



# AFFORDABLE HOUSING UPDATE AND ZAITZ – DIVERTY RD DISCUSSION

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February 26, 2018

# Who Qualifies for Affordable Housing in Mercer, Monmouth and Ocean County

## Maximum Allowable Income

Household Size	Low Income	Moderate Income
1	\$33,011	\$52,817
4	\$47,158	\$75,454
6	\$54,704	\$87,526

For perspective:

Starting salary for a Hopewell Valley teacher with a BA: **\$51,712.00**

Starting salary for a Hopewell Township police officer: **\$57,278.00**

# Hopewell Township's Affordable Housing History

We have had 3 experiences to date:

1. "Stick our Heads in the Sand" (pre-2000)

- **Result: Builders Remedy lawsuit with a resulting ratio of 8-9 market units for each affordable unit**

2. Regional Contribution Agreement (RCA)

- **Result: City of Trenton was paid by Hopewell Township to create affordable housing on our behalf and provide housing credits to the Township in return**

**Note: the Fair Housing Act was amended in 2008 to abolish RCAs  
– they are no longer permitted**

3. Proactive Era

- **Hopewell Township started to fulfill its 3<sup>rd</sup> Round Affordable Housing needs through proactive planning**
- **Preliminary housing plan was developed and submitted to courts in 2015 after 4 months of development and public discussion**
- **By being proactive, Hopewell Township maintains control of its Master Plan and Zoning**

# High Level Overview of the Courts Ruling for Hopewell Township

- The Mercer County trial started with 5 municipalities participating. As towns settled out of the litigation, Hopewell Township's share of the costs increased.
- Hopewell successfully negotiated our obligation down from 1,756 units to 653 net units (after bonuses and credits).
- For the 653 units:
  - 164 can be age-restricted, limiting impacts on the schools
  - The potential number of affordable units on the Pennington Circle was reduced from the 2015 Plan to limit traffic impacts and impacts on residents
  - The remaining units are distributed across multiple locations in the town spreading the traffic across three 1-95 interchanges

# Overview of Court's Ruling (continued)

- Hopewell Township is entitled to reduce its 3<sup>rd</sup> round number if the final Mercer County trial ruling or other legislative action results in a lower obligation
  - Key lever here is pressuring the legislature to take action.
  - Hopewell Township is also protected against any increased obligation that may result from the trial.
- Moving forward, this ruling satisfies our obligation on Affordable Housing because it provides a “realistic opportunity” for these units to be built
- Important notes:
  - Developers assume the risk that the real estate market can absorb the total number of units – e.g. if there is not market-demand for this many units, they will not be built.
  - Developers will also absorb the cost of new water, sewer and other infrastructure to support the development.

# The Consequences of Non-Compliance

- Builder's Remedy can be initiated by a developer which results in a project that does not have to respect ANY established local Ordinances.
- In the 2015 round of compliance hearings, A Middlesex County judge decided the Township of South Brunswick had failed to make sufficient progress in meeting its affordable housing obligations.
- The result was a court-mandated requirement for over 2,900 new affordable housing units to be constructed.
- The judge appointed hearing officers to substitute for the Planning Board in reviewing applications for inclusionary development
  - Builders are now driving the process in South Brunswick moving forward



# What is the realistic timing of the plan?

- Timing will largely be driven by:
  1. Market factors – a limited amount of new housing can be absorbed by the market each year
  2. Development hurdles:
    - Permitting and Construction of water and sewer infrastructure to these sites will likely further delay building at many of the sites
    - Planning and permitting approvals and the associated studies alone are expected to take at least 18-24 months
- As a point of reference, Brandon Farms took ~15 years to reach full build-out of its 1200 homes and townhomes
- Hopewell Township's court ruling anticipates construction will occur beyond the year 2025

# Why Not Build Just the Affordable Housing Units?

- Limited number of tax credits available to subsidize building of 100% affordable developments
  - Municipalities must bond upfront for the full cost of 100% Affordable Housing developments, in the event they do not qualify for credits
  - South Brunswick lost control of its affordable housing because the court found its plan was overly reliant on 100% affordable developments and that this plan WAS NOT realistic
- Municipality must pay the full building cost of any additional Affordable Housing Units
  - Current cost per unit is \$250,000 to \$300,000 + infrastructure costs
  - Assuming 600 units, this would translate to taxpayer costs of at least \$150 to 200 million for Hopewell Township
    - For reference, our current all-in tax levy is just over \$100 million

# Where are we in the process now?

- December 14, 2017: Mercer County Superior Court extended Hopewell Townships immunity from builders remedy lawsuits for an additional 120 days (April 2018) and determined Conditional Compliance
- The Court identified 17 specific conditions to be satisfied within a 90 day period (March 2018)
  - One condition required execution of a redevelopment agreement for the Zaitz Tract.
    - The Redevelopment Agreement does not supersede the local land use approval process or relieve the developer of the responsibility to design and address impacts for all land use elements including:
      - Stormwater compliance
      - Access / Traffic Impact / Mitigation
      - Lighting / Landscaping (establishing buffers)
      - Noise Compliance / Impact mitigation
      - Aesthetics etc....



# Risks of failing to show required progress?

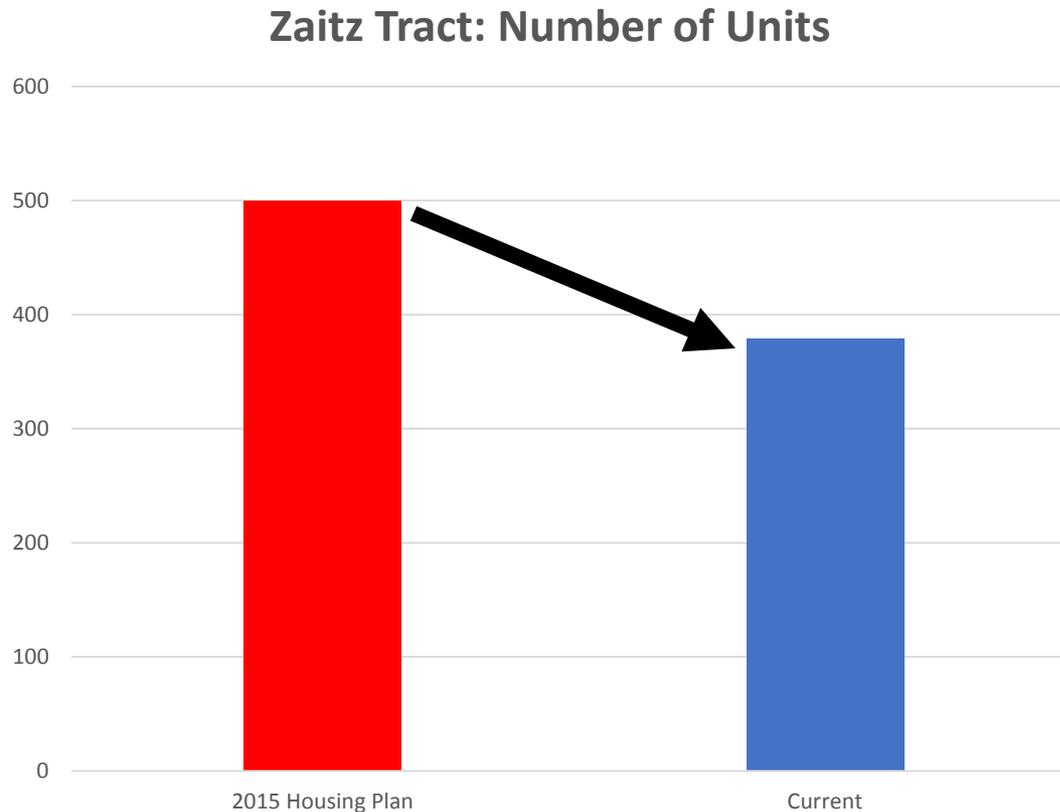
- Intervenors have the right to recommend their own plan for development if the Township does not demonstrate the required progress
- Hopewell Township could lose its immunity, allowing other developers to submit alternate plans on any Township parcel and pursue a builders remedy lawsuit

# FOCUSING ON THE ZAITZ TRACT

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# Original 2015 Housing Plan Envisioned 500 Total Units at Zaitz

- The 2016-17 Township Committee felt this density was too high so the number of units was reduced by close to 25%



# Concerns Heard/Actions Taken to Date

- Presented Conceptual Plans for Neighborhood Improvements at a Public Outreach Meeting to hear concerns.
- Gathering residents' feedback through a formal survey.
- Planning a second Outreach Meeting (March 8, 2018)
- Planning formal recommendations to Township Committee at a future meeting.

### Progress To Date

Key Issues and Concerns	Actions Taken to Date	Plans to Address Concerns
Overall density of new development.	Reduced density during settlement hearing negotiations from 500 units to 379 units (25% reduction).	
Proximity of multi-story apartment buildings to Diverty Road lots impacts views from existing homes and back yards.	Limited building height to three stories and 45 feet.	<p>Amend Redevelopment Plan to increase rear yard setback adjacent to Diverty Road lots.</p> <p>Focus multi-story buildings to the center of the site.</p> <p>Require enhanced buffering (landscaping/berms) at Diverty Rd. lots during Site Plan permitting review.</p> <p>Require internal connections between residential and commercial development to reduce overall site-generated traffic volumes.</p>

## Progress To Date

Key Issues and Concerns	Actions Taken to Date	Plans to Address Concerns
<p>Site access to Diverty Road will increase traffic on the narrow road (Diverty) that cannot accommodate additional volume.</p>	<p>Planned for extension of access road to Denow Road.</p>	<p>Include restriction in Redevelopment Plan that prohibits extension to Diverty Rd. without connection to Denow Rd.</p> <p>Initiate review by township professionals to study alternate means of access to Zaitz tract.</p>
<p>Redevelopment will exacerbate congestion on Route 31 Circle.</p>	<p>Expanded Redevelopment Area to include commercial properties at Rte. 31 Circle enabling reconfiguration and improvement of driveways/access &amp; elimination of dangerous traffic movements.</p>	<p>Require traffic studies prepared during site plan process to address cumulative impacts from all known development projects.</p> <p>Require internal connections between residential and commercial development to reduce overall site-generated traffic volumes.</p> <p>Require a comprehensive traffic access &amp; circulation plan be included with each project component during the Site Plan permitting review.</p>

### Progress To Date

Key Issues and Concerns	Actions Taken to Date	Plans to Address Concerns
<p>Linking the site to Diverty Road will create a cut- through between Rte 546 &amp; Diverty Road &amp; divert traffic off main roads into the site.</p>	<p>Planned internal road circulation to discourage cut- through traffic design using road alignment and calming techniques.</p>	<p>Require that internal road circulation/alignment be designed to discourage cut-through traffic during Site Plan permitting review.</p>
	<p>Reconfiguring the ingress/egress to the commercial development to reduce points of conflict/decision points enabling improved traffic flow.</p>	<p>Require traffic calming techniques be employed on internal roads during Site Plan permitting review.</p>
<p>Closing Diverty Road at Rte 31 will impact emergency services.</p>		<p>Proposed cul-de-sac at Diverty Rd. &amp; Rte. 31 will be configured to meet current state design standards.</p>
		<p>Evaluate incorporating an emergency connection between the cul-de-sac &amp; Rte. 31 such as grass pavers or other controlled means using standard industry practices.</p>

### Progress To Date

Key Issues and Concerns	Actions Taken to Date	Plans to Address Concerns
<p>Speeding and cut-through traffic on Diverty Road is currently an issue and will be worsened with the proposed access road.</p>	<p>Established an Ordinance restricting left turns and posted signage.</p>	<p>Continue speed enforcement.</p>
	<p>Increased Police patrols on Diverty Rd.</p>	<p>Install traffic calming measures between Reed Road and the new access road to further discourage speeding and cut-through traffic.</p>
		<p>Evaluate current (&gt;6 ton) truck prohibitions and consider more stringent restrictions (4 ton).</p>

## Progress To Date

Key Issues and Concerns	Actions Taken to Date	Plans to Address Concerns
Impact of proposed redevelopment on the aquifer and septic systems of surrounding properties	Affordable Housing projects will require water and sewer utilities so as not to impact/rely on existing aquifer.	Site Plan permitting review will require an impact assessment on the existing aquifer and shall consider cumulative impact of all affordable housing projects.
		Site Plan permitting review will include evaluation by a third-party professional to ensure no impacts to the aquifer.
Impact of proposed redevelopment on stormwater runoff	The Redevelopment Plans require compliance with the NJDEP Stormwater Best Management Practices and Township Ordinances for water quality.	Site plan permitting review will require all stormwater impacts to be mitigated on-site.
	Current Standards require groundwater recharge to offset the impacts of increased impervious cover.	Existing commercial sites will be brought into compliance during the Site Plan permitting process.
	Green Infrastructure requirements have been included in the Redevelopment Plans for the Affordable Housing projects.	The Site Plan permitting process will require a focus on nonstructural methods to address water quality (rain gardens, grass-swales, reduction of nonpermeable surfaces)
		Site Plan permitting review will include evaluation by a third-party professional to ensure compliance with Township Standards.

### Progress To Date

Key Issues and Concerns	Actions Taken to Date	Plans to Address Concerns
Lighting and Noise Impacts associated with the proposed Redevelopment		The Site Plan permitting process will require a complete lighting design and require all lighting to be in compliance with the local Ordinance.
		The Site Plan permitting process will require that the project remains in compliance with the State Noise Standards.
Blasting necessary for construction will be disruptive to neighboring residents.		All construction activities will be required to comply with the Uniform Construction Code and State Noise Standards.
		Construction phasing and scope of impacts will be evaluated as a part of the Site Plan permitting process.
		Geotechnical evaluations will be required as a part of the Site Plan permitting process. Based on known general soils information, blasting is not anticipated.



**NUEP Required Notes:**

Development in areas mapped as wetlands, flood prone areas, designated river areas, or other environmentally sensitive areas may be subject to special regulation under Federal or State statutes or rules. Interested persons should check with the Department of Environmental Protection for the local information. Copies of environmental fact sheets for the general information purposes only, and shall not be construed to define the legal geographic jurisdiction of such statutes or rules.

All existing, new, or expanded industrial pretreatment facilities requiring Significant Indirect user (SII) permits and/or Treatment Works Approvals that are located within the depicted sewer service area, are deemed to be consistent.

Individual subsurface sewage disposal systems (ISDSS) for individual residences can only be considered in depicted sewer service areas if highly enforceable guarantees are provided before such construction, that use of such systems will be discontinued when the depicted sewer service becomes available. This applies to ISDSS that require notification from the Department under the Realty Improvement Sewerage and Sanitation Act (N.J.S.A. 58:11-23) or individual Treatment Works Approvals or New Jersey Pollution Discharge Elimination System Permits under N.J.A.C. 7:14a. It also applies to ISDSS which require only local approval. Compliance with the connection requirement has been demonstrated through adoption of local ordinances which require abandonment of the septic and connection to the sewer system once it becomes available. See Appendix F of County Summary.

Locations of future pump stations, major interconnections, and trunk sewers are being provided for general information only and will not serve as the basis for any future consistency determinations or permit reviews unless the pump station, major interconnection or trunk sewer is part of a State or locally funded project.

The existing great conditions and requirements from Federal and State grants or loans for sewerage facilities which provide for extension of sewer service to environmentally sensitive areas, are unaffected by adoption of this WMP and compliance is required. Please see municipal WMP Chapters for the existence of any applicable environmentally sensitive areas in which Federal 201 grant limitations prohibit the extension of sewer service.

Pursuant to N.J.A.C. 7:15, Riparian zones are 300 feet from top of bank (or contour) of a first order stream where no bank is apparent for waters designated as Category One and all upstream tributaries within the same HUC 14, 150 feet for waters designated, Trout Production and all riparian waters, 150 feet for water designated Trout Maintenance and all stream waters within and border into an easement along the length of the riparian water, 150 feet for any segments of water flowing through an area that contains documented habitat for a threatened or endangered species of plant or animal, which is critically dependent on the surface water body for survival, and all stream waters (including tributaries) within one linear mile as measured along the length of the surface water body, 150 feet for waters that run through food-producing lands, and 50 feet for all waters not designated as C1, trout waters, critically water dependent Threatened and/or Endangered Species Habitat, or associated with soil sets.

Surface waters that are designated Category One are listed in the Surface Water Quality Standards at N.J.A.C. 7:9b. The Department's Surface Water Quality Standard (SWQS) also may be utilized to determine these waters. The applicable 300 foot buffer has been applied to these waters and removed from the proposed sewer service areas on the map. Lesser width buffers have not been graphically removed from the sewer service area but are not proposed for sewer service. Jurisdiction determinations by the Department will be utilized to determine the extent of the sewer service area on individual lots.

Further compliance with the riparian zone standard has been demonstrated by the adoption of local ordinances in compliance with all or part of the Flood Hazard Control Act Rules (NJAC 7:13) and Water Quality Management Rules (NJAC 7:26). See Appendix F of the County Summary.

DSW		
NJPODES	Facility Name	Permitted Flow (MGD)
NJ023301	STONY BROOK RSA - Hopewell Plant	0.3
NJ035319	STONY BROOK RSA - Pennington Plant	0.445
NJ027715	MERCER CO CORRECTION CRT STP	0.06
NJ000795	BRISTOL MYERS SQUIBB CO	0.19724
NJ000809	HOPEWELL BUSINESS CENTER	0.08 (003A) 0.049 (004A)

DGW		
NJPODES	Facility Name	Permitted Flow (MGD)
NJ010175	BRISTOL MYERS SQUIBB CO	0.01724
NJ010108	PENNY TOWN SHOPPING VILLAGE	0.15421
NJ010204	PENNINGTON QUARRY	No data
NJ014123	PENNINGTON POINT WEST COMMERCIAL	0.00496
NJ004056	HOPEWELL TOWNSHIP MUNICIPAL COMPLEX	No data
NJ010563	KOOLTRONICS INC	No data
NJ02126	STONY BROOK MILLSTONE WATERSHED (SBM)	0.002925 proposed

# Hopewell Township Map 3M: Future Wastewater Facilities and Service Area

June 2012 Revised February 13, 2010; July 25, 2010; October 3, 2010; October 29, 2013

Mercer County

### Future Parcels Served by Sewer

- Facility Name, NJPODES
- 84 Lumber
- Bristol-Myers Squibb Co., NJ0000795<sup>(1)</sup>
- Ewing Lawrence Sewerage Authority, NJ0024759
- Hopewell Business Center, NJ0000809
- Hopewell Township Municipal Complex, NJG0147656
- Mercer County BOCF - Corrections, NJ0027715
- Pennington Point West - Phase II, NJ0141232
- Pennington Quarry, NJ0102024
- Penntown/Kooltronics Redevelopment Area, TBD
- SBRSA Hopewell STP, NJ0035301
- SBRSA-Pennington STP, NJ0035319
- Stony Brook Millstone Watershed Assoc., NJ020126 (proposed)

### Base Mapping

- Septic Area - Areas to be Served by Individual Subsurface Sewage Disposal Systems with Planning Flows 2000 GPD or less (ISSDS)
- HUC11 Boundary
- WWTP
- DSW
- DGW
- Inter-State Highway
- Toll Highway
- State Highway
- US Highway
- River/Stream

<sup>(1)</sup> Includes sewer service area for flows conveyed to SBRSA-Pennington STP, NJ0035319

Data Sources:  
NJ Department of Environmental Protection  
-NJPODES Surface Water Discharges (2009) (DSW, WWTP)  
-NJPODES Riparian Discharge to Groundwater Facility (2007) (DGM)  
-Hydrologic Features (2008)  
-FOTIF (2005)

NJ Department of Transportation  
-Road Network and Names (2007)

Mercer County  
-Parcels (ARC/INFO) (NJ010) (July, 2006)  
-Municipal Boundaries (2009) (NJ017)  
-Open Space (01/01/11)

## HOPEWELL TOWNSHIP WASTEWATER MANAGEMENT PLAN SHOWING AFFORDABLE HOUSING TRACTS AND RELATED SEWER SERVICE AREA CHANGES

- AFFORDABLE HOUSING TRACT BOUNDARY
- RELATED SEWER SERVICE AREA ADDITION
- RELATED SEWER SERVICE AREA DELETION

← **Enlargement Area**  
Exhibit T-3A





DIVERY ROAD

REED ROAD



WASHINGTON CROSSING-FENINGTON ROAD

N.J.S.H. ROUTE 31

BLACKWELL ROAD

**AERIAL PHOTO**

SHOWING

**ZAITZ AFFORDABLE HOUSING TRACT**

HOPEWELL TOWNSHIP, MERCER COUNTY, NEW JERSEY

Aerial Photo Taken 08/21/2017