

**HOUSING PLAN ELEMENT
AND FAIR SHARE PLAN**

TOWNSHIP OF LAKEWOOD
OCEAN COUNTY, NEW JERSEY

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The original of this document has been signed and sealed in accordance with New Jersey law.

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INTRODUCTION

The Township of Lakewood has prepared this Housing Plan Element and Fair Share Plan in accordance with the requirements of the Mount Laurel Doctrine, the New Jersey Municipal Land Use Law (N.J.S.A. 40:55D-1 et. seq.), and the State Fair Housing Act (N.J.S.A. 52:27D-301 et. seq.).

The Mount Laurel Doctrine

The New Jersey Supreme Court, in *Mt. Laurel I* (1975), held that a developing municipality must, through its land use regulations, create a realistic opportunity for an appropriate variety and choice of housing for all categories of people who may desire to live there, including those of low and moderate income (*Southern Burlington County NAACP v. The Township of Mount Laurel*, 676 N.J. 151, 336 A. 2d 713 (1975)).

As a result of *Mount Laurel I*, developing municipalities in the path of growth were obligated to provide for a mix of housing that addressed their fair share of the region's housing need. However, *Mount Laurel I* generally resulted in few housing opportunities for low and moderate households, because many municipalities failed to use their powers to zone and provide a realistic opportunity for the provision of affordable housing.

The New Jersey Supreme Court, in *Mount Laurel II* (1983), held the following:

- *The existence of a municipal obligation to provide a realistic opportunity for a fair share of the region's present and prospective low and moderate income housing need, will no longer be determined by whether or not a municipality is 'developing.' The obligation extends, instead, to every municipality, any portion of which is designated by the State, through the SDGP (State Development Guide Plan, currently called the State Development and Redevelopment Plan), as a growth area.*

- *The lower income regional housing need is comprised of both low and moderate income housing. Low income housing need consists of households whose incomes do not exceed 50 percent of the median income of the area with adjustment for family size. Moderate income housing need consists of households whose income does not exceed 80 percent of the median income of the area with adjustment for family size (Southern Burlington County NAACP v. the Township of Mount Laurel, 92 N.J. 158, 456 A. 2d 390 (1983)).*

Under the doctrine established by the Supreme Court, a municipality that continued to use its power to zone without consideration of its impact on low and moderate households faced the prospect of loss of that power. Such municipalities faced the prospect of a court-ordered rezoning, or the so-called “builder’s remedy.” The essence of the landmark decision, however, was that municipalities should use their zoning powers and other related powers to facilitate, rather than obstruct, the provision of affordable housing.

The Fair Housing Act

In 1985, two years after *Mount Laurel II*, the State adopted the Fair Housing Act and created an administrative alternative to court action in addressing municipal compliance with *Mount Laurel II*. The Fair Housing Act established the Council on Affordable Housing (COAH) as the State agency responsible for identifying housing regions, estimating low and moderate income housing need, and provided regulations that guide municipalities in addressing their obligations. The stated intent of the Act was to provide alternatives to the use of the builder's remedy as a method of achieving the provision of affordable housing.

As the State agency responsible for administering the Fair Housing Act, COAH establishes affordable housing guidelines and criteria. COAH estimates the total lower income housing need statewide, organizes the State into housing regions, and allocates a share of the regional housing need to each municipality in the region. COAH also identifies those circumstances where an “adjustment” to a municipality’s fair share is appropriate. Finally, COAH identifies the types of housing activities and programs that will be readily recognized as credits or reductions to the municipal fair share.

Municipal Planning Responsibility

Each municipality is obligated to plan to meet its fair share. The New Jersey Municipal Land Use Law enables a municipality to adopt a zoning ordinance to regulate land use provided that the municipality has also adopted a master plan that includes a land use element and a housing element.

Mandatory Contents of the Housing Element

Pursuant to the Fair Share Housing Act at N.J.S.A. 52:27D-310, the essential components of a municipal housing element are as follows:

- *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 six years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands.*
- *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 for low and moderate income housing and its capacity accommodate its present and prospective housing needs, including its fair share for low and moderate income housing.*
- *A consideration of the lands that are 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.

In addition, COAH's substantive rules (N.J.A.C. 5:97 et. al.) for the period from January 1, 2004 through December 31, 2018 require the following:

- *The household projection for the municipality as provided in Appendix F of N.J.A.C. 5:97;*
- *The employment projection for the municipality as provided in Appendix F of N.J.A.C. 5:97;*
- *The municipality's prior round obligation as provided in Appendix C of N.J.A.C. 5:97;*
- *The municipality's rehabilitation share as provided in Appendix B of N.J.A.C. 5:97; and,*
- *The projected growth share in accordance with the procedures in N.J.A.C. 5:97-2.4.*

ANALYSIS OF DEMOGRAPHIC, HOUSING, AND EMPLOYMENT CHARACTERISTICS

As required by N.J.S.A.52:27D-310, all housing elements must contain a discussion of the community's demographic, housing, and economic characteristics. In fulfillment of this requirement, the following sections profile the Township of Lakewood with information obtained from the U.S. Census Bureau, the North Jersey Transportation Planning Authority (NJTPA), and the New Jersey Department of Labor and Workforce Development.

Lakewood's Demographics

At the time of the 2000 U.S. Census Bureau, the Township of Lakewood had a population of 60,352 residents (Table 1). This figure represents a 34.0 percent increase over the 1990 U.S. Census Bureau population figure of 45,048. This is significantly more than that of Ocean County, which grew by just 17.9 percent during the same period. Lakewood's population growth has been increasing. In the years between 2000 and 2007 the Township has grown by 43.8 percent, a rate which is significantly greater than the County's population growth of 10.7 percent.

Table 1: Population Trends, 1990-2007

	1990	2000	2007	% Change 1990-2000	% Change 2000-2007
Township of Lakewood	45,048	60,352	86,770	34.0%	43.8%
Ocean County	433,203	510,916	565,493	17.9%	10.7%

Source: 2000 U.S. Census Bureau & 2007 American Community Survey of the U.S. Census Bureau

The Township will continue to grow and has almost reached the population projections that the North Jersey Transportation Planning Authority's calculated for Lakewood by 2030. NJTPA projects that the 2030 population in Lakewood will be 87,690 residents. The population in Lakewood will be substantially greater in 2030.

According to 2007 U.S. Census Bureau estimates, the Township of Lakewood's population is comprised of 26,238 households, with an average household size of 3.20 members (Table 2). The average household size is larger than both the State of New Jersey's average of 2.70 and the County's average of 2.51 persons per household. The Township's percentage of population aged

65 years and over, 14.8 percent, is slightly greater than the State's and much less than the County's. In addition, the median household income of Lakewood's households is \$40,084, which is also much less than the respective figures for the State and the County.

Table 2: Demographic Indicators, 2007

	Number of Households	Average Household Size	Median Age	% of Population ≥ 65 years	2007 Median Household Income
Township of Lakewood	26,238	3.20	26.2	14.8%	\$40,084
Ocean County	222,473	2.51	41.1	20.8%	\$56,281
New Jersey	3,149,910	2.70	38.4	13.1%	\$67,035

Source: 2007 American Community Survey of the U.S. Census Bureau

According to the 2007 U.S. Census Bureau estimates, the Township's median age of 26.2 years is much less than both the statewide median age of 38.4 years and the County's median age of 41.1 years (Table 2). As shown in Table 3, there were 14,020 pre-school age residents in 2007, or 16.2 percent of the Township's population. School age children accounted for 21,566 residents, or 24.8 percent of the total population. Working age persons accounted for 44.2 percent of the Township's population, with 38,307 individuals. Seniors aged 65 years and older accounted for 14.8 percent of Lakewood's population.

Table 3: Population by Age, 2006

	Number	% of Total
Pre-School Age		
Under 5 Years	14,020	16.2%
School Age		
5 to 9 Years	9,410	10.8%
10 to 14 Years	6,757	7.8%
15 to 19 Years	5,399	6.2%
Working Age		
20 to 24 Years	6,216	7.2%
25 to 34 Years	15,851	18.3%
35 to 44 Years	7,307	8.4%
45 to 54 Years	5,488	6.3%
55 to 59 Years	1,405	1.6%
60 to 64 Years	2,040	2.4%
Senior Age		
65 Years and Older	11,386	14.8%

Source: 2007 American Community Survey of the U.S. Census Bureau

Lakewood's Housing Stock

According to the 2007 U.S. Census Bureau estimate, Lakewood had a total of 28,435 housing units (Table 4). This was an increase of 10,547 units since the 1990 U.S. Census, which reported a total of 17,888 units. Of this total, 26,238 units (92.3 percent) were listed as occupied; owners occupied 53.5 percent of these units and renters occupied 46.5 percent. This is greater than the rate of renter-occupied units in Ocean County, which reported that 17.3 percent of all occupied housing units were occupied by renters.

Of the total 26,238 households estimated in 2007, the average household size was 3.20 persons and the average family size was 3.91 persons. These figures are greater than the State and County figures. Of the total number of households, family households accounted for 18,783 (71.6 percent) and non-family households for 7,455 (28.4 percent).¹ Householders 65 years of age or older were present in 3,421 (13.0 percent) of households.

A total of 12.7 percent of the Township's housing stock was constructed before 1960. The median year of construction, 1974, is greater than the State's median year of 1962 and coincides with the County's median of 1975 (2000 U.S. Census). The Township's housing stock increased by approximately 59.0 percent (10,547 housing units) from 1990 to 2000.

Based on the 2007 U.S. Census Bureau estimate, the number of substandard units lacking complete plumbing facilities was 0 units and the number of substandard units lacking complete kitchen facilities was 116 units. Approximately 10.8 percent (2,839 Township's housing units) exhibited overcrowded conditions (1.01 persons or more per room).

¹A non-family household consists of a householder living alone or where the household shares the home exclusively with people to whom he or she is not related.

Table 4: Housing Characteristics, 2007

	Number	% of Total
I. Housing Units		
Number of units	28,435	100.0%
Occupied Housing Units	26,238	92.3%
Vacant Housing Units	2,197	7.7%
Number of units (1990)	17,888	100.0%
II. Occupancy/Household Characteristics		
Number of Households	26,238	100.0%
Persons Per Household	3.20	N/A
Family Households	18,783	71.6%
Non-Family Households	7,455	28.4%
Householders 65 and over	3,421	13.0%
III. Year Structure Built		
2000 or later	6,126	21.6%
1990 to 1999	4,422	15.6%
1980 to 1989	3,684	13.0%
1970 to 1979	6,497	22.8%
1960 to 1969	4,110	14.5%
1950 to 1959	1,465	5.2%
1940 to 1949	871	3.1%
1939 or earlier	1,260	4.4%
IV. Units in Structure		
1-unit detached (Single-family)	11,860	41.7%
1-unit attached (Townhouse)	8,113	28.5%
2 units	1,485	5.2%
3 or 4 units	1,699	6.0%
5 to 9 units	1,691	5.9%
10 to 19 units	963	3.4%
20 or more units	2,624	9.2%
Mobile home	0	0.0%
Boat, RV, van etc.	0	0.0%
V. Condition of Units		
Lacking complete plumbing facilities	0	0.0%
Lacking complete kitchen facilities	116	0.4%

Table 4: Housing Characteristics, 2007—Continued

VI. Home Value (Owner Occupied Units)		
\$500,000 and up	1,671	11.9%
\$300,000 - \$499,999	5,393	38.4%
\$200,000 - \$299,999	3,037	21.6%
\$150,000 - \$199,000	1,750	12.5%
\$100,000 - \$149,000	1,384	9.9%
\$50,000 - \$99,999	633	4.5%
\$0 - \$50,000	177	1.3%
Median Value (2000)	\$126,400	N/A
Median Value (2007)	\$301,300	N/A
VII. Gross Rental Value (Renter Occupied Units)¹		
\$1,500 and up	567	7.8%
\$1,000 - \$1,499	1,736	23.8%
\$750 - \$999	2,223	30.5%
\$500 - \$749	1,583	21.7%
\$200 - \$499	592	8.1%
Less than \$200	317	4.3%
No cash rent	306	4.2%
Median Gross Rent (2000)	\$849	N/A
Median Gross Rent (2007)	\$1,180	N/A

Source: 2000 U.S. Census Bureau & 2007 American Community Survey of the U.S. Census Bureau

¹Section VII. Gross Rental Value is based on the 2000 U.S. Census Bureau estimates as the estimates for the year 2007 are unavailable.

The 2007 median value of the owner-occupied housing units in Lakewood was \$301,300. This is lower than both the State and County median values of \$372,300 and \$310,100, respectively. Lakewood's median gross rent of \$1,180 per month is comparable to the County's median gross rent of \$1,151 and higher than the State median gross rents of \$1,026 (2007 U.S. Census Bureau).

Housing units that have a monthly cost of less than 30 percent of gross household income are considered affordable. In Lakewood, regardless of mortgage status, 7,204 specified owner-occupied units (51.3 percent of all owner-occupied units) and 3,572 renter-occupied units (29.3 percent of all rental units) are considered affordable (Table 5).²

²Specified owner-occupied units do not include residences where a business activity (i.e., professional offices as an accessory use) takes place.

Table 5: Housing Affordability as a Percentage of Household Income, 2007

	Number	% of Total
Selected Monthly Owner Costs (with a Mortgage)		
Less than 20.0%	1,026	7.3%
20.0% to 24.9%	601	4.3%
25.0% to 29.9%	842	6.0%
30.0% or more	5,399	38.4%
Not computed	0	0.0%
Selected Monthly Owner Costs (without a Mortgage)		
Less than 20.0%	2,630	18.7%
20.0% to 24.9%	1,160	8.3%
25.0% to 29.9%	945	6.7%
30.0% or more	1,442	10.3%
Not computed	0	0.0%
Gross Rent		
Less than 20.0%	1,560	12.8%
20.0% to 24.9%	1,349	11.1%
25.0% to 29.9%	663	5.4%
30.0% or more	8,072	66.2%
Not computed	549	4.5%

Source: 2007 American Community Survey of the U.S. Census Bureau

Lakewood's Employment Characteristics

At the time of the 2007 U.S. Census Bureau estimate, 24,796 of Lakewood's residents (49.5 percent) aged 16 years and over were employed in the civilian labor force (Table 6). About a third of the civilian labor force was involved in management, professional, and related occupations, while approximately a quarter percent of those employed in the civilian labor force were employed in sales and office-related occupations. Service occupations employed 18 percent of Lakewood residents that were employed in the civilian labor force. Construction, extraction, and maintenance-related occupations employed 11.8 percent of the Township's residents, whereas production, transportation, and material moving-occupations employed 11.2 percent of the Township's residents that were employed in the civilian labor force. The estimate did not find Township residents employed in the farming, fishing, and forestry industry.

Table 6: Occupation of Employed Civilian Population Aged 16 and Over, 2007

	Number	% of Total
Management, Professional, and Related	8,083	32.6%
Service	4,376	17.6%
Sales and Office	6,567	26.5%
Farming, Fishing, and Forestry	75	0.3%
Construction, Extraction, and Maintenance	2,924	11.8%
Production, Transportation, and Material Moving	2,771	11.2%

Source: 2007 American Community Survey of the U.S. Census Bureau

The Department of Labor & Workforce Development's reports the average number of jobs located within the Township. The basis for this information is the number of jobs that are covered by public unemployment and disability insurance by the State for the New Jersey Unemployment Compensation Law. Table 7 reports the number of individuals that are employed in each industry and the wages they earn. Based on available information there were 23,984 individuals working in Lakewood in 2003. In 2003, Lakewood had 94 percent (22,533 individuals) of its labor force employed in private sector employment living in the Township. Nearly twenty percent are employed in the health care and social assistance sector. Individuals working in the manufacturing sector also represent a significant percentage of the labor force. Retail trade also

accounts for 14 percent of number of individuals employed in the Township. Education services make up six percent of the number of individuals employed in Lakewood. The number of individuals employed in the public sector includes six percent of the number of individuals working in Lakewood.

**Table 7: New Jersey Employment and Wages: 2003 Annual Report
 Township of Lakewood, Ocean County**

	Average Annual Employment	% of Total (Jobs)	Average Annual Salary
Private Sector	22,533	94.0%	\$34,791
Agriculture, forestry, fishing, and hunting	0	0.0%	---
Mining	0	0.0%	---
Utilities	260	1.1%	\$70,571
Construction	1,238	5.2%	\$50,883
Manufacturing	4,025	16.8%	\$40,182
Wholesale trade	1,755	7.3%	\$37,911
Retail trade	3,347	14.0%	\$34,541
Transportation and warehousing	878	3.7%	\$33,719
Information	186	0.8%	\$54,959
Finance and insurance	276	1.2%	\$35,227
Real estate and rental and leasing	499	2.1%	\$36,900
Professional and technical services	970	4.0%	\$37,838
Management of companies and enterprises	94	0.4%	\$42,539
Administrative and waste services	746	3.1%	\$23,979
Educational services	1,621	6.8%	\$18,990
Health care and social assistance	4,715	19.7%	\$35,210
Arts, entertainment, and recreation	316	1.3%	\$13,197
Accommodation and food services	683	2.8%	\$15,339
Other services, except public administration	796	3.6%	\$22,472
Unclassified entities	128	0.5%	\$23,209
Public sector*	1,445	6.0%	\$47,420

Source: 2003 State of New Jersey Department of Labor & Workforce Development, Labor and Planning Analysis, Employment and Wage Data

*Average of Local and Federal government employment

The number of individuals working within the Township continues to grow. As reported in 2006 by the New Jersey Department of Labor & Workforce Development, there was an average of 25,217 jobs located within Lakewood. This is up 1,239 jobs (4.9 percent) over the 2003 average number of jobs, which was 23,978.

Housing Plan Element and Fair Share Plan
Township of Lakewood

The estimates provided by the 2007 U.S. Census Bureau for Lakewood’s median household income was \$40,084, up \$10,873 from the 1989 household income of \$29,211 (Table 8). However, after adjusting for inflation this actually represents a decrease in household income to 17.9 percent. The estimate provided for the 2007 per capita income is \$16,539 for Lakewood.

Table 8: Household Income, in 2007 Inflation-Adjusted Dollars

	Number	% of Total
Less than \$10,000	1,279	4.9%
\$10,000 to \$14,999	2,463	9.4%
\$15,000 to \$24,999	3,993	15.2%
\$25,000 to \$34,999	4,140	15.8%
\$35,000 to \$49,999	3,786	14.4%
\$50,000 to \$74,999	4,415	16.8%
\$75,000 to \$99,999	3,290	12.5%
\$100,000 to \$149,999	1,781	6.8%
\$150,000 to \$199,999	653	2.5%
\$200,000 or More	438	1.7%
2007 Median Household Income (Dollars)	\$40,084	N/A

Source: 2007 American Community Survey of the U.S. Census Bureau

MUNICIPAL AFFORDABLE HOUSING OBLIGATION

COAH's substantive rules indicate that a municipality's affordable housing obligation consists of three components. These include: the rehabilitation share, which is a measure of overcrowded and deficient housing that is occupied by low and moderate income households; the prior round obligation for the period from 1987 to 1999; and, the municipal "growth share" need for the period from 2004 through 2018. The growth share links the actual production of affordable housing to municipal development and growth.

Rehabilitation Obligation

Appendix B of N.J.A.C. 5:97 indicates that Lakewood's rehabilitation obligation is 350 units. The Township's rehabilitation obligation will be addressed in its Fair Share Plan.

Pursuant to N.J.A.C. 5:97-6.2(g), a municipality receiving State aid pursuant to P.L. 1978, c. 14 (N.J.S.A. 52:27D-178 et. seq.; Urban Aid) may seek a waiver from addressing its entire rehabilitation component in one 10-year period of substantive certification. A municipality seeking such a waiver shall demonstrate that it cannot rehabilitate the entire rehabilitation component in 10 years and/or that an extraordinary hardship exists, related to addressing the entire rehabilitation component in 10 years. Although not seeking it at the present time, the Township reserves its right to seek such a waiver.

Total Remaining Prior-round Obligation

Appendix C of N.J.A.C. 5:97 indicates that the Township's total remaining prior-round obligation of 0 (zero) units is due to the Township's status as an urban aid municipality. Accordingly, the Township's plan does not need to address the prior-round in its Fair Share Plan.

Growth Share

COAH calculates a municipality's growth share based upon the household and employment projections of Appendix F of N.J.A.C. 5:97. This is a measure of both actual growth that has occurred in the Township since 2004 and estimated growth that is anticipated to occur between

2008 and 2018. COAH’s projections for housing and employment growth in the Township and corresponding affordable housing obligations are set forth in Table 9.

Table 9: COAH Household and Employment Projections

	COAH Projection (2004 to 2018)
Household Growth Projection	4,615
Employment Growth Projection	7,572

COAH’s substantive rules specify that municipalities shall have a growth share obligation of one affordable housing unit for every five market-rate residential units created in a municipality from January 1, 2004 through December 31, 2018. Additionally, COAH specifies that one affordable housing unit shall be provided for every sixteen jobs created in the same period. Thus, the residential growth share obligation is calculated by applying the relationship of one affordable housing unit for every five market rate housing units to the housing growth projection of 4,615 units. Similarly, the non-residential growth share obligation is calculated by applying the relationship of one affordable housing unit for every 16 new jobs created to the adjusted employment growth projection of 7,572 new jobs. The resulting growth share obligation is shown in Table 10.

Table 10: Growth Share Obligation

	COAH Projection	→	Growth Share Obligation
Household Growth Share Obligation	4,615	÷ 5 =	923
Employment Growth Share Obligation	7,572	÷ 16 =	473.25
Total Growth Share Obligation:			→ 1,396

Therefore, Appendix F of N.J.A.C. 5:97 indicates that the Township’s Cycle III growth share obligation is 1,396 units. Based on existing population and employment projections, Lakewood accepts COAH’s municipal housing and employment growth projections and the commensurate growth share obligation. The Township’s growth share obligation will be addressed in its Fair Share Plan.

MUNICIPAL ABILITY TO ACCOMMODATE AFFORDABLE HOUSING OBLIGATION

Adequacy of Municipal Zoning Plan to Accommodate Projected Growth

The plan includes a determination of the municipality's present and prospective fair share for low and moderate income housing and an analysis of how existing or proposed zoning will provide adequate capacity to accommodate residential and non-residential growth projections.

Plan Endorsement Status

On December 5, 2005, Lakewood submitted its initial plan endorsement petition to reinstate its CAFRA Regional Center. Lakewood's petition included designated areas reserved for affordable housing. For the propose of providing affordable housing, Lakewood has set aside 63 acres for the construction of 530 new affordable two, three and four bedroom units by three non-profit housing developers, including STEPS, NJ Hand, and the Lakewood Affordable Housing Corporation. Originally, the Township intended to receive RCA monies from the Township of Ocean, Ocean County and Township of Manalapan, Monmouth County to construct these units (See Figure 1 and 2; Municipal Affordable Housing Donations).

Currently, the Township is undertaking actions to complete planning activities pursuant to a Memorandum of Understanding and an Action Plan with the State Planning Commission. As part of the Action Plan, Lakewood is required to address appropriate affordable housing sites as part of its petition. In addition, the draft Planning and Implementation Agreement (PIA) currently being considered requires that Lakewood receive substantive certification from COAH.

Availability of Existing and Planned Infrastructure

Lakewood has an existing developed infrastructure. The Township has existing water services and sewer service and the existing infrastructure is believed to have adequate capacity to handle the projected growth, including proposed affordable housing. Currently, the majority of the town is in an approved sewer area, including all existing and new affordable housing sites. However, the designated affordable housing projects require sewer extensions. The developers will be responsible for obtaining the required permits to extend sewers to their projects.

The Ocean County Utilities Authority (OCUA) is the regional sewerage treatment agency for Lakewood. The Northern Wastewater Treatment Plant is located in Brick Township and the plant capacity is 32 MGD. Currently, the average flow is 23 MGD, with an additional 3 to 4 MGD committed for approved developments, including some in Lakewood. In addition to Lakewood, the Northern Wastewater Treatment Plant serves Bay Head, Brick, Jackson, Point Pleasant Beach, Point Pleasant Borough, parts of Howell, Freehold and Wall. OCUA contends that there is adequate plant capacity for the next 15 to 20 years. NJAWC is in the process of finalizing a “Lakewood Sewer Service Area – Comprehensive Planning Study” that will address sanitary flow capacities as well as proposed expansions to the system.

Anticipated Demand for Types of Uses Permitted by Zoning Based on Present and Anticipated Future Demographic Characteristics

According to the 2000 U.S. Census Bureau, Ocean County was ranked 6th in the State for overall population, where Lakewood Township’s overall population was ranked in the top twenty municipalities in the State, with 60,352 persons. The New Jersey Department of Labor and Workforce reported that Lakewood Township was the fastest growing municipality in New Jersey with a net growth of 15,304 individuals or 34 percent from 1990 to 2000 (the 1990 population in Lakewood was 45,048). The Ocean County Northern Bay Corridor Regional Strategic Plan (2006) notes that the most dense portions of its corridor study area were in Lakewood with 6,180 to 13,322 persons per square mile in the Township’s downtown on either side of Route 9, to the north of Cedar Bridge Avenue, and with 3,779 to 6,179 persons per square mile of land area, to the east of Route 9.

Current U.S. Census Bureau estimates set Lakewood’s current population at 86,770 (2007 American Community Service Housing and Demographic Estimates). This would place Lakewood as one of the most populous and fastest growing communities in the State, with a population increase of 26,418 persons since 2000 or 43.8 percent. If this rate of growth continues, it is not unreasonable to predict that Lakewood’s population will surpass 100,000 persons within the next decade. In fact, if current growth rates continue this is likely a

conservative estimate, with the Township's population potentially reaching this level by the 2010 Census or shortly thereafter. These growth pressures and the need to accommodate the necessary growth in housing and services to meet the needs of the Township's diverse population has been the driving force and the primary imperative of planning efforts within the Township for the last several years.

Accordingly, the appropriate zoning within the Township's residential districts must take place in the context of the Township's significant growth and how its comprehensive plan is structured to address the corresponding growth in housing and servicing the needs of its citizens.

Anticipated Land Use Patterns

To achieve this growth in a sustainable and supportable manner, the Township has focused on planning within a "smart growth" framework consistent with the imperatives of the State Development and Redevelopment Plan (State Plan). This approach balances growth and development with the preservation environmental resources within the community. It also provides for an appropriate range of housing opportunities.

Municipal Economic Development Policies

Along with explosive residential growth in recent years, Lakewood has seen sizable economic growth. One area of economic development is Lakewood's major employer, the Lakewood Industrial Park. Formed in the 1960s to retain local employees in the Township, the Lakewood Industrial Park complex currently is comprised of 2,200 acres, totals approximately 8.5 million square feet of developed buildings and about 350 businesses. The complex is divided into three sections: Lakewood Industrial Park on Route 70 and the Lakewood Industrial Campus, which are both in the southeast portion of the municipality, and the James/Prospect Streets Industrial Park, which has rail service. The Lakewood Industrial Parks are part of a Foreign Trade Zone as well as the Township's Urban Enterprise Zone. The Parks serve as a major employer for Ocean County, employing approximately 10,000 individuals. The Lakewood Industrial Park also includes the Lakewood Airport, a commercial airport which provides air transportation to many businesses, as well as recreation opportunities for local aviators.

In addition, economic development has occurred in the outlying areas of town, such as on Cedar Bridge Avenue near the Garden State Parkway. Businesses in these areas are concerned about creating “gateway” areas that create a favorable image to motorists who are entering the Township. Possible gateway areas include U.S. Route 9 at the northern and southern extremes of the township, Route 88, and all entrances from the Garden State Parkway.

The Township’s central business district also is in the state-designated Urban Enterprise Zone (UEZ), for which businesses in the area qualify for a 3.5% sales tax. Lakewood continues to support the economic development of the businesses in the UEZ and has ensured that there is dense residential development in the area.

Constraints on Development

1. State and federal regulations: The Township of Lakewood is located largely within the Suburban Planning Area (PA2), with portions delineated in the Fringe Planning Area (PA3) and in the Environmentally Sensitive Planning Area (PA5). The State Development and Redevelopment Plan envisions that localities within PA2 will exemplify compact forms of development, protect the character of existing stable communities, protect natural resources, redesign areas to prevent sprawl, and revitalize cities and towns. The area east of the Southern Branch Main Line is under the political jurisdiction of the NJDEP Coastal Area Facility Review Act (CAFRA).

Pursuant to the Permit Extension Act of 2008, the Township’s Regional Coastal Center boundaries have been reinstated, except for individual properties that have environmental constraints.

2. Land ownership patterns: More than three out of every five acres in Lakewood Township (61.21%) are developed. Residential uses are the top use of developed land within the township, accounting for a total of 5,154.4 acres. In total, residential uses represent almost one-third (32.16%) of all land within the township, and over half of developed land (52.54%). The largest

contingent of residential development is the single unit medium density development, which accounts for 2,333.9 acres; the second-highest use of residential land accounts for just over half that amount, with 1,269.4 acres.

3. Incompatible land uses: There are no incompatible land uses that the Township is aware of that impacts affordable housing.

4. Sites needing remediation: There are no sites that require remediation that the Township is aware of that impact affordable housing.

5. Environmental constraints: Lakewood environmental features consist of areas with C-1 stream corridors, flood hazard areas, freshwater wetlands, and threatened and endangered species wildlife habitat. In accordance with applicable environmental regulations, any new affordable housing opportunities will take into account these environmental constraints and comply with the appropriate permitting regulations.

6. Existing or planned measures to address any constraints: At this time, Lakewood has not identified development constraints that would impact existing or proposed affordable housing.

Implementation Schedule

A significant portion of the Township's housing plan consists of credits for existing affordable housing developments. Therefore, an implementation schedule for these units is not applicable. For the remainder, Phase 1 (72 units) of the NJ HAND site has received approval by the Planning Board and is under construction. The STEPS and Lakewood Affordable Housing projects have both received approvals from the Planning Board. It is anticipated that these projects will be constructed over the next two to three years.

Identification of Potential Affordable Housing Sites

The Township has proactively planned for the provision of affordable housing in the context of a comprehensive land use plan based on smart growth principles. It is in this context that the

Housing Plan Element and Fair Share Plan
Township of Lakewood

Township has considered lands that are most appropriate for construction of low and moderate income housing, including a consideration of lands of developers who have expressed a commitment to provide low and moderate income housing. The majority of the Township's affordable housing plan consists of existing affordable housing developments. All remaining new affordable housing developments are in PA2 or a proposed center.

FAIR SHARE PLAN

Components of the Fair Share

Pursuant to COAH's third round regulations, a municipality's fair share responsibility is based upon three components: (1) rehabilitation obligation; (2) total remaining obligation from prior round; and, (3) growth share obligation.

COAH's methodology defines the rehabilitation share of a municipality's affordable housing obligation as the number of substandard or deteriorated units that are occupied by low or moderate households based on 2000 Census data. As previously noted, COAH has assigned Lakewood a rehabilitation obligation of 350 units.

The total remaining prior-round obligation assigned to the Township by COAH's regulations is 0 (zero) units.

The Township's growth share component accounts for new residential and nonresidential growth projected to be constructed in Lakewood from January 1, 2004 through December 31, 2018. Based on existing population and employment projections, Lakewood accepts COAH's municipal housing and employment growth projections. Appendix F of N.J.A.C. 5:97 indicates that the Township's growth share is 1,396 units.

Fulfillment of the Rehabilitation Obligation

The Township will address its rehabilitation obligation of 350 units through the Lakewood Township Housing Rehabilitation Program, which is a municipally sponsored Township housing rehabilitation program. The purpose of the program is to renovate deficient housing units occupied by eligible low and moderate income households for either for-sale or rental units. Upon rehabilitation, the housing deficiencies are corrected and the unit complies with the New Jersey State Housing Code, the Uniform Construction Code, or the Rehabilitation Subcode, as applicable. The program is funded largely by the Ocean County Community Development Block

Grant Funds.

The Township's program for the 350 units will comply with the applicable COAH rules to qualify Lakewood for credit. The City will invest an average of at least \$12,000 per unit of which not more than 15 percent will be for administrative costs. The Township will seek credit for all units rehabilitated as part of the program from April 1, 2000 to the present.

Fulfillment of Prior Round Obligation

As noted above, the Township's prior round obligation is 0 (zero) units.

Fulfillment of Growth Share Obligation

The Township accepts COAH's growth share obligation of 1,396 affordable units. The growth share obligation will be addressed through a combination of credits and bonus credits from existing affordable housing projects as listed in the following table and three new affordable housing projects to be developed by Lakewood Affordable Housing, NJ HAND, and STEPS/Homes for All. Table 11 below provides a listing of all existing and proposed new affordable housing developments that satisfy the Township's growth share obligation.

Existing Affordable Housing Developments

The first section of Table 11 includes a listing of existing affordable housing developments in Lakewood. These include a variety of age-restricted, family-rental, permanent supportive housing, group homes and family for-sale units operated by a variety of public and private affordable housing providers, including Lakewood's Housing Authority. Together, these developments provide a total of 796 units of affordable housing within Lakewood.

Housing Plan Element and Fair Share Plan
Township of Lakewood

Table 11: Existing and Approved Affordable Housing Developments and Crediting

Existing Affordable Housing	Total Units	Units Addressing Rental Obligation	Rental Bonus Credits	Units Addressing Very-low Income Obligation
Age-Restricted				
Macedonia Senior Housing	50	0	0	0
Eleanor Levovitz Senior Apartments	150	0	0	0
Leisure Park	44	0	0	0
Sub-Total	244	174	0	0
Family Rental				
Congress Street	2	0	0	0
Laurel Avenue	4	0	0	0
Cottage Manor	75	0	0	0
Lakewood Plaza I	98	0	0	0
Lakewood Plaza II	152	0	0	0
Main Street Apts.	6	0	0	0
Royal Timber	104	0	0	0
Sub-Total	441	175	266	0
Rental (Low-income)/Permanent supportive housing				
415 Laurel Avenue	1	0	0	0
Jay Street	10	0	0	0
George Gray Apartments	13	0	0	0
Sub-Total	24	0	0	24
Group Home				
Singer House	14	0	0	0
Sub-Total	14	0	0	14
Family For- Sale				
Forest Park (Low-income)	24	0	0	24
Forest Park (Moderate-income)	49	0	0	0
Sub-Total	73	0	0	24
Total Existing Units	796	349	266	62
New Affordable Housing Projects				
Family Rental				
Lakewood Affordable Housing Corporation	98	0	0	0
Sub-Total	98	0	83	0
Family For-sale				
NJ HAND	374	0	0	0
STEPS/Homes for All	58	0	0	0
Sub-Total	432	0	0	0
Total-New Units	530	0	83	0
Total Existing and New Affordable	1,326	349	349	62

Source: New Jersey Department of Community Affairs, 2006 Guide to Affordable Housing in New Jersey and Local Providers

Pursuant to COAH regulations, 25 percent of the Township's 1,396 growth share obligation, or 349 units, must be rental units. Of these, 50 percent or 175 units must be non-age restricted family rental units. A total of 723 units from the existing housing developments are rental units, which more than twice the minimum number of rental units that the Township must supply as part of its plan. Specifically, the Township has allocated 174 of the existing age-restricted rental units and 175 family rental units to the rental obligation.

New Affordable Housing Projects

The Township's fair share plan also includes three new affordable housing projects.

1. NJHAND
2. STEPS/Homes for All
3. Lakewood Affordable Housing Corporation

The locations of these projects are shown in the accompanying figures and listed in Table 11. Each of the three projects consists of 100 percent affordable units. Together, they will provide the Township with a total of 530 affordable housing units, including 98 non-age restricted family rentals as part of the Lakewood Affordable Housing Corporation Project and 432 for-sale units at the NJ HAND and STEPS/Homes for All sites.

NJ Hand Lakewood Commons

NJ Hand received preliminary site plan approval from the Lakewood Township Planning Board for a 100% affordable 446-unit multifamily and townhouse development in 2006. Final approval was also granted for Phase One of the project which consists of 72 units. Phase One is currently under construction and Lakewood Township has held drawings to randomly select potential homeowners. The site is located in the vicinity of Vine and Wilson Avenues in the center of the Township. The approval was granted in May 2006. The tract for the development was donated by Lakewood Township for affordable housing.

Homes for All/Steps Inc

Homes for All/Steps Inc. received preliminary and final major subdivision approval for a 58-lot development in the vicinity of Oak Street. The approval was granted in the fall of 2006. This 100% affordable housing development consists of single family homes on a 10.65 acre site. Lakewood Township provided the land for this development.

Lakewood Affordable Housing Corporation/ Cypress Cove

Lakewood Affordable Housing Corporation is proposing to construct a 98-unit multifamily development on a 10.6 acre tract on the south side of Oak Street. All of the units will be affordable per COAH requirements. The preliminary and final approval was granted in January 2007. The developer is currently seeking a CAFRA Permit. The tract for the development was donated by Lakewood Township for affordable housing.

All three approvals have been extended to June 2010 in accordance with the requirements of the Permit Extension Act. Combined with the existing 796 existing housing units previously discussed, the Township's fair share plan consists of a total of 1,326 existing and new affordable housing units.

Rental Bonus Credits

In addition, the Township is eligible to receive a total of 349 rental bonus credits for the non-age restricted rental units provided in excess of the Township's 349-unit rental obligation.³ This includes eligible rental bonus credits for 266 units of existing family rental units and 83 units of the 98 non-age restricted family rentals provided at the Lakewood Affordable Housing Corporation site.

³ The Township may apply a maximum of 349 bonus credits toward its obligation, or 25 percent of its 1,396-unit growth share obligation.

Very-low Income Obligation

Pursuant to P.L. 2008, c.46, Lakewood is required to ensure that 13 percent of its growth share obligation or 182-units address the needs of very-low income households earning 30 percent or less of the median income in the region. In addition, COAH will require that municipalities provide at least 50 percent of the very-low income housing requirement through family housing. The balance can be met with age-restricted units or supportive and special needs housing.

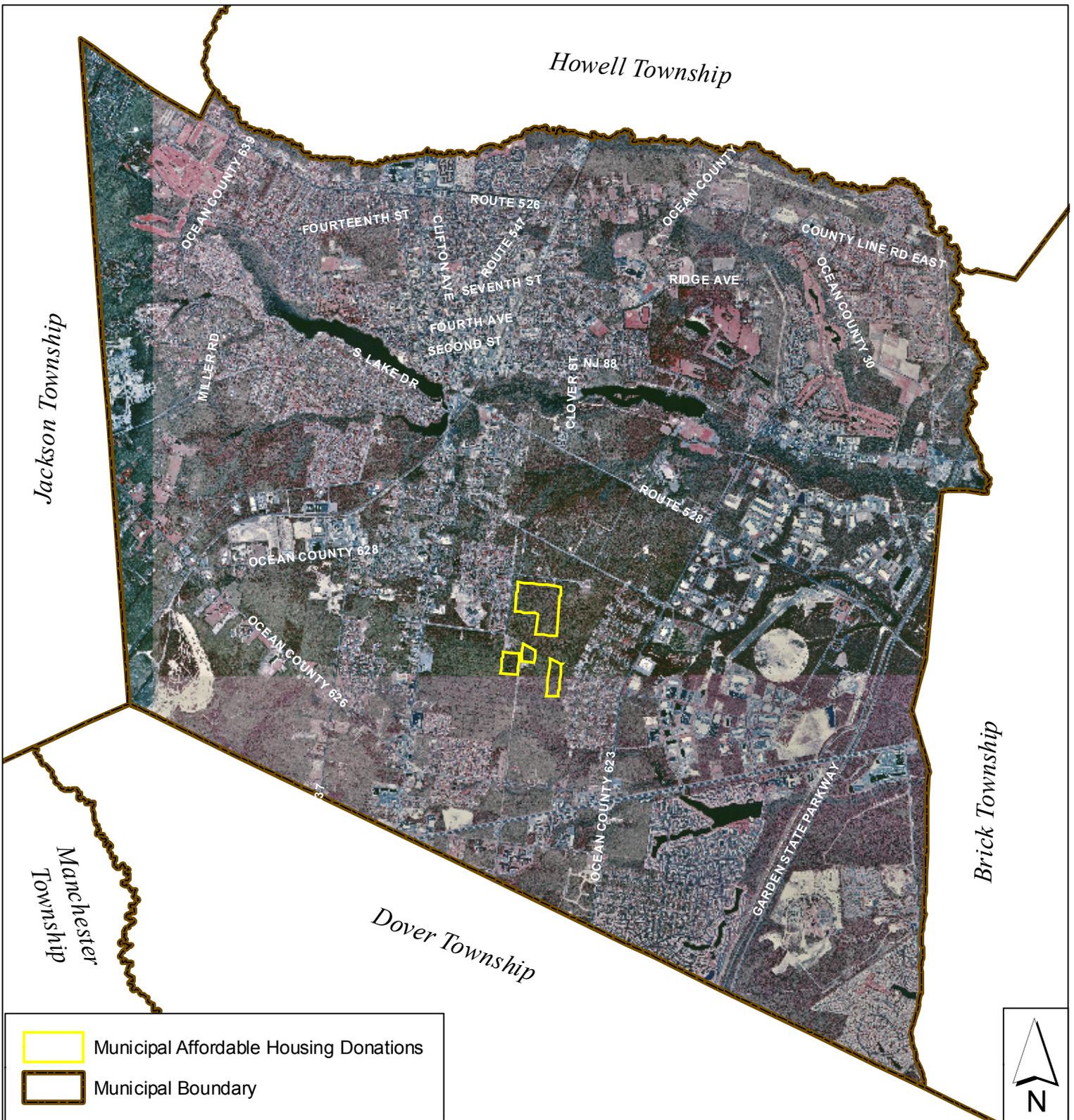
A preliminary inventory of the Township’s existing affordable housing stock indicates that 62 units currently are available for very-low income households. This number may increase as further information is made available concerning these developments. However, if the Township exhibits a shortfall in the 182 unit requirement, the Township will amend its plan accordingly to ensure that a portion of new affordable units will be specifically be made available for very-low income households to ensure that the Township addresses its requirement pursuant to P.L. 2008, c.46.

In summary, the Township’s fair share plan provides the Township with a total of 1,675 units of credit, including 1,326 units and 349 rental bonus credits. This exceeds the Township’s growth share obligation of 1,396 units. This is summarized in Table 12.

Table 12: Summary of Cycle III Fair Share Plan

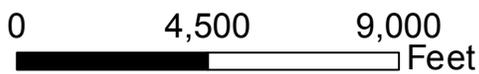
Growth Share Obligation	1,396
Compliance Mechanisms	
Existing Affordable Housing Developments	796
Lakewood Affordable Housing Corporation	98
NJ HAND	374
STEPS/Homes for All	58
Rental Bonus Credits for Units in Excess of 349-Unit Rental Obligation	349
Total Affordable Units Provided	1,326
Bonus Credits	349
Total Units Credited to Growth Share	1,675

**Figure 1: Municipal Affordable Housing Donations
(Overview)**



T&M 11 Tindall Road
 Middletown, NJ 07748-2792
 Phone: 732-671-6400
 Fax: 732-671-7365
ASSOCIATES

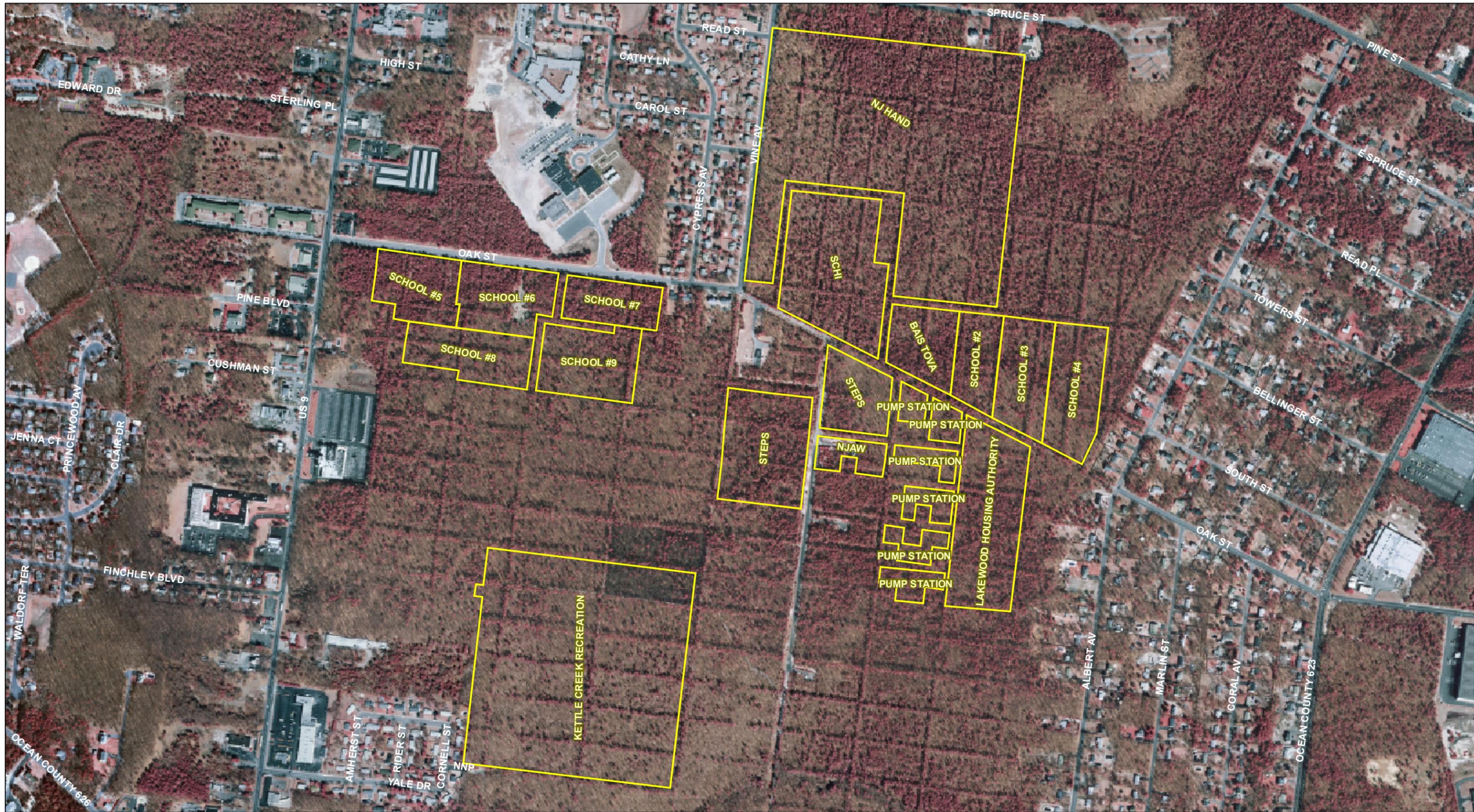
**Municipal Affordable Housing Donations
 Lakewood Township
 Ocean County, New Jersey**



Prepared by: STK, September 21, 2005
 Sources: NJDEP
 File Path: H:\LAKE\00030\Permits\lake30_affordablehousing.mxd

NOTE: This map was developed using New Jersey Department of Environmental Protection Geographic Information System digital data, but this secondary product has not been verified by NJDEP and is not State-authorized.

**Figure 2: Municipal Affordable Housing Donations
(Specific Projects)**



T&M ASSOCIATES
 11 Tindall Road
 Middletown, NJ 07748-2792
 Phone: 732-671-6400
 Fax: 732-671-7365

 Municipal Affordable Housing Donations 2006
 Municipal Boundary

0 300 600 1,200
 Feet

Prepared by: STK, August 30, 2006
 Source: NJDEP; NJDOT; Lakewood Township Tax Assessor
 File Path: H:\LAKE\00030\Permits\lake30_affordablehousing2006.mxd

Municipal Affordable Housing Donations Lakewood Township Ocean County, New Jersey



NOTE: This map was developed using New Jersey Department of Environmental Protection Geographic Information System digital data, but this secondary product has not been verified by NJDEP and is not State-authorized.