

TOWNSHIP OF QUINTON MASTER PLAN

Housing Element and Fair Share Plan Reexamination

Discussion Draft November 2019

INTRODUCTION

As a supplement to the Reexamination Report of the Quinton Township Master Plan, this report details current the perspective on the Housing Element and Fair Share Plan as a separate chapter. Details are provided to update selected housing and demographic data. Significant legislative and legal issues surrounding Affordable Housing have occurred since 2008 and these are detailed in the Fair Share Plan updated section of this document.

The Planning Board of the Township of Quinton prepared the current Housing Element and Fair Share Plan ("Plan") which was adopted by Resolution 08-15 on October 14, 2008. Subsequently, the Plan was endorsed for filing with COAH by the Township Committee, Resolution 2008-119, on October 15, 2008 and received for filing by COAH on December 15, 2008. COAH Status records as of April 13, 2011 indicated that the Plan was found Complete on February 11, 2009. No Public Comment Deadline was established by COAH and there were no Objections indicated. Since the date of Completeness, there was no further action on the Township's filing nor further action by the Township on the recommendations contained in the Plan.

The 'Introduction' to the 2008 Quinton Township Housing Element and Fair Share Plan states: "Quinton Township's purpose in preparing this Housing Element and Fair Share Plan is to:

- Provide for a variety of housing opportunities in appropriate locations within the Township, particularly for low and moderate income households;
- Create housing which is consistent with the Township Master Plan goals and with the principles of smart growth as outlined in the State Plan;
- Provide for Quinton's senior citizens' housing needs;
- Minimize the impact of development and redevelopment on Quinton's fragile natural resources."

As part of this reexamination report it is recommended that the aforementioned goals be incorporated into the Goals and Objectives of the Township Master Plan as stated.

CURRENT HOUSING INVENTORY UPDATE

The 2008 Housing Element and Fair Share Plan provided extensive documentation of the municipal housing stock and demographic characteristics. The information to be provided generally is: an Inventory of the municipality's housing stock; a projection of the housing stock; analysis of the demographic characteristics; existing and probable future employment; a determination of the municipal present and prospective fair share housing obligation; and lands and structures appropriate for provision of low and moderate income housing. In this current reexamination, certain of those statistics have been provided as an update for implementation of future housing policy by the Township.

**Township of Quinton: Housing Element and Fair Share Plan Reexamination
November 2019**

A factor of note when considering future housing needs is the overall population trend being experienced by the Township, and Salem County as a whole. The population of the Township peaked in 1980 at 2,887 person. The current estimated population is now 2,474 which is an overall decline of 11.5% since the original Housing Element was approved.

QUINTON TOWNSHIP POPULATION AND CHANGE (2000 to 2017)

YEAR	POPULATION	CHANGE	%CHANGE
2000	2,786	275	10.9 %
2010	2,666	-120	-4.3%
2017*	2,474 (+/-162)	-192	-7.2%

* Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates

Further analysis of the population trend in the Township is provided by comparison of the age cohort composition. The most significant factor that is apparent from the age distribution is the nearly 6% decline in the 25 to 44 year age distribution. There is also a measurable increase in the 55 - 74 year cohort which indicates an aging of the Township population related to a loss of the preceding generation.

AGE DISTRIBUTION with PERCENTAGE COMPARISON BETWEEN 2010 AND 2000

	2010		Percentage	2000 percentage
	#	%	Totals	or same cohort
Under 5 years	159	6.0	6.0	5.8
5 to 24 years	656	23.7	23.7	24.7
25 to 44 years	637	23.9	23.9	29.9
45 to 54 years	425	15.9	15.9	13.2
55 to 64 years	356	13.4	13.4	10.6
65 to 74 years	242	9.1	9.1	8.2
75 to 84 years	134	5.0	5.0	5.9
85 years and over	57	2.1	2.1	1.8
TOTAL	2,666			2,786

Source: U.S. Census Bureau

Income levels reported for the Township population have generally followed the trend countywide. Although Quinton trailed Salem County in median income in the original report, it has kept pace with and now slightly exceeds the median income for the County.

INCOME IN 2017	Quinton	Salem County
Median household income 1999	\$41,193	\$45,573
Median household income 2017 *	\$65,515	\$63,934

* Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates

An important indicator of the demographic composition of a community is the occupancy characteristics of the housing stock. Quinton exhibits a very high level of both occupied and owner occupied units in the housing stock. This is indicative of a stable community both in ownership and the extremely low

**Township of Quinton: Housing Element and Fair Share Plan Reexamination
November 2019**

vacancy percentages of the housing units. One trend that must be considered however is the apparent decline in the total number of occupied units and the increase in the percentage of vacant units.

HOUSING OCCUPANCY

	2010	2000	Percent Change
Total housing units	1,099	1,133	-3.0
Occupied housing units	1,036	1,074	-3.5
Vacant housing units	63	59	6.7
Owner-occupied housing units	864	902	-4.2
Renter-occupied housing units	172	172	0
Homeowner vacancy rate (percent)	1%	1.1%	(X)
Rental vacancy rate (percent)	6%	7.0 %	(X)

Source: U.S. Census 2010

Comparing the numbers from the 2010 Census and the 2017 American Community Survey reveals a possible decline in the number of housing units currently existing in the Township. The factor to update from the 2008 Housing Element is to report on the numbers of housing constructed since that report was prepared. A complete chart of the ages of current housing in the 2008 report stated that over 14% of the housing stock was constructed within the last 20 years. That fact remains consistent with numbers of new houses since 2000 representing 15% of the current total.

YEAR STRUCTURE BUILT

	2010	2017
Total housing units	1,065	1,065
Built 2014 or later	0	0.0%
Built 2010 to 2013	24	2.3%
Built 2000 to 2009	138	13.0%

Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates

One of the most significant factors that is used to consider the needs for affordable housing is the percentage of household income devoted to housing costs. As the percentage of household income reaches and exceed 30% it indicated financial stress and can be a factor in determining a need for affordable housing option. In Quinton Township, the census data indicates an upward trend since 1999 in the percentages of households that exceed the 35% threshold of expenses for both ownership and rental household income levels.

MONTHLY OWNER COSTS AS A PERCENTAGE OF HOUSEHOLD INCOME (1999 - 2017)

Monthly cost	1999	%	2017	%
30 to 34 percent	49	7.2%	34	6.9%
35 percent or more	108	15.8 %	136	27.8%

Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates

GROSS RENT OVER 30% AS PERCENTAGE OF HOUSEHOLD INCOME IN 1999 and 2017

Rent	1999	%	2017	%
30 to 34 percent	14	8.2 %	0	0.0%
35 percent or more	45	26.3 %	69	65.1%
Not computed	5	2.9%		

Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates

**Township of Quinton: Housing Element and Fair Share Plan Reexamination
November 2019**

The trend of population decline in both the Township and County has been documented in a earlier chart. The 2008 report included projection of population from the South Jersey Transportation Planning Organization. The SJTPO is the Metropolitan Planning Organization for the region and provided township level projections. The population projections provided in the 2008 report showed a continuing upward growth of Township residents. However, the SJTPO revised those figures in 2016 and projected no growth from the current population through the planning period. The factor of no or declining population growth is significant when looking at the Township's future Fair Share Obligation.

SJTPO POPULATION PROJECTIONS								
Year	2005	2007	2010	2015	2020	2025	2030	2035
Pop	2861*	2876	2899	2922	2943	2963	2982	3001
Pop**				2,600	2,600	2,600	2,600	

*Source: 2030 Demographic Forecasts; prepared by CRBR for SJTPO, June 2006

** Revised SJTPO estimates 03-02-16

Similarly, to the SJTPO population projections, there is a table for indigenous jobs in the Township. The original numbers provide by SJTPO showed what was considered realistic job numbers for the Township with little growth. However, the numbers provided by the 2016 update are significantly higher, and not in line with the projected job numbers for Salem County and are therefore not considered significant for this update, but they are provided for illustration.

SJTPO INDIGENOUS EMPLOYMENT PROJECTIONS								
Year	2005	2007	2010	2015	2020	2025	2030	2035
Jobs		138	142	149	154	159	164	164
Jobs**				600	500	500	500	

Source: 2030 Demographic Forecasts; prepared by CRBR for SJTPO, June 2006

** Revised SJTPO estimates 03-02-16

FAIR SHARE PLAN UPDATE

The 2008 Fair Share Plan reported that the median income for a four-person household was \$64,793. The four person household median income level published for 2018 has risen to \$72,979 a 12.6% increase in ten years. Therefore for the example of the four-person household Moderate income limit is now \$58,383, the Low income limit is currently \$36,489 and the Very Low income limit is 21,894.

In the interim since the 2008 Quinton Plan was adopted, the Affordable Housing process in New Jersey has undergone significant changes through NJ Court decisions. The most notable was the New Jersey Supreme Court's 2015 decision that declared the Council on Affordable Housing ("COAH") defunct and reinstated the courts as "the forum of first instance for evaluating municipal compliance with Mount Laurel." Mount Laurel IV, 221 N.J. at 20. In 1985."

**Township of Quinton: Housing Element and Fair Share Plan Reexamination
November 2019**

The latest Court decision is titled "OPINION ON FAIR SHARE METHODOLOGY TO IMPLEMENT THE MOUNT LAUREL AFFORDABLE HOUSING DOCTRINE FOR THE THIRD ROUND", March 8, 2018, and is known as the Jacobson Decision. The Court found:

"In Mount Laurel IV, 221 N.J. at 3-4, the Supreme Court reaffirmed its commitment to ensuring that New Jersey's municipalities create a "realistic opportunity" for producing their fair shares of the regional Present and Prospective Need for low and moderate income ("LMI") housing. Recognizing COAH's failure to address the constitutional obligation administratively, the Court directed the trial courts to follow "as closely as possible the FHA's processes," id. at 6, as implemented by COAH in determining municipal fair share obligations and reviewing the municipal zoning ordinances proposed to achieve constitutional compliance with those obligations."

Quinton's Fair Share Plan adopted in 2008 describes the projects and strategies and funding sources that will be utilized to address its affordable housing obligation as set forth in N.J.A.C. 5:97-3. This Fair Share Plan covers the total fair share obligation of Quinton Township through 2018. Current projections prepared in response the Mount Laurel V cover the period to 2025.

The Total Third Round Obligation projected by COAH in 2008 was for 47 Units of Affordable Housing. COAH prepared revised Third Round Rules in 2014, on Court order, which resulted in the Township's Obligation being reduced to 46 Units of Affordable Housing, not a significant difference but resulted in fewer Rehabilitation Share units. (Table 1.)

Table 1.

QUINTON TOWNSHIP FORMER AFFORDABLE HOUSING OBLIGATION (through 2018)

(Based on Proposed Third Round Rules June 2, 2014)

Component	Affordable Unit Obligation*
Rehabilitation Share	7
Past Obligation	16
Projected obligation according to COAH consultants (2014)	23
TOTAL OBLIGATION	46 UNITS

(Source: NJ Register, Proposed New Rules: N.J.A.C. 5:99. June 2, 2014)

*Note that the initial Third Round Obligation proposed by COAH and contained in the 2008 Housing Element and Fair Share Plan called for 47 units of Affordable Housing.

In response to the Court decisions and at the Court's direction, an updated and refined methodology for projecting a municipality's Affordable Housing Obligation both past a future was established. One issue to be considered was the Obligation for the so called "Gap Period". In 2016 the NJ Supreme Court stated:

"Towns are constitutionally obligated to provide a realistic opportunity for their fair share of affordable housing for low- and moderate-income households formed during the gap period and presently existing in New Jersey..."

Therefore the most recent projections for the Affordable Unit Obligation changed the makeup of the Obligation to address the Gap Period. Additionally, the current projections have taken into account changes in the demographics and development patterns in the Township since the original 1999 numbers were developed. (Table 2.) The current numbers also do not break out a Rehabilitation component as was done for earlier versions.

It appears that in the current projections, that Quinton's Obligation has also been reduced from 47 Units to 39 Units of Affordable Housing. Based upon the statistical trend of the Township's declining population even the current number of Units may be difficult to achieve.

Table 2.

QUINTON TOWNSHIP CURRENT AFFORDABLE HOUSING OBLIGATION (through 2025)

(Econsult Solutions, March 28, 2018)

Component	Affordable Unit Obligation
Prior Round (87 - 99)	15
Present Need	0
Gap Present Need (2015)	13
Prospective Need (2015 - 2025)	11
TOTAL OBLIGATION	39 UNITS

(Statewide And Municipal Obligations Under Jacobson Opinion, March 28, 2018)

Finally, the NJ Courts presently continue to recognize the 20% cap for new units. With the current number of housing units at 1,065 the 20% formula yields 213 new units. Proposing that all new construction provide a 20% Affordable set-aside the result could be 43 Affordable Units which is greater than the current need.

The 2008 Fair Share Plan, starting on page 17 of the Plan, should continue to be the policy of the Township as it considers actions to address its Affordable Housing obligation. Consideration of the municipal infrastructure changes that have occurred with the completion of the sewer system need to be addressed as detailed in another section of the Master Plan Reexamination report. The current approved Sewer Service Area for Quinton Township closely adheres to existing development, with limited land for expansion to be served. Additionally, when the current sewer project was constructed, the properties permitted to connect to the system were specifically identified in a CAFRA permit that was required by NJDEP due to a portion of the Township being included in a CAFRA regulated area.

Additionally, the adopted 2008 Housing Element and Fair Share Plan contains the strategies that the Township enumerated to address its Affordable Housing Obligation. The strategies are referenced here

for clarity and the Township has the ability to review each strategy option as appropriate for implementation.

As stated in the 2008 Housing Element and Fair Share Plan the three strategies are included:

- solicit an affordable housing developer to utilize Township owned lands for a 15 unit affordable housing development on Route 49 (this strategy is contingent on amending the Sewer Service Area)
- solicit age restricted housing development with density bonuses to supply a minimum of 10 rental units for affordable housing which will requires rezoning or providing conditional use standards for the PBR or LI/O zones for lands on Route 49 contiguous to the Village;
- adopt the Cluster and Accessory Dwelling Unit ordinances.

Draft ordinances were included in the adopted 2008 Fair Share Plan to address Development Fees, Accessory Apartments and an update to the Open Space Cluster Ordinance. These Ordinances should be reviewed and the contents considered for adoption or inclusion into current land use and development ordinances.

It is worthy to note that there are numerous references to "low and moderate-income housing" contained in Chapter 170 Land Use section of the Quinton Township Code. In §170-105 it states, "... Application of these subdivision rules, regulations and standards should also encourage cost-performance methods and designs to enable the construction of **low- and moderate-income housing** without creating an adverse impact on the public health, safety and general welfare of the township or for the future residents of the development." (emphasis added)

Further in §170-109E it is stated, " The Planning Board, when acting upon an application which includes provisions for **low- and moderate-income housing**, shall waive those portions of the design standards which create barriers to the construction of low- or moderate-income housing and which are not necessary to protect public health and safety." (emphasis added)

A review of the current Code reveals that neither "Affordable Housing" nor Low and Moderate-Income Housing" are included in the Purpose or Definitions sections (§170-3 and §170-7) of the Township Code. It is recommended that the Township Code be reviewed and updated to include the appropriate references to "Affordable Housing" and/or "Low and Moderate-Income Housing" as are found to become consistent with the Housing Element and Fair Share Plan.