421,054

Source: 2015-2019 American Community Survey: Selected Economic Characteristics (DP03)

Approximately 8.7% of households in Hightstown Borough have no vehicle, and 39.4% have one vehicle, suggesting that, since the number of one-car households far exceeds the 8.0% of Borough residents who live alone, many of the 34.3% of Borough households that are single-parent households may also have one vehicle. See Table 23, Available Vehicles by Household.

Table 23. Available Vehicles by Household, 2019

Vehicles	Number	Percent
None	162	8.7%
One	735	39.4%
Two	562	30.1%
Three +	408	21.9%
Total	1,867	100%

Source: 2015-2019 American Community Survey: Selected Housing Characteristics (DP04)

The most common single commuting destination of employed residents of Hightstown is Hightstown itself (7.1%), followed by workers commuting to neighboring South Brunswick (5.9%) and East Windsor (5.5%). The availability of express bus service to Manhattan allows 5.1% of Borough residents to commute to New York. As shown in Table 24, Top Ten Commuting Destinations for Hightstown Residents below, the majority of top employment destinations for residents are within Mercer and Middlesex Counties. (Note again that these numbers are from the census Center for Economic Studies survey, and are different than those from the American Community Survey.)

Table 24. Top Ten Commuting Destinations for Hightstown Residents, 2019

Destination	Jobs	Percent
Hightstown Borough	225	7.1%
South Brunswick Township	188	5.9%
East Windsor Township	174	5.5%
Manhattan Borough, NY	162	5.1%

Destination	Jobs	Percent
Cranbury Township	142	4.5%
Hamilton Township	139	4.4%
Monroe Township	117	3.7%
West Windsor Township	106	3.3%
Plainsboro Township	97	3.1%
Edison Township	96	3.0%
All Other Locations	1,727	54.4%
Total	3,173	100.0%

Source: US Census, Center for Economic Studies, Longitudinal Employer-Household Dynamics, 2019

POPULATION PROJECTIONS

The Delaware Valley Regional Planning Commission (DVRPC), the Metropolitan Planning Organization area that includes Hightstown Borough as well as the remainder of Mercer County, published population and employment projections for the year 2040. DVRPC projects that the Borough’s population and employment will increase by 2.4% and 2.5%, respectively, from 2010 to 2040. As Table 25, Population, Household and Employment Projections shows, these rates are lower than for the county as a whole, in part reflecting the Borough’s comparatively built-out status with limited room for either residential or employment growth compared to elsewhere in the County. However, comparing DVRPC’s projection to the 2020 census count indicates that the Borough has already exceeded the projection for 2040 at 5,900 persons (see Table 12), and the County at 387,340 persons is approaching the 2040 projection.

Table 25. Population, Household, and Employment Projections, 2010 to 2040

	Hightstown Borough			Mercer County		
	2010	2040	% Change	2010	2040	% Change
Population	5,494	5,624	2.4%	366,513	390,730	6.6%
Employment	2,654	2,721	2.5%	266,672	286,087	7.3%

Source: Delaware Valley Regional Planning Commission, 2012

The Fair Housing Act requires that housing plans include a 10-year projection of new housing units based on the number of certificates of occupancy, development applications approved, probable developments, as well as other indicators deemed appropriate (N.J.S.A. 52:27D-310.b). Annual certificate of occupancy issuance for residential construction in Hightstown Borough during the years 2000 through 2020 averaged approximately 6.5 units. However, these certificates of occupancy do not represent net new housing units in Hightstown. In addition to the average 6.5 certificates of occupancy issued per year, an average 4.5 demolition

permits have been issued from 2000 to 2020. As a result, the average net new units per year is 2.0 in Hightstown.

Based on trends over the past 20 years, Hightstown could expect to see approximately 10 net new housing units by the year 2032; however, approved and anticipated development with and without units from this housing plan is expected to increase this number substantially. See Table 26, Housing Projections to 2032.

Table 26. Housing Projections to 2032

Year	Certificates of Occupancy Issued	Demolition Permits Issued	Net New Housing Units
2000	24	0	24
2001	5	0	5
2002	17	0	17
2003	14	1	13
2004	1	12	-11
2005	7	1	6
2006	18	0	18
2007	6	0	6
2008	14	2	12
2009	6	0	6
2010	8	3	5
2011	3	0	3
2012	1	0	1
2013	1	2	-1
2014	1	5	-4
2015	1	0	1
2016	0	68	-68
2017	1	0	1
2018	6	0	6
2019	0	0	
2020	3	0	3
Total	137	94	43
Average per Year	6.5	4.5	2.0
10-Year Housing Projection to 2032*	17	7	10

Source: NJDCA Construction Reporter, Demolition Permits Yearly Summary data, and Housing Units Certified.

* Based on 10-year period 2011-2020; excludes 2016 demolition permits as outlier year

Based on historical trends alone, Hightstown could expect to see as few as 10 net new housing units by the year 2032. The redevelopment of the Rug Mill property on Bank Street, by an affiliate of the PRC Group, will generate an additional 387 units, and the sites proposed in Table 33 in this plan for rezoning or redevelopment for inclusionary development or 100% affordable housing development, if they develop at the proposed density, could generate as many as 318 more housing units in total, for a potential grand total of 715 new housing units. With about 2,000 housing units today, this represents an increase of nearly 36% over the next ten years in the number of dwellings, if fully realized.

CONSIDERATION OF LANDS SUITABLE FOR AFFORDABLE HOUSING

According to Rowan University's NJ MAP land cover analysis, 92.2% of the Borough is currently classified as developed or urbanized. The next highest percentage of land use is Peddie Lake, which accounts for just 3.1% of Borough lands, and stream preservation/open space along the Rocky Brook accounts for much of the remainder.

The Hightstown Water Department supplies public drinking water to the entire Borough. With the exception of lands that are considered environmentally sensitive, the entire Borough is within Mercer County's sewer service area and virtually every lot has sewer service available. Sewage is treated at the Borough's Advanced Wastewater Treatment Facility in the northwest corner of the Borough.

Although the lands in the Borough are largely already developed, the Affordable Housing Subcommittee of the Borough's Planning Board has carefully sought to identify lands that might be able to generate affordable housing through rezoning, overlay zoning, or adoption or modification of a redevelopment plan. The properties included in this Housing Element and Fair Share Plan represent those that, in the opinion of the Subcommittee, show the greatest potential for developing new affordable units.

FAIR SHARE PLAN

HIGHTSTOWN AFFORDABLE HOUSING OBLIGATION

There are three components to a municipality's affordable housing obligation: the Rehabilitation share, or Present Need, the Prior Round obligation, and the Third Round obligation.

The Jacobson¹⁰ methodology for calculating fair share need is binding on participating Mercer County municipalities; thus, according to those calculations, Hightstown has a Rehabilitation share of 39 units; a Prior Round obligation of 38 units; and a Third Round obligation of 68 units. As previously stated, the Third Round includes both the Gap Present Need and Prospective or Future Need categories.

As is obvious, the Borough is largely developed, which constrains the opportunity to produce new affordable housing. For this reason, the Borough had originally considered petitioning for approval of a Vacant Land Adjustment, which allows a municipality to calculate what is known as its Realistic Development Potential, or RDP. A municipality's RDP represents the number of affordable units that can reasonably be constructed on undeveloped parcels greater than a certain size. Should a development receive approval on a parcel not originally included in the Vacant Land Analysis, the parcel gets added to the Vacant Land Analysis and the number of potential affordable units that development would be able to produce is added to the RDP. Thus, while Hightstown originally may have been able to lower its Third Round obligation through the Vacant Land Analysis process, the approval of the redevelopment of the former Rug Mill in the Borough, with the residential units it will provide, pushed the RDP above what the Borough's unadjusted obligation would be under the Jacobson methodology.

In addition, a municipality may petition to lower its Rehabilitation obligation by conducting an external conditions survey of every residence in the Borough, calculating the percentage of homes that, based on inspection, are in need of rehabilitation of at least one major system, and then multiplying the resulting number of units by a factor promulgated by COAH that estimates how many substandard units are likely to be occupied by low- and moderate-income households. While the Borough had originally thought to take advantage of this opportunity, the multiplier that municipalities in Mercer County must use to estimate the percentage of substandard units occupied by low- or moderate-income households is high, so this approach is unlikely to bear fruit in reducing the rehabilitation share. Consequently, the Borough accepts the numbers established in the Jacobson methodology.

Table 27 summarizes the Borough's three-part affordable housing obligation absent any adjustments.

¹⁰ - *ibid.*

Table 27. Hightstown Affordable Housing Allocation, Third Round Summary

Affordable Housing Component	Number
Rehabilitation Share	39
Prior Round Obligation*	38
Third Round Obligation	68
Total Obligation	145

Sources: Econsult, [Statewide and Municipal Obligations Under Jacobson Opinion](#), March 28, 2018; Council on Affordable Housing Municipal Low & Moderate Income Housing Need, October 11, 1993.

* Hightstown has an employment adjustment of seven units not reflected in COAH’s numbers, which lowers the Prior Round Obligation from 45 to 38 units.

Rehabilitation Obligation

The rehabilitation obligation can be defined as an estimate of the number of deteriorated housing units existing in Hightstown Borough that are occupied by low- and moderate-income households. The Borough’s Third Round rehabilitation obligation is 39 units.

Prior Round Obligation

The Prior Round obligation can be defined as the cumulative 1987 through 1999 new construction affordable housing obligation. This time period corresponds to the First and Second Rounds of affordable housing. Calculation of the Prior Round obligation follows the New Jersey Supreme Court’s 2013 decision affirming the validity of the Prior Round obligation. Hightstown’s Prior Round obligation is 38 units/credits as previously calculated by COAH. There is in fact an adjustment to this number as the figure in published accounts does not take into account an adjustment in the Borough’s employment numbers from the First Round where employment in East Windsor was incorrectly attributed to Hightstown based on street address.

Third Round Obligation

The estimated demand for affordable housing includes the “gap” portion of the Third Round that had already passed by the time of the New Jersey Supreme Court’s decision setting the present course of action (1999-2015), as well as a projection 10 years into the future starting in July 2015 (2015-2025). The 10-year period is derived from the Fair Housing Act that, when amended in 2001, required the projection be for this length of time (*N.J.S.A. 52:27D-310*). The court-approved methodology calculates Hightstown’s Gap Present Need at 39 units and Prospective Need at 29 units for a total Third Round new construction obligation of 68 units/credits.

REHABILITATION SHARE

N.J.A.C. 5:93-5.2(b) identifies the purpose of a rehabilitation program as the renovation of deficient housing units occupied by low- and moderate-income households. Deficient housing units are those “with health and safety code violations that require the repair or replacement of a major system,” including “weatherization, a roof, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems) and/or a load-bearing structural system.”

Through its Housing Rehabilitation Program, Mercer County offers assistance to income-eligible homeowners for home repairs and improvements that address safety, health and/or municipal code violations. The program takes advantage of funds provided by the United States Department of Housing & Urban Development (HUD) as part of the HOME Investment Partnerships Program. Funds are provided in the form of an interest-free deferred loan, which is due in full upon transfer of title to the property. All municipalities in the County are eligible to participate in the program, and indicate their interest in doing so via resolution. The Borough’s adopted resolution of participation may be found in Appendix __. The County reports that since April 2010, however, that no units in Hightstown have been rehabilitated using County HOME funds.

Renter-occupied units constitute more than one-third of the dwellings in Hightstown. More than 40 percent of those, or an estimated 284, are single family detached and townhouses/row houses. Another 81 are two to four-unit buildings and 161 five to nine-unit buildings. Historically, these rental properties are ones most likely to be owned by small landlord businesses with limited resources. Affordable housing rules indicate that rehabilitation programs need to address both owner-occupied and renter-occupied dwellings. Consequently, the Borough will sign a separate agreement with its Administrative Agent, Community, Grants, Planning and Housing (CGP&H), to establish a rehabilitation program for renter-occupied units to provide assistance to landlords. This will require resources from the affordable housing trust fund as they become available. The Borough will direct owners of owner-occupied units to the County program because of limited funds. The draft agreement with CGP&H and the draft operating manual for the program may be found in Appendix __.

Funds that rehabilitate for-sale units will be considered a 0% interest loan, for which no repayments are required until the owner transfers title to the property. The loan is recorded as a mortgage, and the homeowner signs a promissory note, creating a perpetual lien on the property that is removed when title changes and the loan is repaid. Any loan proceeds will be recycled into future loans to eligible homeowners.

Rental units that are rehabilitated will have 10-year affordability controls imposed on them.

PRIOR ROUND OBLIGATION

Hightstown’s Prior Round obligation, after accounting for an adjustment in its employment numbers, is 38 units. The formulas in Table 28 represent additional requirements pursuant to *N.J.A.C. 5:93-5.14* and *N.J.A.C. 5:93-5.15*:

Table 28. Hightstown Prior Round Formulas

Minimum Rental Units = 10 units

.25 (Prior Round obligation – 20% cap – 1000 unit cap) =
 .25 (38 – 0 – 0) = .25 (38) = 9.5 units, rounded up to 10 units

Minimum Low-Income Units = 14 units

.50 (all constructed units) = .50 (28) = 14 units.

Maximum Rental Bonus Credits = 10 units

No more than the minimum rental obligation = 10 units

Maximum Senior Units = 9 Units

.25 (Prior Round obligation) = .25 (38) = 9.5 units, rounded down to 9 units

Hightstown has partially satisfied its Prior Round obligation with 13 units and 10 associated rental bonuses for a total of 23 credits, as shown in Table 29. The existing units being claimed satisfy all of the formula obligations above with the exception of the minimum number of low-income units: The Borough is providing 10 rental units and no age-restricted units. While the Borough has been able to claim all available rental bonuses, it must still provide 15 more affordable units, including six low-income units, above what is already available. The Borough’s efforts to do this are discussed below under **Remaining Obligation**. In satisfying a municipal obligation, there is some leeway in moving units around to the best advantage of the municipality so that units built in the Third Round may be used in the Prior Round. That is what is occurring in Table 29, in order to maximize the number of rental bonus credits that are allowed to be used.

Table 29. Credits Towards Hightstown’s 38-Unit Prior Round Obligation.

Housing Mechanism	Rental	For-Sale	Bonus	Total
Holly House (Bl 59/Lt 5.02) – Alternative Living Facility; existing	10	0	10; maximum permitted	20
Spring Crest Group Home (Bl. 55/Lot 4) – Alternative Living Facility; existing	3	0	0	3
Total Prior Round: 38-unit Obligation	13	0	10	23
To Be Satisfied				15 units

Of the 38 needed credits in the Prior Round, 28 need to be actual constructed units. Of this number, 14 are required to be low income; eight are low income, five from Holly House units and all three of the Spring Crest units¹¹.

¹¹ - Income levels on some units still need to be verified through crediting documentation.

ALTERNATIVE LIVING ARRANGEMENTS-PRIOR ROUND

Holly House

Holly House (114 Dey Street; Block 59, Lot 5.02; see letter C on the Affordable Housing Sites Map on p. ___) was until the end of 2012 a 10-bedroom Class C boarding home. The facility was first deed-restricted at the end of 1992. The property was sold in 2008 and the new owner opted not to extend the affordability controls. However, the Borough may claim 10 affordable units and 10 associated rental bonuses for the Prior Round for this residential building. Documentation of controls on the Holly House units may be found in Appendix ___.

Spring Crest Group Home

The Spring Crest Group Home, also known as the Hightstown Group Home, is a three-bedroom facility at 114 Spring Crest Drive (Block 55, Lot 4; see letter E on the Affordable Housing Sites Map on p. ____). It was purchased in 1987 by the Center for Innovative Family Achievements, which organization was bought by SERV in 1996. SERV continues to own and operate the facility. The group home originally had 20-year affordability controls that expired in 2007, and in 2013 the Borough executed an agreement with SERV to impose new controls for another 20 years. The Borough is claiming three credits for the three bedrooms (credit for group homes is by the bedroom) in the Prior Round, and three units with three associated rental bonus credits for the extension of controls on the facility in the Third Round. A special-needs facility survey, a current license, and the extension of controls deed restriction may be found in Appendix ___.

THIRD ROUND OBLIGATION

As previously indicated, the Borough’s Third Round obligation is 68 units, including a 39-unit “Gap Present Need” obligation and a 29-unit “Prospective Need” obligation.

The formulas in Table 30 represent the compliance requirements pursuant to *N.J.A.C. 5:93-5.14*, *N.J.A.C. 5:93-5.15*, and the New Jersey Fair Housing Act:

Table 30. Hightstown Third Round Formulas

Minimum Rental Obligation = 17 units

$$.25 \text{ (obligation)} = .25 (68) = 17 \text{ units}$$

Maximum Rental Bonus = 17 units

No more than the minimum rental obligation = 17 units

Minimum Family Rental Units = 9 units

$$.50 \text{ (Third Round minimum rental obligation)} = .50 (17) = 8.5 \text{ units, rounded up to 9 units}$$

Maximum Senior Units = 17 units

$$.25 \text{ (obligation)} = .25 (68) = 17 \text{ units}$$

Minimum Total Family Units = 26 units

$$.50 \text{ (obligation – rental bonuses)} = .50 (68-17) = .50(51) = 25.5 \text{ units, rounded up to 26 units}$$

Minimum Low-Income = 26 units

.50 (all constructed units) = .50 (51) = 25.5 units, rounded up to 26 units

Minimum Very Low-Income Units = 11 units

.13 (affordable units approved and constructed or to be constructed after mid-2008) = .13 (82) = 10.66 units; rounded up to 11 units

Minimum Very Low-Income Family Rental Units = 6 units

.50 (required very low-income units) = .50 (11) = 5.5 units, rounded up to 6 units

Hightstown has partially satisfied its Third Round obligation with 21 existing, approved and proposed units and 15 of 17 permitted associated rental bonuses for a total of 36 credits, as shown in Table 31. The existing units being claimed satisfy some but not all of the formula obligations listed in Table 30, as follows:

- The Borough is providing 15 rental units, the majority of which are non-family units, so it will be required to provide six more family rental units in order to comply with both the minimum rental obligation and the minimum family rental obligation. As a result it is only able to claim 15 of 17 available rental bonuses, but reserves the right to claim the remaining two bonuses when it has a firm commitment for the development of at least two additional affordable family rental units;
- The Borough is providing nine total family units and will need to provide the opportunity for 17 more;
- The Borough is not claiming any age-restricted units;
- The Borough is providing 13 low-income units, and will need to provide the opportunity for 14 more;
- The Borough is providing three very low-income units, and will need to provide the opportunity for eight more in order to satisfy both the very low-income requirement and the very low-income family requirement. These units also count toward the required low-income total.

The Borough's efforts to meet these obligations are discussed below under the heading **Remaining Obligation**.

Table 31. Credits Towards Hightstown’s 68-Unit Third Round Obligation.

Housing Mechanism	Rental	For-Sale	Bonus	Total
Habitat for Humanity – 100% affordable family for-sale; scattered sites; existing, approved and proposed		6		6
Spring Crest Group Home (Bl 55/Lt 4) – alternative living facility; existing	3		3	6
Randolph Boarding Home (Bl 38/Lt 1) – alternative living facility; existing	9		9	18
William Street (Bl 13/Lt 24.02) – inclusionary family rentals; existing	3		3	6
Total Third Round: 68-unit Obligation	15	6	15	36
To Be Satisfied				32 units

Of the 68 needed credits in the Third Round, 51 need to be actual constructed units, assuming that all of the rental bonus credits can eventually be achieved. Of this number, 26 are required to be low income; 13 are low-income (one Habitat unit, three Spring Crest group home bedrooms, seven Randolph Street Boarding Home bedrooms, and two William Street units), of which all three of the Spring Crest units also count as very low-income units with controls imposed after 2008.¹² These projects are described below:

100% AFFORDABLE FAMILY FOR-SALE – EXISTING, APPROVED, AND PROPOSED – THIRD ROUND

Habitat for Humanity

For almost 15 years the Borough has worked with the local chapter of Habitat for Humanity to create homeownership opportunities for low- and moderate-income households. The Borough is claiming credit for the following six units, which are in varying stages of completion by Habitat for Humanity as noted below:

250 Academy Street. (Block 40, Lot 28 – see letter B on the Affordable Housing Sites Map on page ___) – one unit, completed: The Borough purchased this property out of foreclosure in 2009 and sold it to Habitat for Humanity, which constructed an affordable single-family home. A deed restriction of at least 30 years was imposed on the unit in 2010. CGP&H, the Borough’s designated affordable housing administrative agent, administers the unit and reports it is a three-bedroom, low-income unit, which received its certificate of occupancy in 2010.

226, 228, 230, and 232 Academy Street. (Block 40, Lots 22, 23 and 24, now consolidated and re-subdivided as Lots 22.01, 22.02, 22.03 and 22.04; 224, 226, 230 and 232 Academy Street – see letter B on the Affordable Housing Sites Map on page ___) – four units, approved and/or constructed. In 2011, Habitat for Humanity received Planning Board approval to construct two duplex residences on these lots, for a total of four affordable

¹² - Income levels on some units still need to be verified through crediting documentation.

units. In 2012 the Borough authorized the transfer of \$200,000 in affordable housing trust funds to facilitate the units' construction. The unit at 232 Academy Street, which CGP&H notes is a three-bedroom unit, had a deed restriction imposed in November 2021 and notes the unit is affordable to a moderate-income buyer. The unit at 230 Academy Street, also a moderate-income unit, was transferred to a qualified purchaser in March 2022. Construction has not yet started on the units at 226 and 228 Academy Street.

207 Grant Avenue (Block 34, Lot 4.02 – see no. 9 on the Affordable Housing Sites Map on page ___) – one unit proposed. The Borough and Habitat for Humanity separately report that this 0.23-acre vacant lot will be donated to the non-profit. As required in *N.J.A.C. 5:93-5.3*, affordable housing sites shall be approvable, developable, and suitable, as defined in *N.J.A.C. 5:93-1.3*, for the production of low- and moderate-income housing. As demonstrated below, this site meets these criteria.

- Site Control (availability). The site has no known title defects or deed restrictions that preclude development of affordable housing.
- Suitability. The lot has approximately 77 feet of frontage on Grant Avenue, one block north of County Route 537 (Stockton Street) and a short distance from Academy Street, close to the Borough's downtown. It is in the Borough's R-3 zoning district, which permits single-family dwellings on lots at least 75 feet wide and 100 feet deep. The lot is currently vacant.
- State Plan. Development of the site is consistent with the SDRP and the rules and regulations of all agencies with jurisdiction over the site. The site is located in a smart-growth planning area. The adopted 2001 State Plan designates the site as being located in the Suburban Planning Area, PA 2, where infill redevelopment is encouraged.
- Adequate Sewer and Water (developability). The site is located in a sewer service area and a public water area. Water and sewer have been installed along Grant Avenue. A letter from the Borough Engineer, Carmela Roberts, PE CME, dated March 18, 2022, indicates that existing water and sewer conveyance systems can accommodate the additional unit from this site.
- Approvability. Development of the site can be accomplished that is consistent with the Residential Site Improvement Standards, *N.J.A.C. 5:21-1 et seq.* The site is not within jurisdiction of a regional planning agency or CAFRA. The site is within the Borough's Historic District and would undergo review and recommendation to the Planning Board as part of site plan review.
- Environmental Constraints and Regulations. The site will comply with all applicable environmental regulations. The site contains no steep slopes, wetlands, stream corridors, flood hazard areas, or known environmental contamination that could prevent construction of an affordable single-family home.

In addition to site suitability, the developer of the affordable housing project will be required to meet the applicable requirements of UHAC:

- Administrative Entity. The Borough will require that CGP&H, the Borough's Administrative Agent, administer the initial sale and any resale of any affordable unit developed on the site, as required by Article 28-17 of the Borough Code as well as state regulation, including affirmatively marketing the unit, income-qualifying potential buyers, imposition of minimum 30-year affordability controls on the unit, and long-term administration of the unit in accordance with rules at *N.J.A.C. 5:93-1 et seq.* and *N.J.A.C. 5:80-26.1 et seq.*
- Affirmative Marketing. The affordable unit will be affirmatively marketed in accordance with *N.J.A.C. 5:93-1 et seq.* and *N.J.A.C. 5:80-26.1 et seq.*
- Controls on Affordability. As noted, the affordable unit will have minimum 30-year affordability controls.

Documentation for all Habitat for Humanity units may be found in Appendix ____.

INCLUSIONARY FAMILY RENTALS – THIRD ROUND

132C, 132E and 132F William Street

In 2017 the property at Block 13, Lot 24.02 (letter A on the Affordable Housing Sites Map on page ____) was developed with six apartments, three of which have 30-year affordability controls imposed on them. Of the three, two two-bedroom units are designated as low-income units and one three-bedroom unit is designated as a moderate-income unit. The three units are administered by CGP&H, the Borough's affordable housing Administrative Agent.

ALTERNATIVE LIVING FACILITIES – THIRD ROUND

Spring Crest Group Home

As noted above under Prior Round, the Borough is claiming three credits and three associated rental bonuses for the extension of controls executed between the Borough and SERV for SERV's three-bedroom group home at 114 Spring Crest Drive. Please see the Prior Round description for additional information.

Randolph Street Boarding Home

This is an existing Class A boarding facility at 278 Academy Street (Block 38, Lots 1 and 2 – see letter D on the Affordable Housing Sites Map on page ____), with nine income-restricted bedrooms: two designated for moderate-income households and seven for low-income households. The units were deed-restricted for 30 years beginning in 2017, in return for a payment to the owner of \$111,000 from the Borough's affordable housing trust fund. The Borough is claiming credit for nine units plus nine associated rental bonuses from this facility. The deed restriction may be found in Appendix ____.

REMAINING OBLIGATION

The Borough acknowledges that it has not yet fully met its Prior Round or Third Round affordable housing obligations. Table 32 below summarizes the obligations yet to be satisfied.

Table 32. Hightstown’s Remaining Obligation

Requirement	Obligation	Provided	Remaining
Prior Round Total	38	23	15
<i>Prior Round Low-Income Units</i>	14	8	6
Third Round Total	68	36	32*
<i>Third Round Rental Units</i>	17	15	2
<i>Third Round Family Rental Units</i>	9	3	6
<i>Third Round Family Units</i>	26	9	17
<i>Third Round Low-Income Units</i>	26	12	14
Very Low-Income Units Since 2008	11	3	8
<i>Very Low-Income Family Units Since 2008</i>	6	0	6
Total Units Required	106	59	47

* - Two of these may be satisfied by rental bonuses as soon as the Borough has a firm commitment for the development of affordable family rental units.

In addition to the specific water and sewer conveyance information noted with each site, a letter dated March 18, 2022 from the Borough Engineer, Carmela Roberts, PE, CME, indicates that there is sufficient water supply and sewer treatment capacity to accommodate all the proposed inclusionary developments listed below. Following are the proposed means to satisfy the remaining obligations of the allocated affordable housing numbers in Hightstown.

Inclusionary Zoning and Inclusionary Overlay Zoning

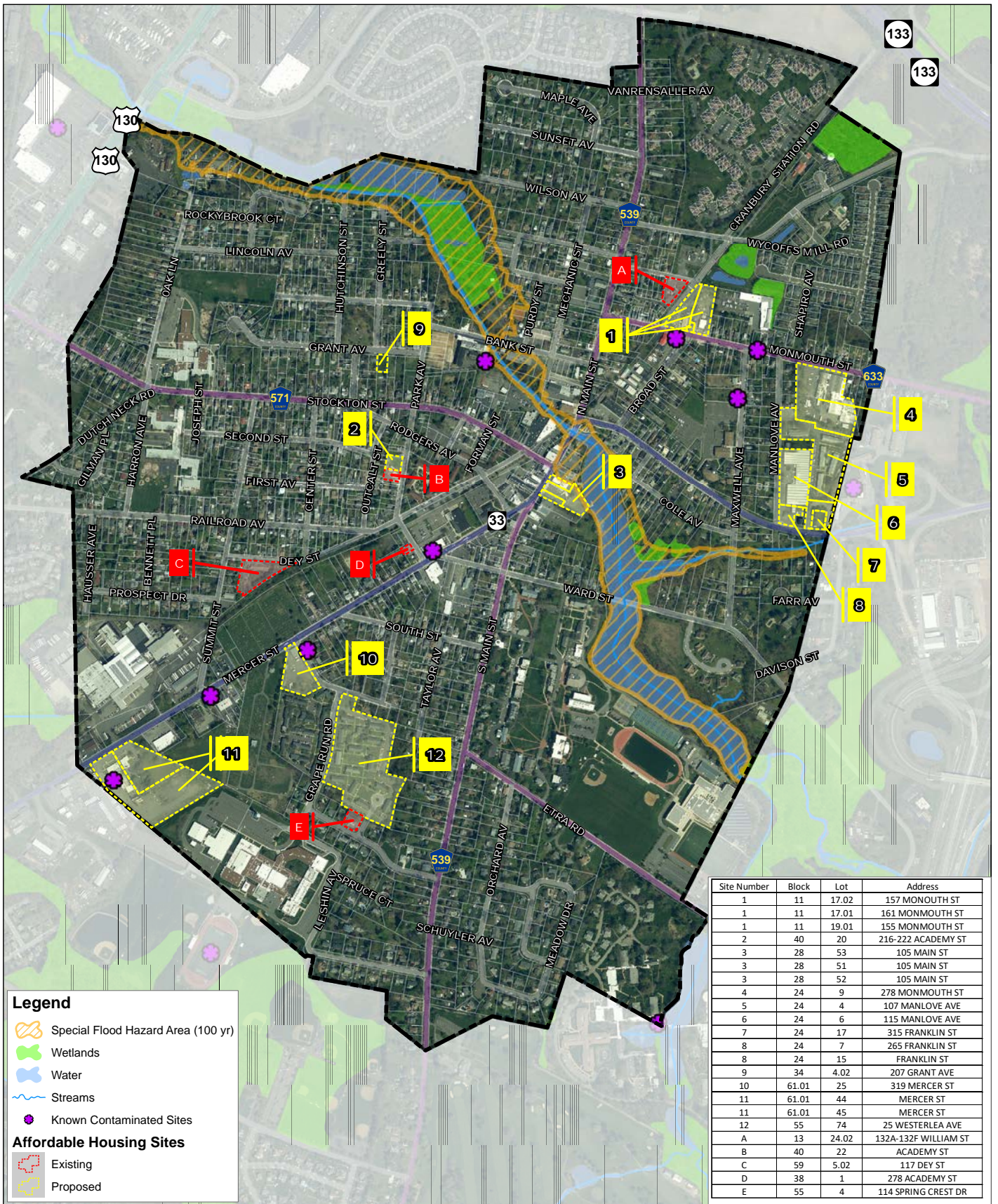
The Affordable Housing Subcommittee of the Borough’s Planning Board has examined opportunities throughout the Borough for the provision of additional affordable housing. Table 33 below lists the properties the Subcommittee believes offer the greatest opportunity for development or redevelopment in a manner that would provide affordable units on an inclusionary basis – that is, as part of a larger development that also includes market-rate housing units. Typically, the percentage of affordable units in a development project ranges from 15% to 20%, but sometimes higher if particular incentives or outside governmental programs can be tapped. In this document, 20% is assumed. Each of the sites is discussed in greater detail below. As Table 33 demonstrates, the Subcommittee believes the Borough has sufficient opportunity via these properties to satisfy its entire Prior Round and Third Round obligations, even if some of the proposed sites do not eventually generate the anticipated number of affordable units. With the adoption of this document, the Planning Board recommends the proposed rezoning of following the sites to permit the residential density

and mandatory set-aside noted in the table. More information about each site is set forth following Table 33.

Table 33. Potential Inclusionary Affordable Housing Sites in Hightstown

Site No.*	Address Block and Lot	Gross Acreage	Developable Acreage	Total Potential New Units	Minimum Affordable Units at 20%	Total Feasible New Affordable Units
1	Broad and Monmouth Streets Block 11, Lots 17.01, 17.02, and 19.01	2.15	2.15	25.80 @ 12 units/acre	5.16	5
2	216-222 Academy Street Block 40, Lot 20	0.28	0.28	3.34 @ 12 units/acre	0.67	1
3	105 Main Street Block 28, Lots 51, 52, and 53	1.33	1.33	54.00	10.80	11
4	278 Monmouth Street Block 24, Lot 9	4.18	4.18	58.52 @ 14 units/acre	11.70	12
5,6,7	115 Manlove Avenue and 315 Franklin Street Block 24, Lots 6 and 17 (lot 5 not included in calculation)	2.76	2.76	38.64 @ 14 units/acre	7.73	8
8	265 Franklin Street Block 24, Lot 7	0.34	0.34	4.76 @ 14 units/acre	0.95	1
8	Franklin Street Block 24, Lot 15	0.4	0.4	5.60 @ 14 units/acre	1.12	1
10	319 Mercer Street Block 61.01, Lot 25	1.5	1.5	21.00 @ 14 units/acre	4.20	4
11	Mercer Street Block 61.01, Lots 44 and 45	5.0	5.0; may be less (see below)	60.00 @ 12 units/acre	12.00	12
12	25 Westerlea Avenue Block 55, Lot 74	8.4	8.4	44.88 @ 18 units/acre	8.98	9
Total Potential Affordable Units						64
Surplus Above 47-Unit Unsatisfied Obligation						17

* Site numbers refer to the map on the next page.



Legend

- Special Flood Hazard Area (100 yr)
- Wetlands
- Water
- Streams
- Known Contaminated Sites

Affordable Housing Sites

- Existing
- Proposed

Site Number	Block	Lot	Address
1	11	17.02	157 MONMOUTH ST
1	11	17.01	161 MONMOUTH ST
1	11	19.01	155 MONMOUTH ST
2	40	20	216-222 ACADEMY ST
3	28	53	105 MAIN ST
3	28	51	105 MAIN ST
3	28	52	105 MAIN ST
4	24	9	278 MONMOUTH ST
5	24	4	107 MANLOVE AVE
6	24	6	115 MANLOVE AVE
7	24	17	315 FRANKLIN ST
8	24	7	265 FRANKLIN ST
8	24	15	FRANKLIN ST
9	34	4.02	207 GRANT AVE
10	61.01	25	319 MERCER ST
11	61.01	44	MERCER ST
11	61.01	45	MERCER ST
12	55	74	25 WESTERLEA AVE
A	13	24.02	132A-132F WILLIAM ST
B	40	22	ACADEMY ST
C	59	5.02	117 DEY ST
D	38	1	278 ACADEMY ST
E	55	4	114 SPRING CREST DR



Clarke Caton Hintz ● ● ■

Architecture
 Planning
 Landscape Architecture

Affordable Housing Sites

LOCATION:
 Hightstown Borough, Mercer County, NJ

DATE:
 March 8, 2022

216-222 Academy Street (Block 40, Lot 20): There are existing approvals for development of four units on this vacant lot, currently owned by Ordonez Realty. The approvals require one of the four units to be affordable. To date construction has not started, but the Borough is relying on the future development to produce one affordable unit. A letter from the Borough Engineer, Carmela Roberts, PE, CME, dated March 18, 2022 indicates that existing water and sewer conveyance systems can accommodate the additional four units from this site.

Wells Fargo, 105 Main Street (Block 28, Lots 51, 52 and 53): The Borough has been approached by a developer with a proposal to construct 54 residential units above retail/commercial on this 1.33-acre site. The site is in the DTC Downtown Core zoning district, and the lots are designated to be included in a future expansion of Sub-Area 3 of the Borough's adopted 2004 Main Street Redevelopment Plan. If development is subject to the Redevelopment Plan, the affordable housing set-aside will be determined through negotiation with the designated redeveloper. For purposes of this housing plan, the set-aside has been calculated at 20%, for a yield of 11 affordable family rental units. The affordable units must be provided on-site.

As required in *N.J.A.C. 5:93-5.3*, affordable housing sites shall be approvable, developable, and suitable, as defined in *N.J.A.C. 5:93-1.3*, for the production of low- and moderate-income housing. As demonstrated below, this site meets these criteria.

- Site Control (availability). The site has no known title defects or deed restrictions that preclude development of affordable housing.
- Suitability. The site is currently occupied by the former Wells Fargo Bank building and associated parking. It has adequate frontage on Main Street, which is state Route 33, and it backs up to Peddie Lake. Adjacent to the site and across Main Street are two- and three-story buildings with retail and commercial space on the ground floor and apartments and offices above. As noted above, the site is currently in the Downtown Core zoning district, which permits apartments above ground-floor commercial uses.
- State Plan. Development of the site is consistent with the SDRP and the rules and regulations of all agencies with jurisdiction over the site. The site is located in a smart-growth planning area. The adopted 2001 State Plan designates the site as being located in the Suburban Planning Area, PA 2, where infill redevelopment is encouraged.
- Adequate Sewer and Water (developability). The site is located in a sewer service area and a public water area. Water and sewer have been installed along Main Street. A letter from the Borough Engineer indicates that existing water and sewer conveyance systems can accommodate the additional 54 units from this site.

- Approvability. Development of the site can be accomplished that is consistent with the Residential Site Improvement Standards, *N.J.A.C. 5:21-1 et seq.* The site is not within jurisdiction of a regional planning agency or CAFRA, or within the Borough's Historic District.
- Environmental Constraints and Regulations. The site will comply with all applicable environmental regulations. The site contains no steep slopes, wetlands, or known environmental contamination that could prevent its development with the proposed housing project. It is next to Peddie Lake, however, and development will need to adhere to any flood hazard or stream encroachment regulations pertaining to its location.

In addition to site suitability, the developer of the redevelopment project will be required to meet the applicable requirements of UHAC:

- Administrative Entity. The Borough will require that the residential developer engage an administrative agent, as required by Article 28-17 of the Borough Code as well as state regulation, to administer and affirmatively market the units at the development, income-qualify applicants, place minimum 30-year affordability controls on the units, and provide long-term administration of the units in accordance with rules at *N.J.A.C. 5:93-1 et seq.* and *N.J.A.C. 5:80-26.1 et seq.*
- Very Low-, Low- and Moderate-Income Distribution. At least half of the affordable units developed will be affordable to low-income households, with at least 13% affordable to very low-income households.
- Affirmative Marketing. The affordable units will be affirmatively marketed in accordance with *N.J.A.C. 5:93-1 et seq.* and *N.J.A.C. 5:80-26.1 et seq.*
- Controls on Affordability. As noted, the affordable units will have minimum 30-year affordability controls.
- Bedroom Distribution. The distribution of the number of bedrooms will follow UHAC regulations.

Broad and Monmouth Streets (Block 11, Lots 17.01, 17.02, 19.01): These three lots, totaling 2.15 acres on the north side of Monmouth Street east of Cranbury Station Road where Broad Street dead-ends, currently house low-density automotive-oriented uses, but are adjacent to residential uses. The Borough is proposing to rezone the lots for inclusionary residential development at a density of 12 units per acre with a 20% affordable housing set-aside, which could produce five affordable units.

As required in *N.J.A.C. 5:93-5.3*, affordable housing sites shall be approvable, developable, and suitable, as defined in *N.J.A.C. 5:93-1.3*, for the production of low- and moderate-income housing. As demonstrated below, this site meets these criteria.

- Site Control (availability). The lots have no known title defects or deed restrictions that preclude development of affordable housing.
- Suitability. The lots have adequate frontage on Monmouth Street, which is County Route 633, and Cranbury Station Road. Across Cranbury Station Road are townhouses and low-rise apartments, and across Monmouth Street are low-rise commercial establishments. The lots are currently part of the DTG, Downtown Gateway, zoning district, which permits single-family and duplex residences as well as apartments above or behind commercial uses. The lots are adjacent to the R-3 single-family zoning district to the east on Monmouth Street; the AA Active Adult Age-Restricted Single-Family zoning district to the north; and the R-4 single-family and R-PMF Planned Multi-Family residential districts across Cranbury Station Road. The R-PMF district includes the existing affordable units on William Street.
- State Plan. Development of the site is consistent with the SDRP and the rules and regulations of all agencies with jurisdiction over the site. The site is located in a smart-growth planning area. The adopted 2001 State Plan designates the site as being located in the Suburban Planning Area, PA 2, where infill redevelopment is encouraged.
- Adequate Sewer and Water (developability). The site is located in a sewer service area and a public water area. Water and sewer have been installed along Monmouth Street and Cranbury Station Road. Adequate water and sewer has been determined to exist for this site by the Borough Engineer.
- Approvability. Development of the site can be accomplished that is consistent with the Residential Site Improvement Standards, *N.J.A.C. 5:21-1 et seq.* The site is not within jurisdiction of a regional planning agency or CAFRA, or within the Borough's Historic District.
- Environmental Constraints and Regulations. Any inclusionary development will comply with all applicable environmental regulations. The lots contain no steep slopes, wetlands, stream corridors, flood hazard areas, or known environmental contamination that could prevent their development as contemplated.

In addition to site suitability, the developer of the affordable housing project will be required to meet the applicable requirements of UHAC:

- Administrative Entity. The Borough will require that the residential developer engage an administrative agent, as required by Article 28-17 of the Borough Code as well as state regulation, to administer and affirmatively market the units at the development, income-qualify applicants, place minimum 30-year affordability controls on the units, and provide long-term administration of the units in accordance with rules at *N.J.A.C. 5:93-1 et seq.* and *N.J.A.C. 5:80-26.1 et seq.*

- Very Low-, Low- and Moderate-Income Distribution. At least half of the affordable units developed will be affordable to low-income households, with at least 13% affordable to very low-income households.
- Affirmative Marketing. The affordable units will be affirmatively marketed in accordance with *N.J.A.C. 5:93-1 et seq.* and *N.J.A.C. 5:80-26.1 et seq.*
- Controls on Affordability. As noted, the affordable units will have minimum 30-year affordability controls.
- Bedroom Distribution. The distribution of the number of bedrooms will follow UHAC regulations.

319 Mercer Street (Block 61.01, lot 25): This 1.5-acre lot is the site of the Tornquist Garage, which appears not to be operational. The Borough is proposing to rezone the property for inclusionary residential development at a density of 14 units per acre with a 20% affordable housing set-aside, which could produce four affordable units. In addition, the association that manages the adjacent Cedar Hill Cemetery has expressed interest in selling a small parcel adjacent to Lot 25, which would allow for greater frontage along Mercer Street and a more regular lot shape. Should that transpire, the resulting larger lot may yield one more affordable unit, which has not been included in the total potential yield for this property.

As required in *N.J.A.C. 5:93-5.3*, affordable housing sites shall be approvable, developable, and suitable, as defined in *N.J.A.C. 5:93-1.3*, for the production of low- and moderate-income housing. As demonstrated below, this site meets these criteria.

- Site Control (availability). The lot has no known title defects or deed restrictions that preclude development of affordable housing.
- Suitability. The lot has adequate frontage on Mercer Street, which is State Route 33. The lot and the gas station across Grape Run Road are both zoned HC-Highway Commercial, but the lot is otherwise surrounded by various residential zoning districts. To its west and across Route 33 are portions of the Cedar Hill Cemetery, respectively part of the R-1 and R-4 residential zoning districts, and behind the lot are the Westerlea and Deerfield apartments, zoned R-MF, Residential Multi-Family.
- State Plan. Development of the site is consistent with the SDRP and the rules and regulations of all agencies with jurisdiction over the site. The site is located in a smart-growth planning area. The adopted 2001 State Plan designates the site as being located in the Suburban Planning Area, PA 2, where infill redevelopment is encouraged.

- Adequate Sewer and Water (developability). The site is located in a sewer service area and a public water area. Water and sewer have been installed along Mercer Street. A letter from the Borough Engineer, Carmela Roberts, PE CME, dated March 18, 2022, indicates that existing water and sewer conveyance systems can accommodate the additional 21 units from this lot. The lot will need to connect to the water main on Mercer Street.
- Approvability. Development of the site can be accomplished that is consistent with the Residential Site Improvement Standards, *N.J.A.C. 5:21-1 et seq.* The site is not within jurisdiction of a regional planning agency or CAFRA, or within the Borough's Historic District.
- Environmental Constraints and Regulations. The site will comply with all applicable environmental regulations. The site contains no steep slopes, wetlands, stream corridors, flood hazard areas, or known environmental contamination that could prevent its development as contemplated.

In addition to site suitability, the developer of the affordable housing project will be required to meet the applicable requirements of UHAC:

- Administrative Entity. The Borough will require that the residential developer engage an administrative agent, as required by Article 28-17 of the Borough Code as well as state regulation, to administer and affirmatively market the units at the development, income-qualify applicants, place minimum 30-year affordability controls on the units, and provide long-term administration of the units in accordance with rules at *N.J.A.C. 5:93-1 et seq.* and *N.J.A.C. 5:80-26.1 et seq.*
- Very Low-, Low- and Moderate-Income Distribution. At least half of the affordable units developed will be affordable to low-income households, with at least 13% affordable to very low-income households.
- Affirmative Marketing. The affordable units will be affirmatively marketed in accordance with *N.J.A.C. 5:93-1 et seq.* and *N.J.A.C. 5:80-26.1 et seq.*
- Controls on Affordability. As noted, the affordable units will have minimum 30-year affordability controls.
- Bedroom Distribution. The distribution of the number of bedrooms will follow UHAC regulations.

415 Mercer Street (Block 61.01, Lots 44 and 45): These lots, totaling five acres at the very southwestern edge of the Borough, comprise the former Lucas Electric site, currently being used by an automotive-oriented retail business and the Borough Police Department. The Borough is in the process of relocating the Police Department, and is proposing to rezone the property for inclusionary residential development at a density of

12 units per acre with a 20% affordable housing set-aside, which could produce 12 affordable units.

As required in *N.J.A.C. 5:93-5.3*, affordable housing sites shall be approvable, developable, and suitable, as defined in *N.J.A.C. 5:93-1.3*, for the production of low- and moderate-income housing. As demonstrated below, this site meets these criteria.

- Site Control (availability). The lots have no known title defects or deed restrictions that preclude development of affordable housing.
- Suitability. The lots has adequate frontage on Mercer Street, which is State Route 33. The lots are currently zoned HC, Highway Commercial, as are neighboring properties on both sides of Mercer Street. The rear of the lots borders R-1 single-family zoning district.
- State Plan. Development of the site is consistent with the SDRP and the rules and regulations of all agencies with jurisdiction over the site. The site is located in a smart-growth planning area. The adopted 2001 State Plan designates the site as being located in the Suburban Planning Area, PA 2, where infill redevelopment is encouraged.
- Adequate Sewer and Water (developability). The site is located in a sewer service area and a public water area. Water and sewer have been installed along Mercer Street. A letter from the Borough Engineer, Carmela Roberts, PE CME, dated March 18, 2022 indicates that existing water and sewer conveyance systems can accommodate the additional 60 units from these lots.
- Approvability. Development of the site can be accomplished that is consistent with the Residential Site Improvement Standards, *N.J.A.C. 5:21-1 et seq.* The site is not within jurisdiction of a regional planning agency or CAFRA, or within the Borough's Historic District.
- Environmental Constraints and Regulations. The site will comply with all applicable environmental regulations. The site contains no steep slopes, wetlands, stream corridors, or flood hazard areas, that could prevent the site producing affordable housing. However, there is a small area of known groundwater contamination toward the front of Lot 45. While any actual development is envisioned to take place on the rear portion of the lot, the extent of contamination may hinder development of affordable units on the site.

In addition to site suitability, the developer of the affordable housing project will be required to meet the applicable requirements of UHAC:

- Administrative Entity. The Borough will require that the residential developer engage an administrative agent, as required by Article 28-17 of the Borough Code

- as well as state regulation, to administer and affirmatively market the units at the development, income-qualify applicants, place minimum 30-year affordability controls on the units, and provide long-term administration of the units in accordance with rules at *N.J.A.C. 5:93-1 et seq.* and *N.J.A.C. 5:80-26.1 et seq.*
- Very Low-, Low- and Moderate-Income Distribution. At least half of the affordable units developed will be affordable to low-income households, with at least 13% affordable to very low-income households.
 - Affirmative Marketing. The affordable units will be affirmatively marketed in accordance with *N.J.A.C. 5:93-1 et seq.* and *N.J.A.C. 5:80-26.1 et seq.*
 - Controls on Affordability. As noted, the affordable units will have minimum 30-year affordability controls.
 - Bedroom Distribution. The distribution of the number of bedrooms will follow UHAC regulations.

25 *Westerlea Avenue* (Block 55, Lot 74): These 8.4 acres are the site of the Westerlea Apartments, currently developed at a density of just over 12 units per acre. The Borough is proposing to adopt inclusionary overlay zoning on the site, which would give the owner of the apartments the option to construct additional apartments by adding on to existing buildings, up to an overall density of 18 units per acre. This could potentially produce 45 new apartments. Should the owner opt to do this, the overlay zoning would require a 20% affordable housing set-aside, which could produce nine affordable units. Should a 20% set-aside on just the new units prove infeasible for the owner, a 15% set-aside, which is permitted by Borough ordinance for inclusionary rental development, could produce six or seven affordable units. The owner could choose to deed-restrict the requisite number of older units, providing the opportunity to charge full market rent for all of the newly constructed units.

As required in *N.J.A.C. 5:93-5.3*, affordable housing sites shall be approvable, developable, and suitable, as defined in *N.J.A.C. 5:93-1.3*, for the production of low- and moderate-income housing. As demonstrated below, this site meets these criteria.

- Site Control (availability). It is anticipated that the current owner of the existing Westerlea Apartments would take advantage of the overlay zoning.
- Suitability. The property has access to Route 33 via Westerlea Avenue and Grape Run Road, and access to Main Street via Spring Crest Drive. The property is currently zoned R-MF, which permits multi-family residential development at a maximum density of 12 units per acre.
- State Plan. Development of the site is consistent with the SDRP and the rules and regulations of all agencies with jurisdiction over the site. The site is located in a

- smart-growth planning area. The adopted 2001 State Plan designates the site as being located in the Suburban Planning Area, PA 2, where infill redevelopment is encouraged.
- Adequate Sewer and Water (developability). The site currently has water and sewer service and the Borough Engineer has determined that the existing water and sewer conveyance systems can accommodate the additional 45 units from this site.
 - Approvability. Development of the site can be accomplished that is consistent with the Residential Site Improvement Standards, *N.J.A.C. 5:21-1 et seq.* The site is not within jurisdiction of a regional planning agency or CAFRA, or within the Borough's Historic District.
 - Environmental Constraints and Regulations. The site will comply with all applicable environmental regulations. The site contains no steep slopes, wetlands, stream corridors, flood hazard areas, or known environmental contamination that could prevent its development as contemplated.

In addition to site suitability, the developer of the affordable housing project will be required to meet the applicable requirements of UHAC:

- Administrative Entity. The Borough will require the residential developer to engage an administrative agent, as required by Article 28-17 of the Borough Code as well as state regulation, to administer and affirmatively market the units at the development, income-qualify applicants, place minimum 30-year affordability controls on the units, and provide long-term administration of the units in accordance with rules at *N.J.A.C. 5:93-1 et seq.* and *N.J.A.C. 5:80-26.1 et seq.*
- Very Low-, Low- and Moderate-Income Distribution. At least half of the affordable units developed will be affordable to low-income households, with at least 13% affordable to very low-income households.
- Affirmative Marketing. The affordable units will be affirmatively marketed in accordance with *N.J.A.C. 5:93-1 et seq.* and *N.J.A.C. 5:80-26.1 et seq.*
- Controls on Affordability. As noted, the affordable units will have minimum 30-year affordability controls.
- Bedroom Distribution. The distribution of the number of bedrooms will follow UHAC regulations.

Eastern Downtown Gateway. This area comprises several lots that could be rezoned to encourage development or else could be studied to determine if they collectively meet the criteria for an area in need of redevelopment designation and subsequent redevelopment plan. The concept is to rezone all these lots into a single inclusionary

residential zone permitting commercial/retail uses along Franklin Street and residential development above and behind the commercial/retail uses at a density of 14 units per acre with a 20% affordable housing set-aside. In the alternative, adopt a redevelopment plan for the lots that would enable similar development, depending on the interest of the landowners. A total of 21 affordable units could be produced at the acreage and densities proposed. The area includes the following properties:

115 Manlove Avenue and 315 Franklin Street (Block 24, Lots 6 and 17): These lots comprise the Comisky Nurseries property. Lot 6, the larger lot, is zoned R-MF, Residential Multi-Family, and Lot 17, which has frontage on Franklin Street, is zoned DTG, Downtown Gateway, which permits single-family and duplex residences and apartments above or behind commercial uses. At the proposed density of 14 units per acre, these two lots could produce eight affordable units.

265 Franklin Street (Block 24, Lot 7): This lot, currently zoned Downtown Gateway, contains a small single-family residence, used as rental property. At the proposed density of 14 units per acre, this lot could yield one affordable unit.

278 Monmouth Street (Block 24, Lot 9): This lot, currently zoned R-MF, Residential Multi-Family, houses the Empire Antiques business. At the proposed density of 14 units per acre, this property could produce 12 affordable units.

Franklin Street (Block 24, Lot 15): This is a U-shaped lot, currently vacant, that surrounds Lot 7 (above) on three sides. It is also zoned Downtown Gateway. At the proposed density of 14 units per acre, this property could produce one affordable unit.

As required in *N.J.A.C. 5:93-5.3*, affordable housing sites shall be approvable, developable, and suitable, as defined in *N.J.A.C. 5:93-1.3*, for the production of low- and moderate-income housing. As demonstrated below, these lots meet these criteria.

- Site Control (availability). The lots have no known title defects or deed restrictions that preclude development of affordable housing.
- Suitability. The lots have adequate frontage on Franklin Street, which is state Route 33, Manlove Avenue and Monmouth Street.
- State Plan. Development of the lots is consistent with the SDRP and the rules and regulations of all agencies with jurisdiction over them. The lots are located in a smart-growth planning area. The adopted 2001 State Plan designates them as being located in the Suburban Planning Area, PA 2, where infill redevelopment is encouraged.
- Adequate Sewer and Water (developability). The lots are located in a sewer service area and a public water area. Water and sewer have been installed along most street

frontages. A letter from the Borough Engineer, Carmela Roberts, PE CME, dated March 18, 2022 indicates the following:

- For all lots, the water system may not currently be able to provide adequate fire flow. Fire flow tests will be required, and an upgrade may be necessary.
- It is not clear how the property at 315 Franklin and the U-shaped vacant lot on Franklin Street are provided sanitary sewer service, if they are provided today, and an extension of the sewer main may be required in order to provide sewer service to these lots, if it is lacking today.
- In order to provide sewer service to the lot at 265 Franklin Street, an extension of the sewer main must be constructed and connected to the existing main on Manlove Avenue.
- Approvability. Development of the lots can be accomplished that is consistent with the Residential Site Improvement Standards, *N.J.A.C. 5:21-1 et seq.* The site is not within jurisdiction of a regional planning agency or CAFRA, or within the Borough's Historic District.
- Environmental Constraints and Regulations. Development will comply with all applicable environmental regulations. The lots contain no steep slopes, wetlands, stream corridors, flood hazard areas, or known environmental contamination that could prevent their development as contemplated.

In addition to site suitability, the developer of the affordable housing project will be required to meet the applicable requirements of UHAC:

- Administrative Entity. The Borough will require that any residential developer engage an administrative agent, as required by Article 28-17 of the Borough Code as well as state regulation, to administer and affirmatively market the units at the development, income-qualify applicants, place minimum 30-year affordability controls on the units, and provide long-term administration of the units in accordance with rules at *N.J.A.C. 5:93-1 et seq.* and *N.J.A.C. 5:80-26.1 et seq.*
- Very Low-, Low- and Moderate-Income Distribution. At least half of the affordable units developed will be affordable to low-income households, with at least 13% affordable to very low-income households.
- Affirmative Marketing. The affordable units will be affirmatively marketed in accordance with *N.J.A.C. 5:93-1 et seq.* and *N.J.A.C. 5:80-26.1 et seq.*
- Controls on Affordability. As noted, the affordable units will have minimum 30-year affordability controls.

- Bedroom Distribution. The distribution of the number of bedrooms will follow UHAC regulations.

Other Potential Sites for Future Consideration

132 Maxwell Avenue (Block 27, Lot 38): It was the Subcommittee’s opinion that even at a residential density of six units per acre, which is the minimum density for triggering an affordable housing set-aside, the development intensity would be too high for this 0.59-acre vacant site. However, it is included because of its potential to support a single-family unit or duplex, should an affordable housing developer such as Habitat for Humanity be interested.

107 Manlove Avenue (Block 24, Lot 4): This is the site of the Townhouse Gardens Apartments, currently zoned R-MF, Residential Multi-Family, and developed at a density of 14 units per acre. The Affordable Housing Subcommittee believes there is an opportunity to develop this area of the Borough into a residential and local retail center, and that 14 residential units per acre is an appropriate density. Therefore, this plan has not projected any additional units to be developed on the Townhouse Gardens site, but has included it as an “anchor” site in the hope of sparking inclusionary residential development on the various lots around it listed above. The Townhouse Gardens Apartments property and those in the Eastern Downtown Gateway total 11.42 acres.

Mandatory Set-Aside

In 2019 the Borough voluntarily adopted a mandatory affordable housing set-aside ordinance, which requires all new housing developments to set aside as affordable 15% of new units developed if the units are to be rental units, and 20% of new units developed if the units are to be for-sale units. For assisted-living units, the required set-aside is 10%. In cases where the set-aside calculation does not result in a full integer, the developer may round the set-aside up to the nearest full integer and set aside that number of units as affordable; or, if the partial integer is less than 0.5, the developer may round the set-aside down and provide a fractional payment in lieu of construction for the partial unit, which will be deposited into the Borough’s affordable housing trust fund. Exempted from the set-aside requirement are individual single-family and duplex construction if not part of a larger development, and new residential units developed in a redevelopment area, where the set-aside is permitted to be negotiated as part of the redevelopment agreement.

VERY LOW-INCOME UNITS

Pursuant to the 2008 amendments to the FHA, P.L. 2008, c.46 (codified as *N.J.S.A. 52:27D-329.1*), municipalities must provide units affordable to very low-income households equal to 13% of all affordable units approved and constructed after July 1, 2008. If all of the above-listed potential affordable housing sites yield the projected number of affordable units, the Borough’s very low-income requirement from existing and proposed units would be as follows:

Table 34. Hightstown’s Very Low-Income Obligation

Affordable Housing Site	Total Affordable Units Post-2008	Very Low-Income Units Required	Very Low-Income Units Provided or to be Provided
Spring Crest Group Home	N/A	N/A	3
Habitat for Humanity	6	0.78	0
William Street	3	0.39	0
Randolph Boarding Home	9	1.17	0
216-222 Academy Street	1	0.13	0
105 Main Street	11	1.43	1
Broad and Monmouth Streets	5	0.65	1
319 Mercer Street	4	0.52	0
415 Mercer Street	12	1.56	2
25 Westerlea Avenue	9	1.17	1
115 Manlove Avenue and 315 Franklin Street	8	1.04	1
265 Franklin Street	1	0.13	0
278 Monmouth Street	12	1.56	2
Franklin Street	1	0.13	0
Totals	82	10.66, rounded up to 11	11
Total Family Very Low-Income Units		6	

To the degree that the above-listed proposed compliance mechanisms produce family units, the very low-income units included would also help to satisfy the six-unit family very low-income requirement (50% of required very low-income units). In accordance with Chapter 28-17-16, the Borough will ensure that, as part of any development or redevelopment agreement that includes the development of affordable housing, 13% of all affordable units will be deed-restricted as available to households earning 30% or less of area median income. In addition, the Borough, depending on the level of affordable housing fees obtained, may allocate funds in its Spending Plan to incentivize small-scale developers to provide additional very low-income units, the individual payments for which will be the subject of a developer’s or redeveloper’s agreement.

COST GENERATION

The relevant land-use provisions of the Borough Code been reviewed to determine if there are unnecessary cost-generating standards, and the Borough has not identified any that could be characterized in that manner. Development applications containing affordable housing will be reviewed for consistency with the relevant portions of the Borough Code, Residential Site Improvement Standards (*N.J.A.C. 5:21-1 et seq.*), the Municipal Land Use Law (*N.J.S.A. 40:55D-*

40.1 through 40.7), and the mandate of the FHA regarding unnecessary cost-generating features. Hightstown will comply with *N.J.A.C. 5:93-10.1(a)*, procedures for development applications containing affordable housing, *N.J.A.C. 5:93-10.1(b)*, and requirements for special studies and escrow accounts where an application contains affordable housing (*N.J.A.C. 5:93-10.3*).

AFFORDABLE HOUSING ORDINANCE, MUNICIPAL HOUSING LIAISON, ADMINISTRATIVE AGENT, AND AFFIRMATIVE MARKETING

In 2019, the Borough adopted an Affordable Housing Ordinance in accordance with *N.J.A.C. 5:80-26.1 et seq.* This ordinance governs the creation, administration, and occupancy of affordable units, the required low- and moderate-income set-asides; and outlines eligibility requirements and occupancy standards. Since UHAC predates the very low-income requirements established in mid-2008, the Affordable Housing Ordinance includes a modification that addresses the amended Fair Housing Act in this regard.

In 2008 the Borough established in Subsection 2-25 of the Borough Code the position of Municipal Housing Liaison, and enumerated the responsibilities of the position. The Borough will yearly appoint by resolution a Borough employee as the Municipal Housing Liaison. The resolution may be found in Appendix ___.

As noted above, the Borough has retained the services of CGP&H, an experienced and qualified Affordable Housing Administrative Agent, to provide general Administrative Agent services for the Borough. The executed agreement may be found in Appendix ___.

The Borough has prepared an Affirmative Marketing Plan for all current and future affordable units in the Borough that require affirmative marketing. Each developer of new inclusionary development will be required to submit an Affordable Housing Plan in accordance with Chapter 28-17-4. This will include the affirmative marketing plan meeting the requirements of *N.J.A.C. 5:93-11.1* and the Borough's Code at 28-17-16. The costs of the Affordable Housing Plan are the responsibility of the developers/owners of affordable units. The Borough's Affirmative Marketing Plan may be found in Appendix ___.

DEVELOPMENT FEE ORDINANCE

Hightstown Borough first adopted a development fee ordinance in 2004, and most recently amended it in 2021. It may be found in the Borough Code at Section 26-10. The funds from the collection of fees have been utilized in accordance with all applicable regulations, and will continue to be utilized henceforth as provided for in the Spending Plan accompanying this Housing Element and Fair Share Plan.

AFFORDABLE HOUSING TRUST FUND

As of September 30, 2022, the Borough had approximately \$18,366 remaining in its affordable housing trust fund. Since the fund's inception the Borough has collected \$132,701 in development fees, \$288,412 in payments in lieu of construction, and \$41,621 in interest.

The Spending Plan accompanying this Housing Element and Fair Share Plan is based on the reconciled account through September 30, 2022. Upon approval of the Borough's Spending Plan by the Borough Council, annual trust fund monitoring reports will be posted on the Borough's website.

SPENDING PLAN

The Borough's Spending Plan, which discusses anticipated revenues, collection of revenues, and the use of revenues, was prepared in accordance with *N.J.A.C. 5:93-5.1(c)* and is included as Appendix ___ to this Plan. All collected revenues are placed in the Borough's Affordable Housing Trust Fund and will be dispensed for the use of affordable housing activities as indicated in the Spending Plan. In general, the Borough anticipates using the funds for its rehabilitation obligation, for rental assistance, and to render units affordable to very low-income households in accordance with this housing plan. In addition to these primary uses of Affordable Housing Trust Fund monies, the Spending Plan may determine that the following needs have been identified to facilitate the implementation of the housing plan and may be so modified from time to time or at any time:

- New construction;
- Purchase of land for low- and moderate-income housing;
- Improvement of land to be used for low- and moderate-income housing;
- Extensions and/or improvements of roads and infrastructure to low- and moderate-income housing sites;
- Administration of the implementation of the Housing Element and Fair Share Plan.

At least 30% of development fees and interest collected must be used to provide affordability assistance to low- and moderate-income households in affordable units included in a municipal Fair Share Plan and for the creation of very low-income units. Additionally, no more than 20% of the revenues collected from development fees may be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to develop or implement a rehabilitation program, a new construction program, a Housing Element and Fair Share Plan, and/or an affirmative marketing program.

The adoption of the Borough's Spending Plan will constitute a "commitment" for expenditure per the FHA at *N.J.S.A. 52:27D-329.2* and *-329.3*, with a four-year time period for expenditure that will start with the entry of the Superior Court's Judgment of Compliance and Repose. The draft Spending Plan and Affordability Assistance manual may be found in Appendix ___.

CONCLUSION

The Borough of Hightstown has consistently demonstrated good-faith efforts to create affordable units in the Borough, despite a shortage of open, developable land for new residential development. This plan establishes the mechanisms by which the Borough

proposes to discharge its Rehabilitation, Prior Round and Third Round obligations as calculated by the Jacobson methodology.

As part of the implementation of this Housing Element and Fair Share Plan, the Borough will appoint a Municipal Housing Liaison, and will execute an agreement with CGP&H or another qualified Administrative Agent to administer a municipal rehabilitation program.