



# **BOROUGH OF HIGHTSTOWN PLANNING BOARD**

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

## **PLANNING BOARD REGULAR MEETING AGENDA**

**Hightstown Firehouse**

**MONDAY, MARCH 13, 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 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**

### **Roll Call – Planning Board**

### **Approval of Agenda**

### **Approval of Minutes**

- February 13, 2023 – Regular Meeting

### **Public Comment**

### **Public Hearing**

Main Street Redevelopment Sub-Area 3 Expansion – Preliminary  
Investigation of an Area in Need of Redevelopment

### **Public Comment**

### **Old Business**

- Affordable Housing Plan
- Master Plan Reexamination

### **New Business**

### **Committee and Professional Reports**

### **Chairman and Board Member Comments**

### **Adjourn**



**BOROUGH OF HIGHTSTOWN  
PLANNING BOARD**  
**REGULAR MEETING MINUTES**  
**MONDAY, FEBRUARY 13, 2023, 7:30 P.M.**

OPEN SESSION

Bev Asselstine, Chairperson, called the meeting to order at 7:33 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 as required by law and is posted on the Hightstown Borough website."

**Flag Salute**

**Roll Call**

Present: Mayor Bluth, Ms. Asselstine, Mr. Montferrat, Mr. Morgan, Mr. Musing, Ms. Watkins, Mr. Yandoli, Mr. Balcewicz & Mr. Cabot. Mr. Laudenberg arrived late.

Also in attendance: Jane Davis, Board Secretary; Michael Herbert, Board Attorney; Carmela Roberts, Board Engineer; Brian Slaugh, Board Planner; Anne Studholme, resident; Alex Constantino, resident.

**Approval of Agenda**

Ms. Asselstine asks for a motion to approve the Agenda for February 13, 2023.

Moved by Mr. Montferrat and seconded by Mr. Cabot.

Roll Call Vote: Mayor Bluth, Ms. Asselstine, Mr. Gainey, Councilmember Montferrat, Mr. Morgan, Mr. Musing, Ms. Watkins, Mr. Yandoli, Mr. Balcewicz & Mr. Cabot voted yes. Mr. Laudenberg was not present.

Agenda approved 10-0 with one absence.

**Approval of Minutes**

November 14, 2022 – Ms. Davis notes that a member was mis-marked on the roll call. Ms. Asselstine asks for a motion to approve the November 14, 2022 minutes with said revision.

Moved by Mr. Balcewicz and seconded by Ms. Watkins.

Roll Call Vote: Ms. Asselstine, Mr. Gainey, Ms. Watkins, Mr. Yandoli & Mr. Balcewicz voted yes. Mayor Bluth, Councilmember Montferrat, Mr. Morgan, Mr. Musing & Mr. Cabot abstained. Mr. Laudenberg was not present.

November 14, 2022, Minutes approved 5-0 with 5 abstentions & 1 absence.

January 9, 2023 – Ms. Asselstine asks for a motion to approve the January 9, 2023, Reorganization meeting minutes.

Moved by Mr. Morgan and seconded by Ms. Watkins.

Roll Call Vote: Mayor Bluth, Ms. Asselstine, Councilmember Montferrat, Mr. Morgan, Mr. Musing, Ms. Watkins, Mr. Yandoli, Mr. Balcewicz & Mr. Cabot voted yes. Mr. Gainey abstained. Mr. Laudenberg was not present.

January 9, 2023, Minutes approved 9-0 with 1 abstention & 1 absence.

## **Public Comment**

Ms. Asselstine opens the floor for public comment and the following individuals spoke:

Anne Studholme, 409 South Main Street – Spoke out about the East Windsor Zoning Board of Adjustment application for a proposed warehouse on Route 33 to be heard on February 16, 2023. She voices concern about the inevitable increase in truck traffic downtown and asks the Planning Board professionals to go before the East Windsor Board. She believes it is important that we are heard on record.

Alex Constantino, 306 South Main Street – Voices concern with the proposed warehouse application being heard before the East Windsor Zoning Board of Adjustment.

There is Board discussion regarding the meeting notice requirements. Mr. Musing confirms that the Borough did receive proper notice. There being no further business, Ms. Asselstine closes public comment.

## **Old Business**

Affordable Housing Plan – Mr. Slaugh gives a brief background on what has been done so far in anticipation of the housing element and fair share plan appendices and what will be required going forward. He explains that a resolution will be needed to be adopted by the Board, if approved, and endorsed by Council. Land Use ordinances would then need to be implemented and a spending plan will be provided to utilize the funds in the Affordable Housing Trust. Primarily the trust includes development impact fees, for example a new construction residence, the fee would be a 1.5% contribution based upon the E.A.V. (Equalized Assessed Valuation) of the property would be contributed to the Affordable Housing Trust. The spending plan would allocate funding, for example to minor programs for rent assistance and down payment or security deposit assistance. There is continued discussion on the area designated in the report that would be rezoned and why the RMF district is ideal for adding in Affordable Housing. Mr. Slaugh continues that Hightstown Borough was part of the original Declaratory Statement but withdrew from the legal process back in 2015. The plan moving forward is to present the plan to Council during a 20-minute presentation on March 20, 2023, publish a public notice by March 30, 2023, and hold a public hearing at the Board meeting on April 10, 2023. Ms. Asselstine would like to confirm what type of notice is required. Mr. Herbert & Mr. Slaugh confirm that no property owner notices are required, only standard public notice. Mr. Morgan points out several mistypes in the summary section of the Draft. There is further discussion on the upcoming presentation to Council.

Downtown Redevelopment Area – Mr. Slaugh introduces and presents the draft for the Area in Need of Redevelopment as directed by Council for Block 28, Lots 48 through 53. Ms. Asselstine comments that Lot 50 is missing from the report. Mr. Slaugh goes on to explain that this is a non-condemnation study that includes tables & maps, showing the flood plain & Wood Turtle riparian buffer as well as the potential development area. Mr. Laudenberger asks if the area by the lake is paved. Ms. Roberts confirms that the area by the dock is compacted gravel which would be considered impervious lot coverage. Mr. Slaugh felt it was best to focus on the Wells Fargo building (Block 28, Lots 51, 52 & 53) due to the criteria that it meets: i.e. age of building, mismatched levels, poor traffic circulation, difficult to modernize, extraordinary measures would need to be taken to make it ADA compliant and the trend that in person banking is becoming obsolete. Ms. Asselstine

asks that all comments be forwarded to Ms. Davis for distribution. A Public Hearing will be held by Planning Board to hear the presented report and determine if they agree that the area meets one or more criteria in the law. The hearing is to be noticed twice; once, 2 weeks before the hearing, and again, 10 days prior. The decision is then resolved via Planning Board resolution and sent to Council where they are to agree or disagree with the decision. Council would then introduce and implement ordinances to enforce the new designated area in need of redevelopment.

**Road Improvements to Orchard Avenue, Meadow Drive, Clover Lane & South Main Street** – Ms. Roberts explains the scope of the project and that all water services in this location have been found to be copper and sewer lines to be Orangeburg. The affected property owners will be notified. A \$500,000 NJDOT grant will help offset the costs instilled on the Borough. Ms. Asselstine asks that a ramp/crosswalk & RRFB (rectangular rapid-flashing beacon) be added at Leshin Lane & South Main Street. Ms. Roberts explains that Council and Mercer County will need to approve this addition. Mr. Morgan mentions that there is a natural gas smell outside of 21 Meadow Drive and would like PSE&G to investigate it prior to the installation of new roadways & sidewalks. He also asks that a sidewalk along the West side of Orchard Avenue (closer to South Main Street) be installed, rather than on both sides of the street, be considered for budgetary purposes.

**Master Plan Reexamination** – No updates at this time.

#### **New Business**

No new business

#### **Committee and Professional Reports**

Nothing additional to report.

#### **Chairman and Board Member Comments**

**Chairperson Asselstine** – Ms. Asselstine reports on a new program funded by the Federal Government's infrastructure bill. Through the Safe Streets for All grant, the DVRPC received \$1.4 million. The grant program will fund either the creation of the action plan or projects that have an action plan in place. DVRPC will

There being no further business, Ms. Asselstine asks for a motion to adjourn. Motion made by Councilmember Montferrat. All ayes. Meeting adjourned at 9:20 PM.

Respectively Submitted by:

Jane Davis, Planning Board Secretary



PUBLIC HEARING DRAFT

Preliminary Investigation of  
An Area in Need of Redevelopment

# Main Street Redevelopment Sub-Area 3 Expansion



Block 28, Lots 48 - 55

Hightstown Borough, Mercer County, New Jersey

\_\_\_\_\_, 2023

*Prepared by:*

**Clarke Caton Hintz** | 100 BARRACK STREET | TRENTON, NEW JERSEY | 08608



# Preliminary Investigation of an Area in Need of Redevelopment

## First Expansion of Sub-Area 3 of the Main Street Redevelopment Area

### Block 28, Lots 48 - 55

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Hightstown Borough, Mercer County, New Jersey

Adopted pursuant to N.J.S.A. 40A:12A-1, *The New Jersey Local Redevelopment and Housing Law*, as a Preliminary Investigation by the Planning Board on \_\_\_\_\_, 2023.

Implemented by the Borough Council by Resolution \_\_\_\_\_, adopted on \_\_\_\_\_, 2023.

Prepared for Hightstown Borough by

**Clarke Caton Hintz, P.C.**

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Brian M. Slauch, PP, AICP  
*Principal-in-Charge*  
NJPP License 3743

A signed and sealed original is on file in the Office of the Planning Board Secretary



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## Planning Board Members

Beverly Asselstine, *Chair*  
Susan Bluth, *Mayor*  
Fred Montferrat, *Council Member*  
Dimitri Musing, *Class 2*  
Nathaniel Gainey, *Class IV*  
John Laudenberg, III, *Class IV*  
Matthew Morgan, *Class IV*  
Beth Watkins, *Class IV*  
Chris Yandoli, *Class IV*  
Joseph F. Balcewicz, *Alt. 1*  
Raymond Cabot, *Alt. 2*

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## Staff

### Planning Board Staff

Jane Davis, *Board Secretary*  
Michael Herbert, Esq., *Board Attorney*  
Carmela Roberts, PE, CME, *Borough  
and Board Engineer*  
Brian Slaugh, PP, AICP, *Borough and  
Board Planner*

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### Clarke Caton Hintz

Brian Slaugh, PP, AICP, *Principal in  
Charge*  
Donna Miller, PP, AICP, CFM  
Melissa McMullen, AICP  
Christian Kuhn, LLA, ASLA



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## INTRODUCTION AND EXECUTIVE SUMMARY

The Borough Council of Hightstown first directed the Planning Board on March 21, 2022 to conduct a study to determine whether the area known as Block 28, Lots 48-55, qualified as an *Area in Need of Condemnation Redevelopment*. This action was memorialized in Resolution 2022-69, adopted pursuant to the criteria established at *N.J.S.A. 40A:12A-1 et seq.*, known as the “*Local Redevelopment and Housing Law*” (LRHL). However, at a later date, the Borough Council amended its directive to limit the study to only the status of non-condemnation in Resolution 2022-214, which was adopted on November 7, 2022. The two resolutions are found in Appendix A. This means that on further reflection, the Council as a whole determined that condemnation was not necessary to achieve the objectives that might be gained from a redevelopment designation of these properties in the Study Area. Legally, the power of eminent domain cannot be used in any area proposed for redevelopment via the study, otherwise known as the *Preliminary Investigation*.

Subsequent to the Borough Council resolution, the Planning Board directed the Borough Planner to undertake such a study that has resulted in this report. It provides an examination of the existing conditions of the study area, written descriptions and data analysis. The information gathered is compared to the criteria contained within the LRHL and, based on that comparison, a recommendation is made as to whether it should be formally identified as an Area in Need of Non-Condensation Redevelopment (ANR).

The Study Area is being investigated as an expansion of Sub-Area 3 of the Main Street Redevelopment Area, which had previously been established by the Hightstown Borough Council in 2004. The Study Area is comprised of a series of lots located on the east side of Main Street (or S. Main Street) and west of Peddie Lake, directly south of the municipal parking lot at the new pedestrian bridge over the Rocky Brook at the outfall of the lake. The municipal parking lot and park are located on Block 28, Lots 56-57, comprising 0.74 acres.

The following table lists the key for the study area map on page 3, the owner’s name, address of the property, block and lots, and spatial area that comprise the study area.

### NJ LRHL: *Redevelopment Process*

- Borough Council directs the Planning Board to undertake a preliminary investigation to determine whether or not an identified area requires redevelopment.
- Planning Board conducts an investigation and holds a public hearing on the proposed redevelopment-area designation.
- Based on the Planning Board’s recommendation, Borough Council may designate all or some of the study area as an “area in need of redevelopment”.
- The Borough Council either prepares a redevelopment plan for the area, or directs the Planning Board to prepare the plan.
- The Borough Council adopts the redevelopment plan.
- The Borough Council or other public agency / authority is designated as the “redevelopment entity” to oversee the implementation of the redevelopment plan.
- The redevelopment entity selects a redeveloper(s) to undertake a project(s) that implements the plan.



**Table 1. Tax Parcels in the Study Area.**

Map Key	Owner	Address	Block	Lot(s)	Acreage
1	First Baptist Church	131-133 S. Main St.	28	48	0.09
		125 S. Main St.		49, 50	2.43
2	105 MSH LLC	105 Main St.	28	51, 52, 53	1.47
3	Lakeside 101, LLC	101-103 Main St.	28	54	0.25
		99 Main St.		55	0.13

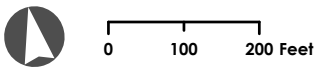
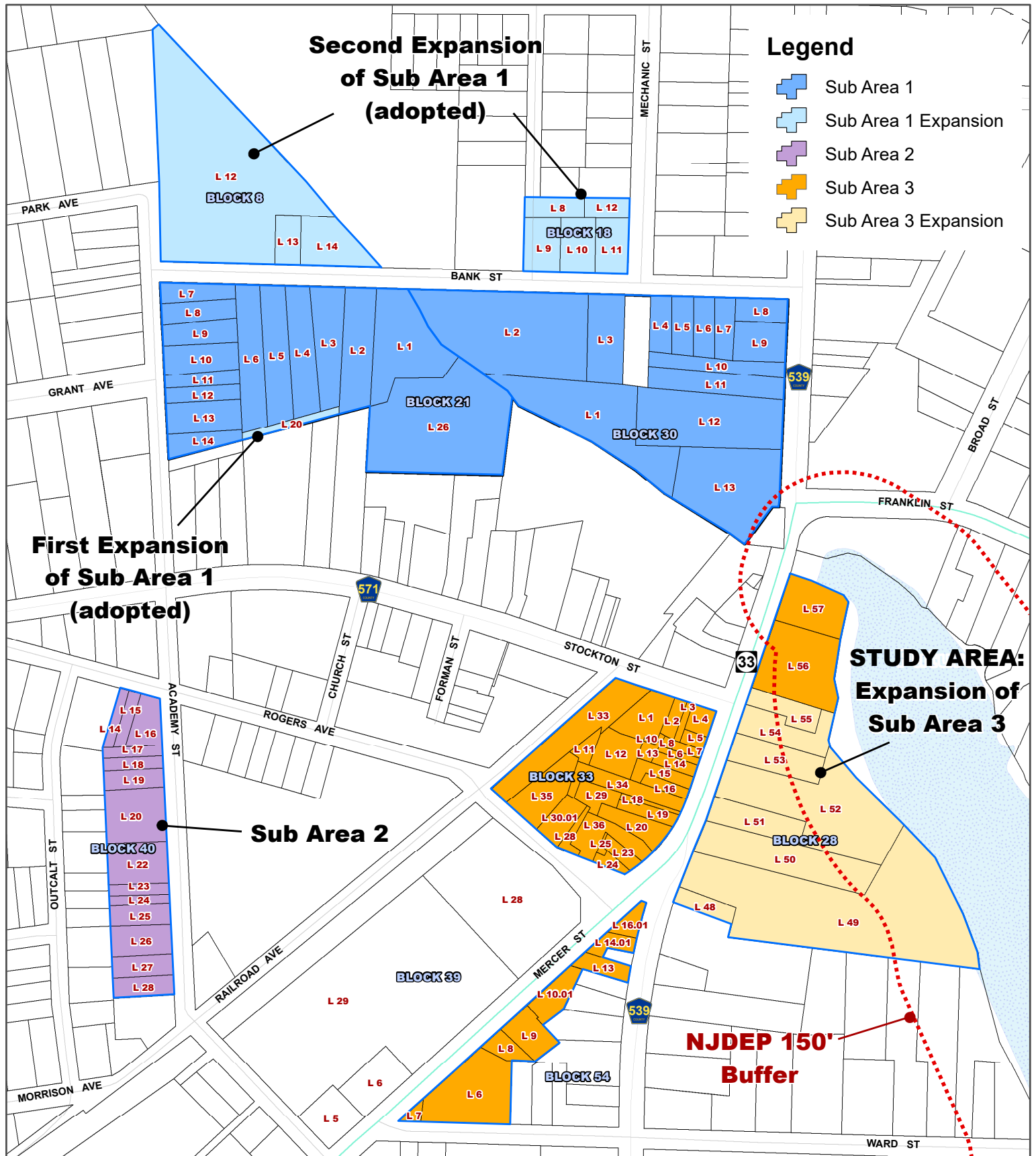
In total the expansion of the Phase III Main Street study area equals **4.37 acres**.

## STATUTORY AUTHORITY AND PROCESS

Under the LRHL, municipalities are empowered to determine whether an area is in need of redevelopment, to adopt a redevelopment plan, and to implement and carry out redevelopment projects by following the statutorily defined process set forth in the LRHL (*see sidebar*, prior page). This process may result in the adoption of a redevelopment plan, which is a new set of development concepts, land use and potentially specific development regulations, along with the ability to offer enhanced fiscal tools that may act as incentives to prospective redevelopers. Ultimately, it is a means to lay the groundwork for redevelopment that benefits both the public and private interests.

## STUDY AREA DESCRIPTION

The Main Street Redevelopment Area established in 2004 was located in three distinction areas. Sub-Area 1 consisted of the land fronting on the south side of Bank Street between N. Academy and N. Main Streets, which was later expanded to the north side of Bank Street in 2018. Sub-Area 2 was most of the west side of S. Academy Street between Rogers and Railroad Avenues. Sub-Area 3 includes the block bounded by Railroad and Rogers Avenues, Stockton Street, and Mercer/S. Main Street, as well as the aforementioned municipal parking lots on the east side of S. Main Street. The Study Area is located on the south side of the existing Sub-Area 3 of the Main Street Redevelopment Area. The Study Area examining the proposed redevelopment area expansion consists of the properties that make up the Tavern on the Lake eating and drinking establishment, the former Wells Fargo Bank, and the First Baptist Church of Hightstown, as well as the public walkways along Peddie Lake. These sites occupy the land between Main Street to the southwest and Peddie Lake to the east and are the subject of the 2015 Vision Plan and Lakefront Improvements Amendment to the Borough's Master Plan.



SUB-AREA 3 REDEVELOPMENT AREA

# Main Street Redevelopment Map

**Clarke Caton Hintz** ● ● ●

Architecture

Planning

Landscape Architecture

LOCATION:  
Hightstown Borough, Mercer County, NJ

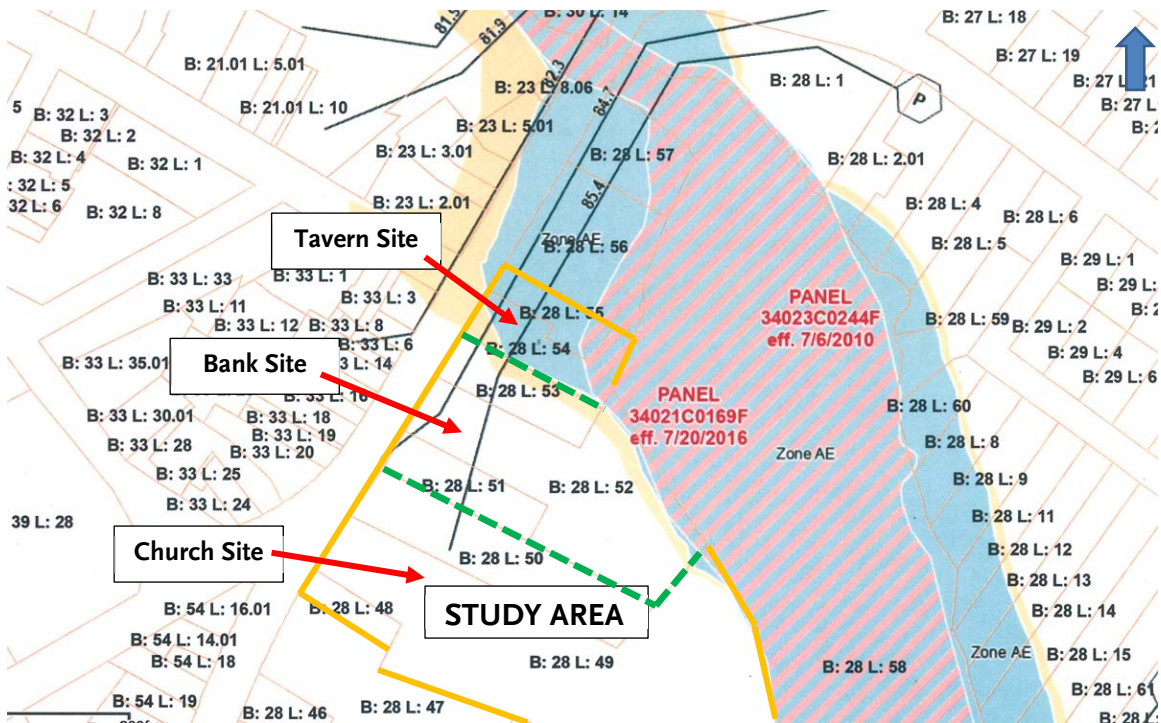
DATE:  
January 2023



## ENVIRONMENTAL CONSTRAINTS

The properties in the Study Area are affected by flood hazard areas and riparian buffers associated with Peddie Lake, which lies along its eastern edge. The 150-foot wide riparian buffer line has been illustrated on the Main Street Redevelopment Plan exhibit preceding this page. Additionally, a State endangered species habitat (the wood turtle) is identified along the lake and within the wooded areas adjacent to it. The First Baptist Church's property, which is mostly undeveloped along the lake front, except for a compacted gravel boat launch, cannot be effectively developed within the riparian buffer area, which is 150 feet from of the edge of the lake. Tavern on the Lake and the former Wells Fargo Bank properties have significant impervious surfaces in the riparian buffer area, as such, permitting with NJDEP is expected to focus on reducing imperious surface areas but not to prevent the redevelopment of the property. Below are the flood hazard areas from the NJ GeoWeb on-line resource which depicts the Floodway as striped in blue and pink, the Special Flood Hazard Area (100-year flood hazard) in blue and the 500-year flood hazard in tan.

## FLOOD HAZARD AREAS IN STUDY AREA



As can be seen above, Lots 54 and 55, which comprise the Tavern on the Lake property, are almost entirely located in the Special Flood Hazard Area, and the rear loading area is in the more hazardous floodway zone. Conversely, only small portions of the former Wells Fargo property and the First Baptist Church lots are affected by the flood hazard designations. These delineations are approximate and would need to be verified by site-specific surveying and



calculations. The redevelopment potential for the Tavern on the Lake property is severely limited by the flood hazard and riparian buffers affecting the property. The redevelopment potential of the First Baptist Church property is also limited by these environmental constraints.

## 2015 VISION PLAN AND LAKEFRONT IMPROVEMENTS AMENDMENT

The main purpose of the redevelopment designation is to facilitate the municipality's vision for the Peddie Lake waterfront in the core of the downtown retail area. This was articulated in the 2015 Vision Plan and Lakefront Improvements Amendment to the Master Plan and followed from the 2014 Master Plan Amendment and Reexamination Report. The report established this goal for the Study Area:

*“Preserve, protect and enhance Peddie Lake, its environs and open space corridors as valuable natural resources within the central downtown business district. Ultimately removing the parking lot from Memorial Park would be an improvement to Peddie Lake and the downtown as a whole. Businesses that abut the lake and take advantage of the wonderful view should help maintain an enjoyable environment along the lake edge for the public at large; it's in their best interest that this area remain desirable.” (2014 Re-Examination Report, p. 13)*

The goal is based on making the downtown a destination for people that live outside of Hightstown because the population base is too small to support the night time vibrancy desired as a policy objective. An illustrative concept plan was developed to convey these ideas in graphic form, depicted below:





The environmental constraints and the preliminary investigation of the conditions in the Study Area will require modification of some of the concepts originally envisioned for the redevelopment of Sub-Area 3, which will be addressed in a subsequent Redevelopment Plan.

## REDEVELOPMENT DEFINED

Redevelopment is defined in the LRHL as:

*Clearance, replanning [sic], development and redevelopment; the conservation and rehabilitation of any structure or improvement, the construction and provision for construction of residential, commercial, industrial, public or other structures and the grant or dedication of spaces as may be appropriate or necessary in the interest of the general welfare for streets, parks, playgrounds, or other public purposes, including recreational and other facilities incidental or appurtenant thereto, in accordance with a redevelopment plan.*

*[N.J.S.A. 40A:12A-3]*

## APPLICATION OF REDEVELOPMENT CRITERIA TO THE STUDY AREA

Criteria set forth in the LRHL at N.J.S.A. 40A:12A-5 provides the basis for the determination of an Area in Need of Redevelopment. Although there are a variety of factors that could apply to particular properties in a study area, an area qualifies as being in need of redevelopment if it meets at least one of the eight statutory criteria, listed in the sidebar to the right and the following page. These criteria are commonly identified by the letter (a-h) corresponding to the paragraphs of Section 5 of the LRHL. They relate to the impact of a particular area on public health, safety and welfare, primarily through conditions of deterioration, obsolescence, vacancy, title, ownership, destruction by fire or

### Redevelopment Criteria “a” through “d” (N.J.S.A. 40A:12A-5)

- a. The generality of buildings is substandard, unsafe, unsanitary, dilapidated, or obsolescent, or possess any of such characteristics, or are so lacking in light, air, or space, as to be conducive to unwholesome living or working conditions.
- b. The discontinuance of the use of a building or buildings previously used for commercial, retail, shopping malls or plazas, office parks, manufacturing, or industrial purposes; the abandonment of such building or buildings; significant vacancies of such building or buildings for at least two consecutive years; or the same being allowed to fall into so great a state of disrepair as to be untenable [sic].
- c. Land that is owned by the municipality, the county, a local housing authority, redevelopment agency, or redevelopment entity, or unimproved land that has remained so for a period of ten years prior to adoption of the resolution, and that by reason of its location, remoteness, lack of means of access to developed sections or portions of the municipality, or topography, or nature of the soil, is not likely to be developed through the instrumentality of private capital.
- d. Areas with buildings or improvements which, by reason of dilapidation, obsolescence, overcrowding, faulty arrangement or design, lack of ventilation, light and sanitary facilities, excessive land coverage, deleterious land use or obsolete layout, or any combination of these or other factors, are detrimental to the safety, health, morals, or welfare of the community.



natural disaster and long-standing unimproved conditions not amenable to private sector investment. The absence of any use of the land and an area's relationship to an Urban Enterprise Zone or "smart growth" regions are also addressed in the criteria.

Some lots within the Study Area exhibit conditions that meet a number of the statutory criteria as described below:

### CRITERION "B"

Criterion "b" was amended in 2019 to address the lingering effects of the Great Recession and the growing obsolescence of shopping centers and office or industrial parks in New Jersey to lend themselves to easier repurposing for new uses. Arguably this has led to the "warehousing" of New Jersey at least in built up areas.

Block 28, Lots 51-53, which constitute the former Wells Fargo Bank property, has been vacant for more than two years. The building was originally constructed as bank in the 1920's, judging from the architecture of the front façade, and was significantly added onto in the rear sometime in the last 30 years, including the addition of drive-thru lanes. However, the advent of on-line banking, direct deposit of payroll into employees' accounts, and the rise of non-bank financial companies and products has led to a much lower demand for bricks and mortar banks. Since the branch closed more than two years ago, it meets the eligibility Criterion "b".

Criterion "b" does not apply to either the First Baptist Church or to the Tavern on the Lake, as both properties are occupied and operating.

### CRITERION "D"

A portion of Block 28 specifically meets the "d" criterion since, "*Areas with buildings or improvements which, by reason of dilapidation, obsolescence, overcrowding, faulty arrangement or design, lack of ventilation, light and sanitary facilities, excessive land coverage, deleterious land use or*

### Redevelopment Criteria "e" through "h" (N.J.S.A. 40A:12A-5)

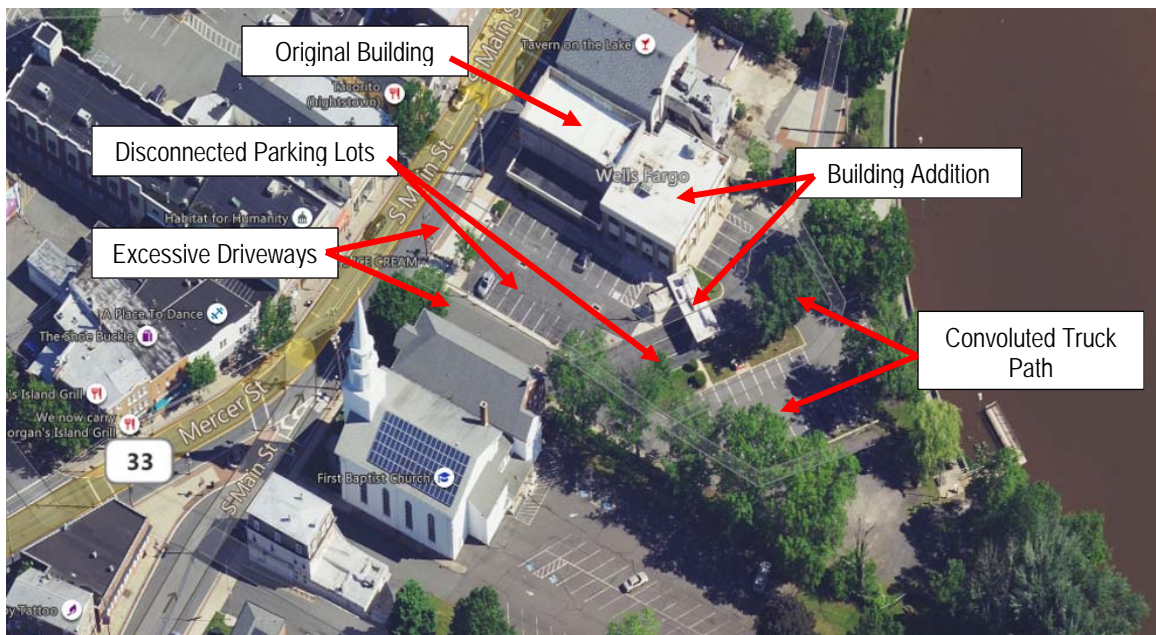
- e. A growing lack or total lack of proper utilization of areas caused by the condition of the title, diverse ownership of the real properties therein or other similar conditions which impede land assemblage or discourage the undertaking of improvements, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to and serving the public health, safety and welfare, which condition is presumed to be having a negative social or economic impact or otherwise being detrimental to the safety, health, morals, or welfare of the surrounding area or the community in general.
- f. Areas, in excess of five contiguous acres, whereon buildings or improvements have been destroyed, consumed by fire, demolished or altered by the action of storm, fire, cyclone, tornado, earthquake or other casualty in such a way that the aggregate assessed value of the area has been materially depreciated.
- g. In any municipality in which an enterprise zone has been designated pursuant to the "New Jersey Urban Enterprise Zones Act," P.L. 1983, c.303 (C.52:27H-60 et seq.) (*subject to limited redevelopment powers*)
- h. The designation of the delineated area is consistent with smart growth planning principles adopted pursuant to law or regulation.



*obsolete layout, or any combination of these or other factors, are detrimental to the safety, health, morals, or welfare of the community.”*

The former Wells Fargo Bank property is a prime example of the growing obsolescence of this land use. As noted in the discussion in the section on Criterion “b”, the necessity for bank branches has been lowered due to the rise of on-line banking, the development of new services from digital banking services, to new payment services, and non-bank financial transactions and financial products, including the lessened need for the use of physical cash in the economy. News reports indicated that 2,927 bank branches were closed in 2021 in the U.S. and that Wells Fargo had the largest number at 267<sup>1</sup>. In addition, projections of the number of physical bank branches indicate a steep decline to as few as 15,700 by 2030<sup>2</sup>, compared to 72,166 FIDC bank branches operating at the end of 2021<sup>3</sup>.

The property has been configured for use as a retail bank as can be seen in the photo below:



**Recent Aerial of Study Area**

(Source: Bing Maps)

On the exterior, the layout of the parking lot has excessive lot coverage within the riparian buffer and poorly designed circulation. The drive-thru lanes are at an approximate 45-degree angle to the main parking lot and there is no interconnection between them. It is common for customers with complex transactions or questions to be asked to stop inside the bank office

<sup>1</sup> - <https://www.cnn.com/2022/01/21/banks-close-record-number-of-branches-in-2021-led-by-wells-fargo.html> accessed January 9, 2023.

<sup>2</sup> - <https://thefinancialbrand.com/news/banking-branch-transformation/research-bank-branches-closed-trend-challenger-online-109762/>, accessed January 9, 2023

<sup>3</sup> - <https://banks.data.fdic.gov/explore/historical>, accessed January 9, 2023





itself. This arrangement would have required such customers to exit the bank property by vehicle to Main Street and then re-enter the property to the main parking lot to continue their business inside the bank. The original design itself is faulty. While there is an opening in the curb as can be seen in the photograph below, this opening is not wide enough, nor designed for, vehicular travel. Most likely it is intended to allow for stormwater to pass through.



This picture also demonstrates the narrowness and lack of a bypass lane around the drive-thru facility. Bypass lanes allow for a driver to leave the facility after deciding to no longer use the drive thru, often after waiting for an extended period of time. Further, a bypass could also be used to permit the delivery of supplies to the bank or to the Tavern on the Lake.

Instead, as the picture on the prior page attests, trucks must navigate several 90° degree turns through the rear parking lot to access the southern driveway to the bank property and exit the site. In general, truck traffic should not be routed through parking aisles. A different parking lot and drive thru design could have avoided these mistakes. These site layout problems add to the obsolete nature of the property and affect its potential for adaptive reuse of the building.

The site has excessive driveways and driveway widths onto S. Main Street. The main parking lot has a width of 40 feet for two-way traffic. The southern driveway, which provides access to the drive-thru area, rear parking area, and serves as the exit for delivery trucks and drivers using one of the exits from the municipal parking lot, is 29 feet. Typically, one two-way driveway of 25 feet is required.

The building consisting of two readily discernible sections. The original bank building which appears to date from the 1920's and has a stone pilaster, cornerstone, base and pediment, with a buff colored brick infill, symmetrical and facing Main Street. While a single story space in the front, it has a two-story height, which was a common means of designing a building to look monumental and substantial, an ideal for bank buildings. The second part is an addition, which suggests it was constructed in the 1980's, mainly due to the use of smoked or colored glass, bronzed anodized aluminum storefront sash and strongly framed window openings.



Inside a portion of the first floor of the original building was removed and supported by steel columns to hold a mezzanine on the second floor. It created an open office on the ground floor past the lobby (see photographs next page). The rest of the building is a series of offices and conferences rooms, but on different levels upstairs because of the mismatch in floor heights between the original mezzanine and the addition. Accordingly, the building is not fully ADA accessible and it would be difficult from a design standpoint to adapt it to be so, setting aside the expense it would require.



**Bank Lobby with Tennessee marble and Reduced Ceiling Height**



**Columns Obstruct Pedestrian Flow**



**Kitchenette on Second Floor at Different Level than Addition Level**

Lastly, the mechanical systems are located in a partial basement area that is compartmentalized. Access to the systems is down narrow stairs and the existing systems must have been hand carried and assembled piecemeal. Whether modern systems could be placed in the same area under the same scenario is an open question.

Given the design, construction and layout of the building and the site there is little remedy to these problems short of wholly renovating the entire building or replacing the facility and reconstructing the site's environs. Consequently, both the site and the building exhibit obsolete characteristics sufficient to satisfy Criterion 'd'. Reuse of the property for banking purposes, with the significant contraction in the retail portion of this economic sector seems highly unlikely and without a redevelopment designation, the ability to attract a high quality redevelopment of the site to a new use in line with the Borough's vision will be in jeopardy. The alternative is for the site to sit vacant and become a deteriorating eyesore in the core area of the downtown, which will be a significant detriment to the entire Main Street Redevelopment Area.

Criterion "d" does not apply to either the First Baptist Church or the Tavern on the Lake sites, as both properties are occupied and operating.

### CRITERION "H"

"Smart Growth" principles are embodied in the New Jersey State Development and Redevelopment Plan adopted on March 1, 2001 by the State Planning Commission pursuant to the State Planning Act (*N.J.S.A. 52:18A-196 et seq.*). Hightstown Borough has been a designated town center placed within Planning Area 2. Centers have been designated by the State Planning Commission as "Smart Growth Areas". Smart Growth Areas have been codified in the lending criteria for the NJ Housing Mortgage Finance Agency, infrastructure development by the Board of Public Utilities and in the expedited permit review allowed under the NJ Department of Environmental Protection in smart growth areas (*N.J.S.A. 13:1D-144*).



The State Plan contains policies that are related to redevelopment and this study. For example, Policy 1: Revitalize the State's Cities and Towns, recommends to, "Leverage private investments in jobs and housing."<sup>4</sup> Policy 3: Promote Economic Growth, Development and Renewal for All, suggests, "Retain and expand businesses, and encourage new, environmentally sustainable businesses in Centers and areas with infrastructure."<sup>5</sup> These policies can be implemented best through the redevelopment plan process.

The State Planning Commission recommends that the response to these policy objectives lies with:

*Capitaliz[ing] on the opportunities for redevelopment in Centers afforded by redevelopment laws and brownfield redevelopment programs. Establish and maintain a publicly accessible inventory of sites recommended for redevelopment.*<sup>6</sup>

The designation of this Study Area as an area in need of redevelopment is consistent with the State Development and Redevelopment Plan's objectives.

The Office of Planning Advocacy, staff to the State Planning Commission, describes Smart Growth as follows:

*Smart Growth is the term used to describe well-planned, well-managed growth that adds new homes and creates new jobs, while preserving open space, farmland, and environmental resources. Smart Growth supports livable neighborhoods with a variety of housing types, price ranges and multi-modal forms of transportation. Smart Growth is an approach to land-use planning that targets the State's resources and funding in ways that enhance the quality of life for residents in New Jersey. Smart Growth principles include mixed-use development, walkable town centers and neighborhoods, mass transit accessibility, sustainable economic and social development and preserved green space.*<sup>7</sup>

Redevelopment of this Study Area as well as the existing Sub-Area provides the opportunity to further the following smart growth principles: (1) future development directed to Centers with existing infrastructure; (2), creation of livable and walkable neighborhoods with a variety of housing types and price ranges; and (3), community and stakeholder collaboration in development decision making.

The designation of the Study Area to expand the boundaries of the Main Street Sub-Area 3 demonstrates that positive outcomes can occur from its redevelopment. These parcels can contribute in important ways to the larger redevelopment potential of other areas in downtown

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<sup>4</sup> - NJ State Development and Redevelopment Plan, p. 25

<sup>5</sup> - *ibid.* p. 51

<sup>6</sup> - *ibid.* p. 194

<sup>7</sup> - [www.nj.gov/dca/osg/smart/index.shtml](http://www.nj.gov/dca/osg/smart/index.shtml)



Hightstown. Consequently, the redevelopment will further the objectives of Smart Growth development, which is supported by many policies at the state and local level.

While Criterion “h” is not by itself sufficient to designate the Study Area as an Area in Need of Redevelopment, it provides a supporting role to the LRHL definition of a “redevelopment area” or an “area in need of redevelopment”. Criterion “h” applies to all of the property in the Study Area.

## **RECOMMENDATION**

This report and appendices constitute the preparation of a preliminary investigation for determining an Area in Need of Non-Condensation Redevelopment as directed by the Borough Council of Hightstown Borough. It is the conclusion of this preliminary investigation that three of the properties within the Study Area qualify under the criteria set forth at *N.J.S.A. 40A:12A-1 et seq.*, to be designated as an Area in Need of Non-Condensation Redevelopment, namely Lots 51, 52 and 53 in Block 28 on the tax assessment maps of the municipality. The Study Area satisfies criteria “b”, “d” and “h” for a number of qualifying reasons and its necessary inclusion in the Main Street Redevelopment: Sub-Area 3 -Redevelopment Area, in order to ensure that the Borough’s goals and objectives for redevelopment may be met.



## SUBSEQUENT PROCEDURAL STEPS

### PUBLIC HEARING

Upon receipt of this preliminary investigation, the Planning Board is required to hold a public hearing. Notices for the hearing are required to be published in the newspaper of record in the municipality once each week for two consecutive weeks, with the last publication no sooner than 10 days from the hearing. A copy of the notice is required to be mailed to the last owner of record of each property within the proposed Redevelopment Area. The newspaper notice must be published in the official newspaper of the municipality.

### PLANNING BOARD RECOMMENDATION TO BOROUGH COUNCIL

Once the hearing has been completed, the Planning Board makes a recommendation to the Borough Council that the delineated area, or any part of such an area, should or should not be determined to be an Area in Need of Redevelopment. The Borough Council may then adopt a resolution determining that the delineated area, or portion, is a Redevelopment Area. Notice of such determination is then sent to each objector who has sent in a written objection and the Commissioner of the NJ Department of Community Affairs.

### REDEVELOPMENT PLAN

If so designated by the Borough, the next action would be the addition of the parcel to the existing Main Street Redevelopment Plan. An amendment to the Redevelopment Plan is adopted by ordinance by the Borough Council before any project is initiated. The Redevelopment Plan should be either substantially consistent with the municipal master plan or designed to effectuate the master plan.

### Redevelopment Plan: *Required Elements* (N.J.S.A. 40A:12A-7.a)

- The plan's relationship to definite local objectives as to appropriate land uses, density of population, and improved traffic and public transportation, public utilities, recreational and community facilities and other public improvements.
- Proposed land uses and building requirements in the project area.
- Adequate provision for the temporary and permanent relocation, as necessary, of residents in the project area, including an estimate of the extent to which decent, safe and sanitary dwelling units affordable to displaced residents will be available to them in the existing local housing market.
- An identification of any property within the redevelopment area that is proposed to be acquired in accordance with the redevelopment plan.
- The relationship of the plan to the master plans of contiguous municipalities, the master plan of the county in which the municipality is located, and the State Development and Redevelopment Plan.
- Pursuant to N.J.S.A. 40A:12A-7.c., the Redevelopment Plan must also describe its relationship to pertinent municipal development regulations as defined in the "Municipal Land Use Law", N.J.S.A. 40:55D-1 *et seq.*



**APPENDIX A: RESOLUTIONS 2022-069 AND 2022-214**

Request for preliminary investigation to be undertaken by the Planning Board

# Resolution 2022-69

BOROUGH OF HIGHTSTOWN  
COUNTY OF MERCER  
STATE OF NEW JERSEY

## RESOLUTION OF THE BOROUGH OF HIGHTSTOWN, IN THE COUNTY OF MERCER, AUTHORIZING AND DIRECTING THE BOROUGH PLANNING BOARD TO DETERMINE WHETHER CERTAIN PROPERTY CONSTITUTES AN AREA IN NEED OF REDEVELOPMENT

**WHEREAS**, pursuant to the New Jersey Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 *et seq.* (the “Redevelopment Law”), municipalities may undertake studies to determine whether certain properties should be designated as an “area in need of redevelopment”; and

**WHEREAS**, at the February 14, 2022 meeting of the Borough’s Planning Board (the “Planning Board”), the Planning Board discussed the proposed Master Plan amendment Visioning for Downtown and Lakeside Improvements and Downtown Redevelopment Area, Phase 3; and

**WHEREAS**, among other things, the Planning Board noted that there is growing interest in developing other parts of the Borough’s downtown area as progress is made in the redevelopment of the Rug Mill Redevelopment Area on the western side of Main Street; and

**WHEREAS**, based on that discussion, the Planning Board recommended that the Borough Council consider the expansion of the previously designated Downtown Redevelopment Area, Phase 3 to include additional lots on the eastern side of Main Street and the associated Peddie Lake Shoreline, including the parcels designated as Block 28, Lots 48 through 55 on the Borough’s tax maps (collectively, the “Study Area”); and

**WHEREAS**, the Borough desires to authorize and direct the Planning Board to undertake a preliminary investigation to determine whether the Study Area meets criteria for designation as an area in need of redevelopment set forth in the Redevelopment Law; and

**WHEREAS**, if the Study Area is determined to meet the criteria for designation as an area in need of redevelopment and the Borough so designates the Study Area, then the Borough shall be authorized to use all the powers provided under the Redevelopment Law for use in a redevelopment area, including the power of eminent domain.

**NOW, THEREFORE, BE AND IT IS HEREBY RESOLVED** by the Mayor and Council of Borough of Hightstown, in the County of Mercer and the State of New Jersey, as follows:

**Section 1.** The aforementioned recitals are incorporated herein as though fully set forth at length.

**Section 2.** The Planning Board is authorized and directed to undertake a preliminary investigation and conduct a public hearing to determine whether the Study Area meets criteria necessary for designation as an area in need of redevelopment under the Redevelopment Law and, if the Study Area so qualifies, to recommend whether it should be so designated.

**Section 3.** In the event the governing body shall designate the Study Area as a redevelopment area, the Borough shall be authorized to use all the powers provided under the Redevelopment Law for use in a redevelopment area, including the power of eminent domain.



**Section 4.** A copy of this resolution shall be forwarded to the Secretary of the Planning Board for action consistent herewith.

**Section 5.** This resolution shall take effect immediately.

**CERTIFICATION**

I hereby certify the foregoing to be a true copy of a resolution adopted by the Borough Council at a meeting held on March 21, 2022.

  
Margaret Riggio  
Borough Clerk

# Resolution 2022-214

BOROUGH OF HIGHTSTOWN  
COUNTY OF MERCER  
STATE OF NEW JERSEY

## AMENDING RESOLUTION 2022-069

**WHEREAS**, on March 21, 2022, Hightstown Borough Council adopted Resolution 2022-069 titled *Resolution of the Borough of Hightstown, in the County of Mercer, Authorizing and Directing the Borough Planning Board to Determine Whether Certain Property Constitutes and Area in Need of Redevelopment*; and

**WHEREAS**, Council wishes to amend Resolution 2022-069 to include non-condemnation language; and

**WHEREAS**, Resolution 2022-069 is amended to read as follows:

**WHEREAS**, pursuant to the New Jersey Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 *et seq.* (the “Redevelopment Law”), municipalities may undertake studies to determine whether certain properties should be designated as an “area in need of redevelopment”; and

**WHEREAS**, at the February 14, 2022 meeting of the Borough’s Planning Board (the “Planning Board”), the Planning Board discussed the proposed Master Plan amendment Visioning for Downtown and Lakeside Improvements and Downtown Redevelopment Area, Phase 3; and

**WHEREAS**, among other things, the Planning Board noted that there is growing interest in developing other parts of the Borough’s downtown area as progress is made in the redevelopment of the Rug Mill Redevelopment Area on the western side of Main Street; and

**WHEREAS**, based on that discussion, the Planning Board recommended that the Borough Council consider the expansion of the previously designated Downtown Redevelopment Area, Phase 3 to include additional lots on the eastern side of Main Street and the associated Peddie Lake Shoreline, including the parcels designated as Block 28, Lots 48 through 55 on the Borough’s tax maps (collectively, the “Study Area”); and

**WHEREAS**, the Borough desires to authorize and direct the Planning Board to undertake a preliminary investigation to determine whether the Study Area meets criteria for designation as an area in need of redevelopment set forth in the Redevelopment Law; and

**WHEREAS**, if the Study Area is determined to meet the criteria for designation as an area in need of redevelopment and the Borough so designates the Study Area, then the Borough shall be authorized to use all the powers provided under the Redevelopment Law for use in a redevelopment area, excepting the power of eminent domain.

**NOW, THEREFORE, BE AND IT IS HEREBY RESOLVED** by the Mayor and Council of Borough of Hightstown, in the County of Mercer and the State of New Jersey, as follows:

Section 1. The aforementioned recitals are incorporated herein as though fully set forth at length.

Section 2. The Planning Board is authorized and directed to undertake a preliminary investigation and conduct a public hearing to determine whether the Study Area meets criteria necessary for designation as an area in need of redevelopment under the Redevelopment Law and, if the Study Area so qualifies, to recommend whether it should be so designated.

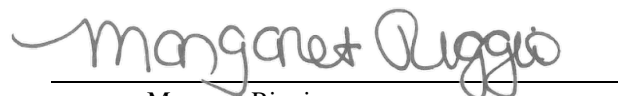
Section 3. In the event the governing body shall designate the Study Area as a redevelopment area, the Borough shall be authorized to use all the powers provided under the Redevelopment Law for use in a redevelopment area, excepting the power of eminent domain.

Section 4. A copy of this resolution shall be forwarded to the Secretary of the Planning Board for action consistent herewith.

Section 5. This resolution shall take effect immediately.

#### **CERTIFICATION**

I hereby certify the foregoing to be a true copy of a resolution adopted by the Borough Council at a meeting held on November 7, 2022.

A handwritten signature in cursive script that reads "Margaret Riggio". The signature is written in black ink and is positioned above a horizontal line.

Margaret Riggio  
Borough Clerk



**APPENDIX B: RESOLUTION 2023-\_\_\_\_**

Resolution of findings by the Planning Board and recommendation to Borough Council



**APPENDIX C: RESOLUTION 2023-\_\_\_\_**

Resolution of the Borough Council on the recommendation of Planning Board and establishment of the redevelopment area.

**NOTICE OF PUBLIC HEARING ON**  
**PROPOSED REDEVELOPMENT AREA:**  
**MAIN STREET REDEVELOPMENT SUB-AREA 3 EXPANSION**  
**BOROUGH OF HIGHTSTOWN**

**PLEASE TAKE NOTICE** that the Borough of Hightstown Planning Board will hold a public hearing on March 13, 2023 at 7:30 p.m., and thereafter on such other dates as such hearing may be continued, at the Hightstown Engine Company 1 Building, 140 N. Main Street, Hightstown, New Jersey 08520. The hearing will be held on the second floor; the entrance is on the south side of the building. The purpose of the public hearing is for the Borough of Hightstown Planning Board to conduct a preliminary investigation, pursuant to N.J.S.A. 40A:12A-1 et seq. (Local Redevelopment and Housing Law), to determine a need for redevelopment and revitalization of Block 28, Lot 48 (131-133 S. Main Street), Block 28, Lot 49 and 50 (125 S. Main Street), Block 28, Lots 51, 52 and 53 (105 Main Street), Block 28, Lot 54 (101-103 Main Street), and Block 28, Lot 55 (99 Main Street) on the tax assessment maps of the Borough of Hightstown. Said hearing will be conducted pursuant to Hightstown Borough Council Resolution no. 2022-69, adopted March 21, 2022, as later modified by Hightstown Borough Council Resolution no. 2022-214, adopted November 7, 2022, directing the Planning Board to conduct such a preliminary investigation as a NON-CONDEMNATION study. This means that the municipality is barred from the use of eminent domain to acquire this property.

A map showing the boundaries of the proposed redevelopment area may be inspected and reviewed in the Planning Board Office, 156 Bank Street, Hightstown, New Jersey 08520, weekdays Monday through Friday from 8:30 am to 4:30 pm, excluding legal holidays. The resolution and statement of the Borough Council setting forth the basis for the investigation is available from the Borough Clerk.

At the conclusion of the hearing, the Hightstown Planning Board may forward a recommendation to the Borough Council that the property qualifies as an Area in Need of Redevelopment. The Borough Council, following the receipt of the resolution of the Planning Board recommending that the area qualifies as an area in need of redevelopment, may by resolution establish such Non-Condensation Redevelopment Area. Any person

seeking to challenge any Redevelopment Area designation arising therefrom must bring an action in lieu of prerogative writs within 45 days of the Borough Council's adoption of the resolution approving this redevelopment designation. After that time, redevelopment activities may be commenced within the redevelopment area by the Borough (or its designated redevelopment entity) in accordance with a validly adopted redevelopment plan, and/or by its designated redevelopers in accordance with applicable law.

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





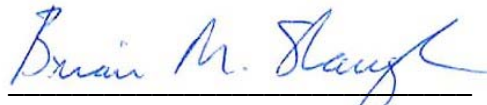
# Housing Element and Fair Share Plan

## 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

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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.<sup>1</sup> 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 Princeton<sup>2</sup>" consolidated with, "In the Matter of West Windsor Township<sup>3</sup>" 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

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<sup>1</sup> - *N.J.S.A. 52:27D-301 et seq.*

<sup>2</sup> - Docket MER-L-1550-15

<sup>3</sup> - 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 Survey<sup>4</sup> 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

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<sup>4</sup> - 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.<sup>5</sup> 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.”<sup>6</sup> 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.<sup>7</sup> 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.

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

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

<sup>7</sup> - 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.<sup>8</sup> Key provisions of the legislation included the following:

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<sup>8</sup> - 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.<sup>9</sup> 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,

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<sup>9</sup> - 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						
<b>Total</b>	<b>1,995</b>	<b>100.0</b>	<b>1,161</b>	<b>100.0</b>	<b>706</b>	<b>100.0</b>	<b>128</b>	<b>100.0</b>
<b>Percent of Total Units</b>				<b>58.2</b>		<b>35.4</b>		<b>6.4</b>

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
<b>Total Housing Units</b>	<b>1,995</b>	<b>100.0</b>

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%
<b>Total</b>	<b>1,995</b>	<b>100.0%</b>
<b>Median</b>	<b>5.4</b>	

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%
<b>Total Housing Units</b>	<b>1,995</b>	<b>100.0%</b>

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%
<b>Total</b>	<b>1,293</b>	<b>100.0%</b>	<b>1,161</b>	<b>100.0%</b>
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%
<b>Total</b>	<b>706</b>	<b>100.0%</b>	<b>48,011</b>	<b>100.0%</b>
<b>Median Rent</b>	<b>\$1,458</b>		<b>\$1,266</b>	

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%
<b>Total</b>	<b>1,161</b>	<b>100%</b>	<b>706</b>	<b>100%</b>	<b>1,867</b>	<b>100%</b>

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**

<b>Government</b>	<b>2000</b>	<b>2010</b>	<b>Percent Change</b>	<b>2020</b>	<b>Percent Change</b>	<b>Percent Change, 2000-2020</b>
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
<b>Family households</b>	<b>1,719</b>	<b>92.1%</b>
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%
<b>Nonfamily households</b>	<b>206</b>	<b>11.0%</b>
Householder living alone	150	8.0%
<b>TOTAL HOUSEHOLDS</b>	<b>1,867</b>	<b>100.0%</b>

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%
<b>Total</b>	<b>1,867</b>	<b>100.0%</b>	<b>130,851</b>	<b>100.0%</b>

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%
<b>Total</b>	<b>2,586</b>	<b>100.0%</b>

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%
<b>Total</b>	<b>2,586</b>	<b>100.0%</b>

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%
<b>Total</b>	<b>3,173</b>	<b>100.0%</b>

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
<b>Total</b>	<b>137</b>	<b>94</b>	<b>43</b>
<b>Average per Year</b>	<b>6.5</b>	<b>4.5</b>	<b>2.0</b>
<b>10-Year Housing Projection to 2032*</b>	<b>17</b>	<b>7</b>	<b>10</b>

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 Jacobson<sup>10</sup> 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.

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<sup>10</sup> - *ibid.*

**Table 27. Hightstown Affordable Housing Allocation, Third Round Summary**

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

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
<b>Total Prior Round: 38-unit Obligation</b>	<b>13</b>	<b>0</b>	<b>10</b>	<b>23</b>
<b>To Be Satisfied</b>				<b>15 units</b>

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 units<sup>11</sup>.

<sup>11</sup> - 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

$$\text{No more than the minimum rental obligation} = 17 \text{ units}$$

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
<b>Total Third Round: 68-unit Obligation</b>	<b>15</b>	<b>6</b>	<b>15</b>	<b>36</b>
<b>To Be Satisfied</b>				<b>32 units</b>

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.<sup>12</sup> 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

<sup>12</sup> - 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**

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

\* - 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

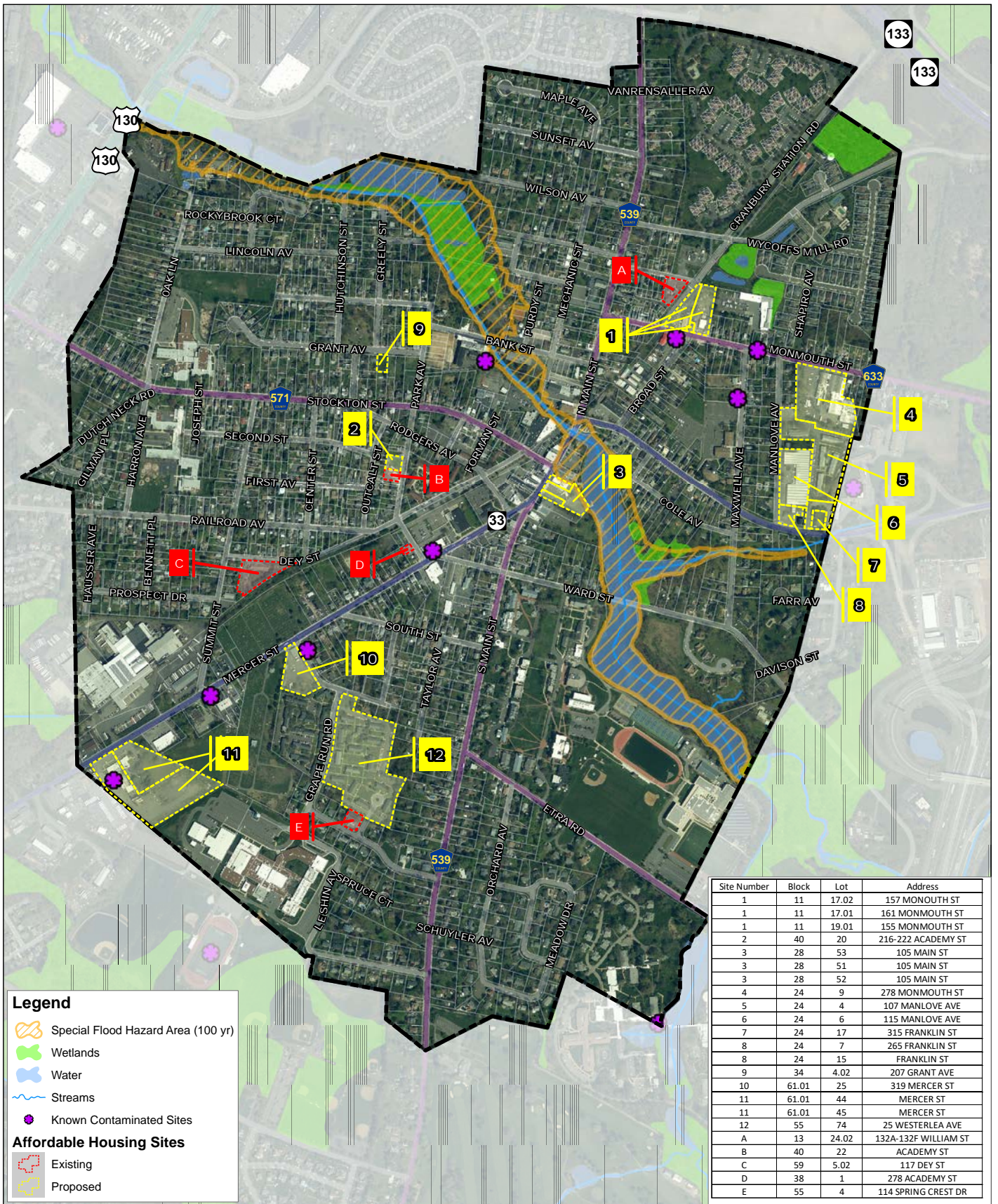


and mandatory set-aside noted in the table. More information about each site is set forth following Table 33.

**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	<b>Broad and Monmouth Streets</b> Block 11, Lots 17.01, 17.02, and 19.01	2.15	2.15	25.80 @ 12 units/acre	5.16	5
2	<b>216-222 Academy Street</b> Block 40, Lot 20	0.28	0.28	3.34 @ 12 units/acre	0.67	1
3	<b>105 Main Street</b> Block 28, Lots 51, 52, and 53	1.33	1.33	54.00	10.80	11
4	<b>278 Monmouth Street</b> Block 24, Lot 9	4.18	4.18	58.52 @ 14 units/acre	11.70	12
5,6,7	<b>115 Manlove Avenue and 315 Franklin Street</b> 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	<b>265 Franklin Street</b> Block 24, Lot 7	0.34	0.34	4.76 @ 14 units/acre	0.95	1
8	<b>Franklin Street</b> Block 24, Lot 15	0.4	0.4	5.60 @ 14 units/acre	1.12	1
10	<b>319 Mercer Street</b> Block 61.01, Lot 25	1.5	1.5	21.00 @ 14 units/acre	4.20	4
11	<b>Mercer Street</b> 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	<b>25 Westerlea Avenue</b> Block 55, Lot 74	8.4	8.4	44.88 @ 18 units/acre	8.98	9
<b>Total Potential Affordable Units</b>						<b>64</b>
<b>Surplus Above 47-Unit Unsatisfied Obligation</b>						<b>17</b>

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



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

**Legend**

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

**Affordable Housing Sites**

- Existing
- Proposed



**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
<b>Totals</b>	<b>82</b>	<b>10.66, rounded up to 11</b>	<b>11</b>
<b>Total Family Very Low-Income Units</b>		<b>6</b>	

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.



## Clarke Caton Hintz

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## Introduction

The Borough of Hightstown has prepared a Third Round Housing Element and Fair Share Plan (HEFSP) that addresses the Borough's stipulated three-part Third Round affordable housing obligation. This Spending Plan sets forth how the Borough will spend its affordable housing trust funds in support of the affordable housing compliance plan detailed in the HEFSP.

Hightstown first adopted a development fee ordinance in 2004, creating a dedicated revenue source for affordable housing and establishing the Borough's affordable housing trust fund, for which this Spending Plan is prepared. The ordinance was updated in 2005 to raise the residential development fee assessment from 0.5% to 1% of equalized assessed property value and was updated again in 2021 to conform to recent allowances. As amended, the ordinance now sets development fees at 1.5% and 2.5% of equalized assessed property value, for residential development and non-residential development, respectively.

As of December 31, 2022, the Borough has collected a total of \$462,534.46 in development fees and interest, and has expended \$30,000 in affordability assistance, \$273,818 in housing activity, and \$86,495.25 in administrative expenditures, for a balance in the account of \$72,221.21. All development fees, payments in lieu of constructing affordable units on site, other income, and interest generated by the fees are deposited in a separate interest-bearing affordable housing trust fund account at Valley National Bank for affordable housing purposes. These funds will be spent in accordance with *N.J.A.C. 5:93-8.16*, as described in the sections that follow.

The Borough asserts that the expenditures of funds contemplated under the Borough's Housing Element and Fair Share Plan and Spending Plan constitute a "commitment" for expenditure pursuant to *N.J.S.A. 52:27D-329.2* and *-329.3*, with the four-year time period for expenditure beginning to run with the adoption of the Borough's HEFSP and Spending Plan. This commitment is asserted in accordance with the provisions of In re Tp. Of Monroe, 442 N.J. Super. 565 (Law Div. 2015) (aff'd 442 N.J. Super. 563).

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George Hibbs, AIA  
Brian Slaugh, AICP  
Michael Sullivan, AICP  
Michael Hanrahan, AIA  
Mary Beth Lonergan, AICP



## ***Draft Hightstown Borough Spending Plan***

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### **Estimated Revenues Until the End of the Third Round**

To calculate a projection of revenue anticipated during the Third Round, the Borough considered the following:

- (a) Development fees: \$192,615
  - 1. Residential and nonresidential projects which have had development fees imposed upon them at the time of preliminary or final development approvals;
  - 2. All projects currently before the Planning and Zoning Board for development approvals that may apply for building permits and certificates of occupancy; and
  - 3. Future development that is likely to occur based on historical rates of development. The Borough anticipates non-residential development fees from the proposed mixed-use redevelopment of the Wells Fargo building at 105 Main Street, and development fees from Phase I of the proposed redevelopment of the Rug Mill, as well as minor additional residential development fees.
  
- (b) Payments in lieu of constructing affordable units: \$0

Actual and committed payments-in-lieu of construction from developers. The Borough does not anticipate any revenues from payments in lieu of construction during the Third Round.
  
- (c) Other funding sources: \$0

The Borough does not anticipate future funds from this category at this time. Funds from other sources, include, but are not limited to the sale of units with extinguished controls, repayment of affordable housing program loans, rental income, and proceeds from the sale of affordable units. All monies in the Borough's affordable housing trust fund are anticipated to come from development fees and interest.
  
- (d) Projected interest: \$2,315

Based on the current average interest rate, interest earned in recent years, and projected rates of development fee revenue, the Borough anticipates collecting \$2,315 in interest through 2025.



**Draft Hightstown Borough Spending Plan**

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**Table SP-1. Anticipated Revenues Through the End of the Third Round.**

Year	To Date	2023	2024	1/25-6/25	Total
Source of Funds					
Projected Development Fees	\$72,221 STARTING BALANCE (December 31, 2022)	\$22,250	\$84,900	\$83,150	\$190,300
Projected Payments in Lieu of Construction					
Interest		\$90	\$1,160	\$1,065	\$2,315
<b>Total</b>		<b>\$22,340</b>	<b>\$84,410</b>	<b>\$82,565</b>	<b>\$192,615</b>

**Source of Funds – Housing Trust Fund 2023 through June 2025**

The Borough projects a total of \$192,615 in revenue to be collected between January 2023 and June 2025 from residential and non-residential development fees, and accrued interest. Development fees are projected based on a valuation of retail space of \$125/sf. Because the Borough is almost completely developed, it is projecting only \$3,500 per year in additional residential development fees, matching the average collected each year over the past four years.

**Administrative Mechanism to Collect and Distribute Funds**

The following procedural sequence for the collection and distribution of development fee revenues shall be followed by the Borough:

- (a) Collection of development fee revenues:

All collection of development fee revenues will be consistent with local regulations, which follow COAH administrative models for both residential and non-residential developments, and in accordance with *N.J.S.A. 40:55D-8.1* through 8.7.



## ***Draft Hightstown Borough Spending Plan***

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- (b) Distribution of development fee revenues:

A request for disbursement is made to the Borough Administrator, who forwards it to the Borough Attorney and Planner. The Attorney and Planner review the request for consistency with this Spending Plan and make a recommendation to the Borough Council, which authorizes the disbursement of funds either by resolution or via bill list. Once a disbursement is authorized, the Chief Financial Officer releases the requested revenue from the trust fund for the specific use approved by the Borough Council.

### **Description of Anticipated Use of Affordable Housing Funds**

- (a) Rehabilitation: \$80,750

The Borough will establish a municipally administered Rehabilitation program and will dedicate \$80,750 in trust funds toward the rehabilitation of three to four units via the Borough program. All rehabilitated units will comply with *N.J.A.C. 5:93-5.2(b)*, which defines a substandard unit as “a unit with health and safety code violations that require the repair or replacement of a major system.” Major systems include weatherization, roofing, plumbing, heating electricity, sanitary plumbing, lead paint abatement and/or load bearing structural systems. All rehabilitated units must meet the applicable construction code. All rehabilitated units must be occupied by low- or moderate-income households and subject to 10-year affordability controls, which are placed on the property in the form of a lien or deed restriction. All rehabilitations must have a minimum average hard cost of \$10,000.

- (b) Affordability Assistance (*N.J.A.C. 5:93-8.16(c)*): \$166,545

The Borough is required to spend a minimum of 30% of development fee revenue and interest to render existing affordable units more affordable, and at least one-third of that amount must be dedicated to very low-income households (i.e., households earning less than 30% of the regional median income) or to create very low-income units. The actual required amount is calculated as follows:



**Draft Hightstown Borough Spending Plan**

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**Table SP-2. Projected Minimum Affordability Assistance Requirement**

Actual development fees and interest thru Dec. 31, 2022		\$462,534
Development fees projected January 2023 – June 2025	+	\$190,300
Interest projected January 2023 – June 2025	+	\$2,315
<b>Total</b>	<b>=</b>	<b>\$655,149</b>
30 percent requirement	x 0.30 =	\$196,545
Less Affordability Assistance expenditures to date	-	\$30,000
<b>PROJECTED MINIMUM Affordability Assistance Requirement</b>	<b>=</b>	<b>\$166,545</b>
<b>PROJECTED MINIMUM Very Low-Income Affordability Assistance Requirement</b>	<b>÷ 3 =</b>	<b>\$55,515</b>

Based on fees and interest collected through December 31, 2022, and projected revenues through June 30, 2025, the Borough must dedicate at least \$166,545 from the affordable housing trust fund to render units more affordable, including \$55,515 to render units more affordable to households earning 30% or less of area median income. It may use a variety of vehicles to do this, including but not limited to the following:

- Down-payment assistance;
- Rental assistance;
- Security deposit assistance;
- Low interest loans;
- Assistance with homeowner’s association or condominium fees and special assessments; and/or
- Converting low-income units to very-low-income units or creating new very-low income units, etc.

**Home Purchase Assistance: \$30,000**

The Borough will allocate a maximum of \$15,000 per unit to assist income-qualified households in purchasing an affordable unit in the Borough. The funds may be used to match household down payment funds, and to help defray attorney’s fees, mortgage application fees, and other closing costs.



## ***Draft Hightstown Borough Spending Plan***

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### **Rental Assistance: \$11,551**

The Borough will dedicate \$11,551 toward rental assistance for current or new tenants in the Borough's existing affordable units, and to new tenants in units that will be constructed. The program will pay one month's rent to the landlord on behalf of the tenant, up to a maximum of \$1,500 per unit. Priority will be given to very low-income tenants, in order to ensure that the Borough meets its minimum very low-income affordability expenditure.

The Affordability Assistance operating manual may be found as an appendix to this Spending Plan.

### **Additional Very Low-Income Family Units: \$125,000**

The Borough will dedicate up to \$125,000 to use as subsidies to developers of affordable units pursuant to either any of the Borough's proposed inclusionary zones or overlay zones or its mandatory Borough-wide affordable housing set-aside, to encourage the production of more than the minimum required number of very low-income family units, in order to ameliorate the current shortage of low-income and very low-income family units identified in the HEFSP. The amount of the subsidy to be provided to each developer will be the subject of a development or redevelopment agreement.

(c) **Administrative Expenses (N.J.A.C. 5:93-8.16(e)): \$44,435**

The Borough may use affordable housing trust fund development fee revenue for related administrative costs up to a 20% limitation pending funding availability after programmatic and affordability assistance expenditures. The actual administrative expense maximum is calculated on an ongoing basis based on actual development fee revenues collected.



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**Table SP-3. Projected Administrative Expenses**

Actual development fees and interest thru Dec. 31, 2022		\$462,534
Development fees projected January 2023 – June 2025	+	\$190,300
Interest projected January 2023 – June 2025	+	\$2,315
<b>Total</b>	<b>=</b>	<b>\$655,149</b>
20 percent maximum permitted administrative expenditures	x 0.20 =	\$131,030
Less administrative expenditures through June 30, 2022	–	\$86,495
<b>Projected allowed administrative expenditures</b>	<b>=</b>	<b>\$44,535</b>

The Borough projects that \$44,535 may be available from the affordable housing trust fund to be used for administrative purposes through June 2025. Projected administrative expenditures, subject to the 20% cap, are as follows:

- Borough Attorney and Planner fees related to plan preparation and implementation;
- Rehabilitation program and affordability assistance program administration fees.

**Expenditure Schedule**

The Borough intends to use affordable housing trust fund revenues for rehabilitation of substandard units, for tenant and home purchaser assistance, and for the creation of additional family low- and very low-income units. The projected funding schedule is set forth below.

**Table SP-4. Projected Expenditure Schedule 2022 Through 2025**

Program	Units	2023	2024	1-6/ 2025	Total
<b>Rehabilitation</b>	3-4	\$20,000	\$40,000	\$20,750	<b>\$80,750</b>
<i>Home Purchase Assistance</i>			\$15,000	\$15,000	<b>\$30,000</b>
<i>Rental Assistance</i>			\$3,156	\$8,395	<b>\$11,551</b>
<i>Low-Income Unit Assistance</i>	2-3		\$50,000	\$75,000	<b>\$125,000</b>
<b>Administration</b>		\$5,000	\$34,535	\$5,000	<b>\$44,535</b>
<b>TOTAL</b>		<b>\$25,000</b>	<b>\$142,685</b>	<b>\$124,145</b>	<b>\$291,836</b>





## ***Draft Hightstown Borough Spending Plan***

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### **Excess or Shortfall of Funds**

While no shortfall of funds is anticipated, the Borough commits to funding all programs detailed in this Spending Plan, including via other municipal funding. Should a shortfall occur between now and the end of the Third Round that cannot be covered by other municipal sources, the Borough commits to adopting a resolution of intent to bond to cover such shortfall. Any excess in funds collected over what has been projected will be dedicated to additional affordability assistance to the extent required, and toward the Borough's Rehabilitation program as available.

### **Summary**

The Borough intends to spend affordable housing trust fund revenues pursuant to the extant regulations governing such funds and consistent with the housing programs outlined in its 2023 Housing Element and Fair Share Plan. As of December 31, 2022, the Borough had a balance in the trust account of \$72,221.21. The Borough anticipates an additional \$192,615 in development fees and interest to be collected between January 1, 2023 and June 30, 2025, for a total of \$291,836 in available funds. The Borough will spend up to \$80,750 on its Rehabilitation program, \$125,000 as incentives to small-scale developers for the creation of additional family low- and very low-income units, \$30,000 on a home purchase assistance program, and \$11,551 on a rental assistance program. The Borough may also expend up to \$44,535 of trust funds on administrative costs during the remainder of the Third Round.



**Draft Hightstown Borough Spending Plan**

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**SP-5. Spending Plan Summary**

<b>Revenues</b>	
Balance as of December 31, 2022	\$72,221
Projected Revenue from January 2023 through June 2025	\$192,615
1. <i>Development fees</i>	+ \$190,300
2. <i>Payments in lieu of construction</i>	+ \$0
3. <i>Other funds</i>	+ \$0
<i>Interest</i>	+ \$2,315
<b>Total Projected Funds Available</b>	<b>= \$291,836</b>
<b>Expenditures</b>	
Rehabilitation	- \$80,750
Home Purchase Assistance	- \$30,000
Rental Assistance	- \$11,551
Creation of additional low-income family units	- \$125,000
Administration	- \$44,535
<b>Total Projected Expenditures</b>	<b>= \$291,836</b>
<b>SURPLUS</b>	<b>= \$0</b>

# Ordinance 2023-\_\_\_\_\_

*BOROUGH OF HIGHTSTOWN  
COUNTY OF MERCER  
STATE OF NEW JERSEY*

**ORDINANCE AMENDING CHAPTER 28 – ZONING OF THE CODE OF THE  
BOROUGH OF HIGHTSTOWN, COUNTY OF MERCER TO MODIFY THE R-  
MF DISTRICT TO IMPLEMENT INCLUSIONARY AFFORDABLE HOUSING  
ZONING**

**WHEREAS**, the Hightstown Borough Council desires to implement standards for the development of inclusionary affordable housing in the Zoning Ordinance in furtherance of the municipal obligation to provide the opportunity for affordable housing; and

**WHEREAS**, it has been determined by Hightstown Borough Council that the implementation of these modifications to the R-MF zoning district would effectuate the intent and purpose of the goals and objectives of the Housing Element and Fair Share Plan of the Master Plan of the Borough of Hightstown; and

**WHEREAS**, the Municipal Land Use Law requires that any amendments or revisions to Hightstown Borough’s Zoning Ordinance shall be reviewed by the Planning Board to determine if said amendments or revisions thereto are substantially consistent with the Master Plan of the Borough of Hightstown; and

**WHEREAS**, the Planning Board of Hightstown adopted a Housing Element and Fair Share Plan, Element of the Master Plan on \_\_\_\_\_,2023, that addresses the municipality’s affordable housing obligations in a manner which will promote the public health, safety, morals, and general welfare; and

**WHEREAS**, the Municipal Land Use Law at N.J.S.A. 40:55D-62a requires substantial consistency of the provisions regulating zoning and land use with the adopted Land Use Plan Element; and

**WHEREAS**, the Hightstown Borough Council formally refers this Ordinance to the Planning Board for examination, discussion, and recommendations in accordance with N.J.S.A. 40:55D-26; and

**WHEREAS**, the adoption of this Ordinance was appropriately noticed pursuant to the Municipal Land Use Law at N.J.S.A. 40:55D-15 and in accordance with N.J.S.A.40:55D-62.1.

**NOW, THEREFORE, BE IT ORDAINED**, by the Borough Council of the Borough of Hightstown that the Zoning Ordinance is hereby amended as follows:

**Section 1. §28-2-2, Definitions, shall be revised to remove the following definitions:**

APARTMENT HOUSE, GARDEN-TYPE shall mean a residential structure of not more than two and one-half (2 1/2) stories containing three (3) or more dwelling units. (See also "multiple dwelling.")

DWELLING, MULTIPLE shall mean one (1) of the following:

- a. APARTMENT HOUSE shall mean any building or portion thereof which is arranged or designed to be occupied by three (3) or more families or individuals living independently of each other and having separate kitchen and sanitation facilities. See definition of "apartment house, garden-type."
- b. LODGING HOUSE, ROOMING HOUSE OR BOARDINGHOUSE shall mean any house, building or portion thereof in which three (3) or more persons are furnished lodging or rooming accommodations for hire or otherwise.
- c. HOTEL shall mean a building having at least fifty (50) sleeping rooms, where separate cooking facilities are not provided and where rooms are rented primarily on a temporary or day-by-day basis.
- d. NURSING HOME shall mean a building having at least twenty (20) rooms for the accommodation of persons in need of constant medical care or supervision and providing common dining and recreational facilities.

**Section 2. §28-2-2, Definitions, shall be amended to add or revise the following definitions:**

BOARDING HOUSE shall mean the same as defined in N.J.S.A. 55:13B-3h, as it may be amended or superseded.

DWELLING, APARTMENT – See Multifamily dwelling.

DWELLING, MULTIFAMILY shall mean a building which contains more than two (2) dwellings, each of which is intended for occupancy by one (1) housekeeping unit.

DWELLING, TOWNHOUSE shall mean a dwelling a minimum of two stories in height that is designed and occupied exclusively as the residence of one housekeeping unit, with no other dwelling above or below it and attached by means of one or more common vertical fire walls to at least one other such dwelling all housed in the same structure.

FAMILY – See Housekeeping Unit.

HOUSEKEEPING UNIT shall mean one (1) or more persons living together in one (1) dwelling unit on a nonseasonal basis and sharing living, sleeping, cooking and sanitary facilities on a non-profit basis.

ROOMING HOUSE shall mean the same as defined in N.J.S.A. 55:13B-3a, as it may be amended or superseded.

**Section 3. §28-3-9, R-MF, Multi-Family District, shall be amended in its entirety as follows:**

§ 28-3-9. R-MF Multifamily Residential District.

- A. Purpose and Intent. The purpose and intent of the R-MF Multi-Family Residential District is to provide market rate and subsidized affordable housing in the Borough of Hightstown to aid in meeting its constitutional obligation to provide for very low, low and moderate income housing in accordance with the Fair Housing Act (N.J.S.A. 52:27D-301 et seq.). The R-MF district is further divided into sub-districts that apply to each specific site with inclusionary affordable housing in accordance with the objectives of the Housing Plan Element of the Master Plan and implementing resolutions, ordinances, and agreements constituting the Fair Share Plan. The R-MF district provides a compensatory benefit over the preceding zoning district's use and/or intensity standards sufficient to address the affordable housing components of inclusionary development.
- B. Permitted Uses. In the R-MF Multifamily District, the following uses, and no others, shall be permitted:
  - (1) Principal Uses:
    - (a) Townhouse dwellings.
    - (b) Multifamily dwellings
    - (c) Municipal purpose.
  - (2) Accessory Uses:
    - (a) Community center for the use of residents and their guests.
    - (b) Common recreational facilities for the use and enjoyment of residents and their guests.
    - (c) Maintenance building.
    - (d) Management office if located within a community center or building with multifamily dwellings.

- (e) Home occupation in accordance with the requirements of §28-10-6 and in addition to the prohibited uses listed in subparagraph -c therein, no funeral home, private school or professional office shall be permitted as a home occupation on the premises.
  - (f) Off-street surface parking; car sheds and detached garages for private residential use, only.
  - (g) Fences, walls and street furniture.
  - (h) Signs in accordance with §29.
  - (i) Large satellite dish antenna when approved as part of an application for development for providing common service to the residents of a development in accordance with the standards of §28-10-18.
  - (j) Small satellite dish antennae in accordance with the standards of §28-10-18.
  - (k) Accessory uses on the same lot and customarily incidental to the principal use.
- (3) Conditional Uses. The following uses shall be permitted when the criteria have been met for the se listed.
- (a) Multifamily use with a sub-district designation of 18 (R-MF18) shall be permitted when the following criteria have been met:
    - [1] New multifamily dwellings shall be added to the site by additions to the existing building or by the demolition and construction of new buildings in lieu of the construction of additions.
    - [2] The design of the additions shall have at a minimum a base made of comparable materials to the exterior of the existing buildings but may differ in the field materials above the base, and shall have a similar roof pitch, and roof design as the existing buildings. Fenestration shall mimic the spacing and opening size, to the degree permissible by the Uniform construction Code, of the existing window and doors architecture.
    - [3] At least twenty percent (20%) of all housing units shall be affordable to low, including very low, and moderate income households as those terms are defined in the Borough's affordable housing regulations, the Uniform Housing Affordability Controls rules (N.J.A.C. 5:80-26.1 et seq.) and the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301 et seq.). Such units may be established in existing multifamily units as such dwellings become vacant in a schedule as approved by the Borough's Administrative Agent for affordable housing.

- (b) Uses permitted in §28-3-15, the DTG Downtown Gateway district, listed as -A(1)(c), -A(1)d, -A(1)f, -A(1)g and -A(1)h meeting the following criteria:

- [1] Any such use shall front on State Highway Route 33.

- [2] Any such use shall be located on the first floor only of a building.

- C. Bulk standards. The following area, yard, and coverage standards shall apply to uses within the R-MF district:

- (1) Maximum gross density shall not exceed the following:

- (a) For R-MF zoning districts without any sub-district designation, the maximum gross density shall be twelve (12) dwelling units per acre.

- (b) For R-MF zoning districts with designated sub-district 14 (R-MF14), the maximum gross density shall not exceed fourteen (14) units per acre.

- (c) For R-MF zoning districts with designated sub-district 18 (R-MF18), the maximum gross density shall not exceed eighteen (18) units per acre.

- (2) Maximum building coverage.

- (a) Multi-family use - Twenty-five percent (25%) of total tract area.

- (b) Townhouse use - Twenty-five percent (25%) of the total tract area and seventy percent (70%) of lot area for individual townhouse parcels.

- (c) Combined multi-family and townhouse uses: Twenty-five percent (25%) of the total tract area and seventy percent (70%) of lot area for individual townhouse parcels.

- (3) Maximum impervious surface coverage - seventy percent (70%) of total tract area.

- (4) Maximum building height.

- (a) Townhouse – Two and a half stories and thirty-five (35) feet.

- (b) Multifamily – Two stories and thirty-five feet within fifty of a tract perimeter; three stories and forty-five (45) feet otherwise.

- (c) Community building – Twenty-eight (28) feet.

- (d) Maintenance building and other accessory structures – Eighteen (18) feet.

- (e) Building limitations and separation requirements for townhouses and multi-family uses shall be as indicated in the following table:

Requirement	Standard
Maximum Dwellings per Building (Townhouses)	8 dwellings
Maximum Dwellings per Building (Multifamily)	24 dwellings
Minimum Distance from Building front to Building front	60 feet
Minimum Distance from Building front to Building side	35 feet
Minimum Distance from Building front to Building rear	60 feet
Minimum Distance from Building side to Building rear	35 feet
Minimum Distance from Building rear to Building rear	50 feet
Minimum Distance from Building side to Building side	20 feet

- (5) Fee simple townhouse and community building requirements when placed on a fee simple lot shall be as indicated in the following table:

Use	Townhouse	Community Building
Minimum lot size	1,800 sf.	4,000 sf.
Minimum lot frontage	18 feet; 22 feet if internal garage	40 ft.
Minimum lot depth	100 ft.	100 ft.
Maximum building coverage	70%	60%
Maximum lot coverage	80%	75%
Principal Building Minimum Yard Depths and Height Limitations		
Front yard	20 ft.	20 ft.
Side yard	0 ft. common wall; 8 ft. end unit	20 ft.
Rear yard	20 ft.	30 ft.
Accessory Building Minimum Yard Depths and Height Limitations		
Front Yard	N.P.	N.P.
Side yard	N.P.	10 ft.
Rear yard	5 ft.	10 ft.
Tool shed side and rear yard	5 ft.	5 ft.

N.P. = Not a permitted location

- (6) Building setbacks from streets and driveways. Minimum building setbacks shall be as in the following table:



Requirement	Standard
From major collector drive or street (public r.o.w. or private r.o.w. easement)	50 feet <sup>(1)</sup>
Front façade from a residential access drive or street (public r.o.w. or private r.o.w. easement)	22 feet <sup>(2)</sup>
Rear façade from a residential access drive or street (public r.o.w. or private r.o.w. easement)	20 feet
Side facades from a residential access drive or street (public r.o.w. or private r.o.w. easement)	12 feet <sup>(3)</sup>

(1), or 60 feet from the edge of cartway, whichever is greater.

(2), or 30 feet from the edge of cartway, whichever is greater.

(3), or 20 feet from the edge of cartway, whichever is greater.

- (7) Parking requirements. Residential uses shall comply with the parking requirements of the Residential site Improvement Standards at N.J.A.C. 5:21-4.14. Non-residential uses shall comply with §28-10-11.J.
- (8) Parking lot setbacks. Where parking lots for residential uses are proposed, no parking space shall be closer than twelve (12) feet to a building. This requirement shall not apply to driveways leading to individual garages. Parking lots shall be setback a minimum of twenty (20) feet from a right-of-way or private right-of-way easement, sixty (60) feet from the edge of cartway of a major collector or minor arterial road, and twenty (20) feet from the edge of a residential access cartway.
- (9) Minimum landscaped buffer adjacent to existing public streets and property lines - Twenty-five (25) feet or in accordance with §31.D, whichever imposes the greater width. Landscaping requirements shall be as required in §31.
- (10) Accessory uses and structures, with the exception of –B.4 uses, shall not be located in a front yard or within ten (10) feet of any property line, provided however, that accessory structures which are one hundred (100) square feet or less in gross floor area may be located within five (5) feet of a side or rear property line. All accessory structures, including sheds, shall be constructed in accordance with the requirements of the Uniform Construction Code. Accessory uses and structures permitted under –B.4 herein shall meet the area and yard requirements for principal uses and structures.

D. Required Affordable Housing. In any RM-1 district, at least twenty percent (20%) of the total number of dwellings shall be affordable to very low, low and moderate income households for for-sale development and at least fifteen percent (15%) for rental development. Affordable units shall be restricted, regulated and administered consistent with the Borough's affordable housing regulations, the Uniform Housing Affordability Controls rules (N.J.A.C. 5:80-26.1 *et seq.*) and the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301 *et seq.*), including the Fair Housing Act's definition of very low-income households and

all other provisions of Article XII, the Affordable Housing of this ordinance.

E. Design Standards.

1. Multi-family buildings. The following standards shall be used in the design of multi-family buildings:
  - a. A minimum of one hundred twenty (120) cubic feet of storage shall be provided for each dwelling, exclusive of kitchen cabinetry.
  - b. Access to dwellings shall be designed as to provide a sense of safety and security for the residents, particularly in internal stairwells.
  - c. All stairs shall be enclosed in the building.
  - d. The exterior of the building shall be designed to visually break up any facade in excess of one hundred (100) lineal feet through the use of, but not limited to, offsets, bump-outs and building entrances.
  - e. The design should distinguish between the base, middle, and top of the building.
  - f. Where an outdoor living space is proposed, adequate visual screening from all other neighboring dwellings, outdoor living spaces, parking areas and roadways shall be provided. Screening may be accomplished with plant materials, masonry structures or wood fencing a minimum of 4 feet in height. Architectural elements, such as masonry walls and fences, shall be compatible in both style and materials with the dwelling.
  - g. All utility meters or boxes, air compressors, heat pumps, or other exterior equipment shall be located at the side or rear of buildings and shall be screened by architectural elements or landscape plantings.
2. Townhouses. The following standards shall be used in the design of townhouse and stacked townhouse buildings:
  - a. A minimum of one hundred fifty (150) cubic feet of storage shall be provided for each dwelling, exclusive of kitchen cabinetry.
  - b. The front facades of at least forty percent (40%) of the number of dwellings in a structure shall be set back not less than two (2) feet behind the facades of the remaining dwellings in such structure.
  - c. The roof lines of at least thirty percent (30%) of the number of dwellings which are attached in a structure, shall be staggered in line with the offsets required in - 2.b, hereinabove. Chimneys, skylights, dormers, and other roof structures are encouraged, but not required, to vary the elevation and provide additional light into upper story dwellings.

- d. Where an outdoor living space is included for a unit, it shall be provided with adequate visual screening from all other neighboring dwellings, outdoor living spaces, parking areas and roadways. Screening may be accomplished with plant materials, masonry structures or wood fencing a minimum of four (4) feet in height. Architectural elements, such as masonry walls and fences, shall be compatible in both style and materials with the dwelling unit.

**Section 4. §28-3-1, Districts Established, shall be revised to add under the R-MF Zoning District the R-MF14 and R-MF18 subdistricts.**

**Section 5. §28-3-1, Zoning Map, shall be amended to rescind the existing zoning districts and applying the following zoning districts and subdistricts to the tax assessment blocks and lots, and associated half width of streets as appropriate:**

- R-MF           Block 11; Lots 17.01, 17.02 and 19.01 (Broad and Monmouth)  
                  Block 40, Lot 20 (216-222 Academy St.)  
                  Block 61.01; Lots 44 and 45
  
- R-MF14       Block 24, Lot 9 (278 Monmouth St.)  
                  Block 24, Lots 5, 6 and 24 (115 Manlove Ave., and 315 Franklin St.)  
                  Block 24, Lot 7 (265 Franklin St.)  
                  Block 24, Lot 15 (Franklin St.)  
                  Block 61.01, Lot 25 (319 Mercer St., rear)
  
- R-MF18       Block 55, Lot 74 (25 Westerlea Ave.)

**Section 6. Continuation.** In all other respects, the Unified Development Ordinance of the Borough of Hightstown shall remain unchanged.

**Section 7. Severability.** If any portion of this Ordinance is for any reason held to be unconstitutional or invalid by a court of competent jurisdiction, such decision shall not affect the validity of this Ordinance as a whole, or any other part thereof. Any invalidation shall be confined in its operation to the section, paragraph, sentence, clause, phrase, term, or provision or part there of directly involved in the controversy in which such judgment shall have been rendered.

**Section 8. Interpretation.** If the terms of this Ordinance shall be in conflict with those of another Ordinance of the Code of the Borough of Hightstown, then the restriction which imposes the greater limitation shall be enforced.

**Section 9. Repealer.** All ordinances or parts of ordinances which are inconsistent with the provisions of this Ordinance are hereby repealed to the extent of such inconsistency only.

**Section 10. Enactment.** This Ordinance shall take effect upon the filing thereof with the Mercer County Planning Board after final passage, adoption, and publication by the Borough Clerk of the Borough of Hightstown in the manner prescribed by law.