

THE BRANCHVILLE BOROUGH

HOUSING PLAN

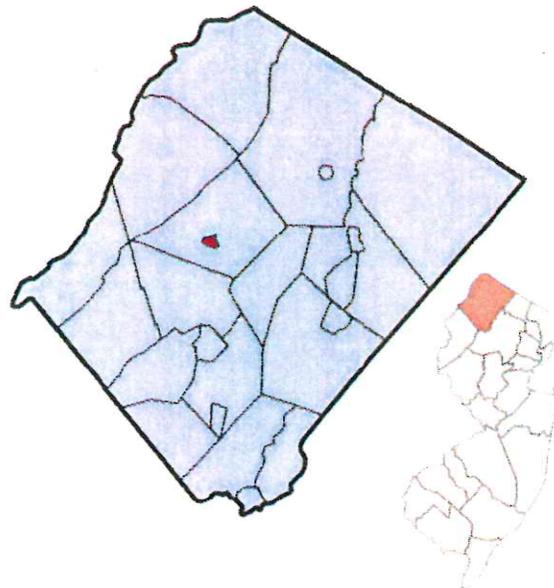
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FAIR SHARE PLAN

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“ADDENDUM”



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BRANCHVILLE BOROUGH MUNICIPAL BUILDING
BRANCHVILLE, NEW JERSEY

JULY 14, 2016

2016 BRANCHVILLE PLANNING BOARD

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TABLE OF CONTENTS

<u>SECTION</u>	<u>PAGE</u>
1. INTRODUCTION	1
2. SUMMARY OF BRANCHVILLE BOROUGH'S 2008 HOUSING PLAN ELEMENT & FAIR SHARE PLAN	2
3. THE HISTORY OF BRANCHVILLE'S AFFORDABLE HOUSING EFFORTS	4
4. REGIONAL SETTING, DEMOGRAPHIC AND RELATED CHANGES	6
5. ENVIRONMENTAL, INFRASTRUCTURE AND RELATED FACTORS	9
6. BRANCHVILLE'S AFFORDABLE HOUSING OBLIGATION	11
7. BRANCHVILLE'S AFFORDABLE HOUSING STRATEGY	13
8. SUMMARY	16

APPENDIX A – MAPS

APPENDIX B – SSA LETTER FROM BOROUGH ENGINEER'S OFFICE

APPENDIX C – DOCUMENTATION AS REQUIRED

*COVER PHOTO – LOCATION MAPS – SUSSEX COUNTY IN RELATION TO THE REMAINDER OF
NEW JERSEY AND BRANCHVILLE BOROUGH IN RELATION TO THE REMAINDER OF SUSSEX
COUNTY*

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1. INTRODUCTION

Branchville Borough, as of the date of this document entitled - **The Branchville Borough Housing Plan and Fair Share Plan "Addendum"** - (herein referenced as the Addendum), has entered into a process, established by the New Jersey Supreme Court, which is intended to clarify and certify the Borough's efforts to meet its constitutional and statutory affordable housing obligation. This process involves updating the Borough's Housing Plan and Fair Share Plan (referenced herein as the HP/FSP) which was adopted in 2008. More importantly this process, which replaces the system administered by the NJ Council On Affordable Housing (COAH) - which enabled municipalities to obtain "substantive certification" in connection their affordable housing obligations - is now governed by the courts. Specifically, the NJ Supreme Court has delegated to each Superior Court in New Jersey the responsibility of determining the affordable housing obligations, within their jurisdiction, of those municipalities that apply to the court for "judicial" substantive certification, which will protect a municipality from challenges to their municipal housing plan and fair share plan.

This new process is nevertheless still required to abide by the provisions of the Fair Housing Act (FHA), as well as the caveats of the Mt Laurel decisions..... and to a large extent, by COAH's Second Round Rules. Consequently, this Addendum is intended to respond to the guidance currently being provided by the courts and establishes a revised affordable housing policy for the Borough, using the Second Round Rules for guidance but not being absolutely controlled by those regulations.

In accordance with the aforementioned requirements, it is the purpose of this Addendum to build on the Borough's 2008 Housing Plan and Fair Share Plan. That document, as supplemented by this Addendum, will bring the Borough into compliance with the New Jersey Supreme Court decision of March 2015. Furthermore, this Addendum affirms and readopts the 2008 Housing Plan and Fair Share Plan, except for those portions that are no longer applicable and/or superseded by this Addendum.

2. SUMMARY OF BRANCHVILLE'S 2008 HOUSING PLAN ELEMENT AND FAIR SHARE PLAN

The Borough's 2008 Housing Plan and Fair Share Plan (herein referenced as the HP/FSP) - of which this Addendum is a supplement - was itself, the culmination of many years of effort by the Borough to address its affordable housing obligation, as it was defined under the auspices of COAH. The HP/FSP is part of the Borough's Comprehensive Master Plan, which also includes re-examination reports, prepared in support of the Borough's overall planning efforts, and in compliance with the applicable statutory requirements.

The HP/FSP, at the beginning of the document (Sections 1.02 and 1.03), explained several matters that were germane to the Borough's affordable housing efforts, which are summarized as follows:

Branchville Borough is a rural Sussex County village center in Northwest NJ. It is located in Rural Planning Areas PA 4 and PA 4B, as per the NJ State Development and Redevelopment Plan (The State Plan).

The Borough is essentially at "build out" and the Borough Master Plan does not recommend the redevelopment of the historic village

Among the municipal objectives listed in the HP/FSP, two of them are of critical importance to the future of the Borough. They are: "Maintain Branchville's rural village character" and "Provide densities or forms of housing development consistent with the State Plan by examining the impact on the natural environment"

However, it must be noted, in connection with the above referenced statements, that since 2008, the Borough has undertaken a sewer construction project that will result in almost the entire municipality being serviced by a central sanitary sewer system. So, one of the assumptions in the 2008 HP/FSP – that any new development would be dependent on individual subsurface disposal systems – has now been invalidated and sewage disposal is no longer the absolute limiting factor that it had been (more will be discussed about this point later). Nevertheless, the Borough is still an "historic village" with characteristics and limitations that must be taken into consideration in connection with devising an appropriate affordable housing strategy for the community.

The 2008 HP/FSP is divided into multiple sections and subsections, plus it contains an extensive appendix. The document provides detailed demographic and other data, derived primarily from 2000 census information, regarding the Borough's housing stock, population, jobs and other related categories that fully inform the reader of the relevant characteristics of the community. And as a point of clarification, the 2010 Census data is very similar to that compiled in 2000, so the decision was made rely on the 2000 data, rather than include the 2010 data in this Addendum.

The HP/FSP also discusses the Borough's affordable housing obligation and how to address it. Most of that material is not repeated in this Addendum but some of it is discussed in Sections 4 and 5 herein and is supplemented, to the extent

necessary, later in this document. In summary, it was determined that Branchville, in 2008, had a Prior Round obligation (from Rounds 1 and 2) of 13 units. In addition, it was determined that the Borough also had a Rehabilitation Share of 0 units. Finally, as noted earlier, the Third Round Rules established a Growth Share obligation, based on a much disputed formula. Branchville's adjusted Growth Share number was determined to be 1, by the Borough's planning consultant at that time. The total affordable housing obligation, then, in 2008 HP/FSP, was determined to be 14 and the strategy outlined in the 2008 document is based on that number.

So, under the current court supervision, the HP/FSP needs to be amended to reflect the fact that although there is still a Prior Round obligation and a Rehabilitation obligation (currently termed the Present Need), which was 0 in 2008, there is no longer a Growth Share obligation. However, a new, third obligation is being imposed on all municipalities and that obligation is known as the Prospective Need. This category covers the time frame from 2015 to 2025. More will be discussed about all three obligations – **Prior Round, Present Need and Prospective Need** – later in this document.

3. THE HISTORY OF BRANCHVILLE'S AFFORDABLE HOUSING EFFORTS

Branchville was a participant in the COAH administered affordable housing process and the Borough's 2007 Housing Plan – later amended in 2008 - outlined how to comply with COAH's regulations, at that time.

Specifically, the Borough's affordable housing strategy in 2007 involved participation in a Regional Contribution Agreement (RCA), with the City of Garfield that would have fully addressed the Borough's obligation. However, before that strategy could be implemented, the NJ Legislature eliminated the RCA program. Consequently, Branchville was required to return to the "drawing board" and craft a new strategy.

The new strategy, as outlined in Section 2.03 of the 2008 document, relied on several components, such as an inclusionary option, which allows for the conversion of single family homes into two family structures - with one unit to be set aside for income eligible occupants. In addition, the Borough's strategy included an accessory apartment provision, the encouragement of supportive housing for special needs individuals and a development fee ordinance to provide the necessary funding for a housing rehab program, if needed, or for other affordable housing projects. In fact, the Borough had been very cooperative in connection with the establishment of a group home in Branchville, which has existed there now for many years.

However, with respect to the Borough's efforts to obtain substantive certification in the past, although the Borough submitted a formal petition to do so in 2008 and it was determined to be complete by COAH in January of 2009, the chaos surrounding the COAH process, related to ongoing litigation, prevented the Borough from obtaining the requested substantive certification from COAH. So, Branchville has found itself in the same situation as many other municipalities these last eight years, not knowing how it should respond to the affordable housing issue.

It must also be emphasized, that there has been only a limited amount of new residential or commercial growth in the Borough for many years. This has been attributable to the small size of the Borough, the lack of available land and the community's infrastructure constraints, all of which will be discussed later in this document.

Nevertheless, there has been some discussion within the Borough, in recent years, about including some additional inclusionary provisions in the Borough's zoning regulations, in anticipation of the development or redevelopment of a limited number of vacant or underdeveloped residential and/or non residential properties that may have affordable housing potential in the future. It has also been emphasized during these discussions that this approach must be pursued carefully so that the historic village "characteristics" of the Borough are preserved and not negatively impacted.

Actually, although the Borough has not actively pursued a program to create many new affordable units within the community since 2008, in fact, there are many existing housing units in Branchville - both rental and owner occupied units - which undoubtedly comply with the housing cost limitations established by COAH. However, they are not deed restricted and therefore do not qualify under the applicable affordable housing regulations. These units will be discussed later in this report in connection with the "credits without controls" issue.

Suffice it to say, that as one of the smallest municipalities in Sussex County, with a limited amount of vacant land, plus infrastructure constraints, Branchville Borough has not been the focus of much development activity during the first two decades of the 21st century. Consequently, the Borough, since its obligation was a very modest one, chose in the past not to be an aggressive participant in the COAH process. However, the Borough, as stated previously, did make some attempts to bring itself into compliance with COAH's regulations. Obviously, the affordable housing picture has now changed dramatically and to a certain extent, so has the Borough's infrastructure limitations. So, Branchville is now prepared to move ahead and devise a realistic opportunity for the inclusion of more affordable units within the Borough, subject to accepted planning principles and the overall planning goals and objectives of the community.

4. REGIONAL SETTING, DEMOGRAPHIC AND RELATED FACTORS

Branchville Borough is a small, nearly fully developed rural residential community, consisting of 0.6 sq miles, which is equal to approximately 384 acres. The Borough ranks 542 out of 566 New Jersey municipalities in terms of land area, making it one of the smallest municipalities in the state. Furthermore, it has a population density of just over 1,400 people per square mile. The Borough is located in the west central portion of Sussex County – see the maps on the cover page of this document - and is surrounded by Frankford Township, with the municipalities of Wantage, Lafayette, Hampton and Montague nearby. The primary transportation artery connecting Branchville with other parts of Sussex County and beyond is Route 206. The municipality is also serviced by two Sussex County roads – Routes 519 and 630.

It should be noted that the larger rural communities (ie: Wantage, Lafayette etc) near Branchville have more in common with rural areas to the north and west – in New York and Pennsylvania, respectively – than they do with some Sussex County municipalities further south and even with the municipalities located south of Route 80 in Morris County. However it should be noted that for the purposes of calculating the regional affordable housing need, Branchville and Sussex County are grouped in the same region (Region 1) with the counties of Hudson, Passaic and Bergen. Morris County, on the other hand, which although different in many respects from much of Sussex County - but certainly more similar than Bergen, Hudson and parts of Passaic - is in Region 2.

The scope and purpose of this Addendum does not permit a detailed discussion of regional need, how the region boundaries were derived and how the allocation of the aforementioned affordable housing need results in each municipality's obligation. Suffice it to say, that this regional grouping has some flaws inherent with it that previously created many problems associated with the COAH administered process. Fortunately, the new court administered process, although still abiding by the Region 1 boundaries, can now consider Branchville's existing conditions and limitations, in a more flexible way than COAH could, in the past.

The aforementioned existing conditions and limitations associated with Branchville's development potential will be addressed in the next section of this Addendum. First, however, some discussion is needed about what appears to be a fundamental change occurring in Branchville and much of Sussex County in recent years. This fundamental change is related to a declining, rather than an expanding population base.

For the last several decades, it has been the policy of the State of New Jersey to discourage to the greatest extent possible, any significant growth in the Sussex County area. This "No Growth" policy has many positive factors associated with it. Certainly, many land development mistakes have been made in other parts of New Jersey that should not be repeated in Sussex County. However, the question now confronting most Sussex County municipalities is whether or not we are now

beginning to see the negative effects, associated with this policy, and what the long term implications of it may be.

Initially, in the 1960's and 1970's, such important regulations as those pertaining to wetlands protection and endangered species, promulgated by the NJ Dept of Environmental Protection (NJDEP) began to limit the amount of developable land in much of Sussex County. Prior to that time frame and subsequent to it, New Jersey and the Federal government also undertook the acquisition of thousands of acres in Sussex County, so that the acreage in question could be preserved as permanent open space.

As the environmental movement strengthened in the 1980's and 1990's, further restrictions were placed on land development in many locations throughout Sussex County, culminating in such efforts like the creation of the NJ Highlands Council, which severely restricts development in the Highlands portion of the state. Furthermore, another state agency, the NJ State Planning Commission, has identified areas in New Jersey, via The State Plan, where growth should be directed (urban areas and centers) and where it should be restricted (i.e. – most of Sussex County).

As an aside, Branchville is listed in the NJ State Development and Redevelopment Plan as an "identified center" but the Borough has not engaged in the process that was established by the NJ State Planning Commission in order to become a "designated center". Consequently although Branchville plays a role as a limited village center, for portions of Frankford Township and other nearby municipalities, it is not officially a "center" in accordance with the requirements of the NJ State Planning Commission.

With respect to the environmental issues discussed above, the end result of these efforts, as noted earlier, is both positive and negative. Although much of Sussex County remains green and beautiful and wildlife is still abundant, land development activity has slowed considerably, to the point where serious concerns are being raised about how this slowed activity is affecting the economic base of Sussex County. This slowed growth, of course has not been caused by environmental protection activity alone. Obviously, the economic downturn that we have been experiencing nationwide has contributed to this situation. But as the national and statewide economy has been improving there has been little evidence of that happening in Sussex County.

So, communities throughout Sussex County are grappling with such things as declining school enrollments – as much as 20% or more over a ten year period. Furthermore, a study entitled Sussex County Economic and Demographic Profile, prepared in 2014 by the Rutgers University, Edward J Bloustein School of Planning and Public Policy, provides detailed data, not only about Sussex County but the New Jersey / New York Metropolitan Area as a whole. The data in that study clearly documents the shift that has occurred in Sussex County from one of the fastest growing areas of the New Jersey to one that between 2005 and 2012 (page 18) had a population decline of 2.6%. This decline is also reflected in a significant drop in the number of building permits issued between 2001 and 2012 (page 17).

Branchville, in particular, has experienced a slow but steady decrease in its population since 1960, unlike many Sussex County municipalities that have experienced population increases from the 1970's through the end of the 20th century. Based on a US Census Bureau estimate, the 2013 population of Branchville is 821 residents, which live in approximately 350 households. This loss of nearly 150 residents below the 1960 population figure, represents a decline of approximately 15% during that time frame. However, as just noted earlier, that decline has occurred gradually – approximately 3% per decade. Nevertheless, the trend is clearly one of population loss, even though in theory, according to the NJ State Planning Commission, some additional growth should be occurring in Branchville, because it is a village center, as noted previously, where the State Plan envisions growth occurring.

Beyond the environmental restrictions and the related economic issues that have contributed to the slowing of growth in the Sussex County area, the “No Growth / Limited Growth” policy of the State of New Jersey relative to Sussex County has also impacted the transportation and sewer infrastructure throughout Sussex County and in Branchville as well.

For example, there have been few significant major road improvements in Sussex County and adjoining areas in at least the last 30 years and the areas that NJDEP will allow to be serviced by sanitary sewers (Sewer Service Areas) have been reduced in size dramatically. Branchville, however, has been fortunate in that a new sanitary sewerage system is being constructed throughout a substantial portion of the Borough, as this document is being written. And while that is good news, the primary purpose of this new system is to correct existing problems, not accommodate a substantial amount of new growth. More will be discussed about this issue later in this document

With respect to the inadequate road network, travel time to work and back has been increasing significantly as commuters negotiate the traffic congestion on Routes 15, Route 206 and Route 23 – the three major transportation arteries carrying workers to their jobs beyond the limits of Sussex County. And of course with the No Growth / Limited Growth policy affecting the ability of communities to attract new businesses and / or encourage the expansion of existing businesses, the number of jobs being created in Sussex County lags behind the job production rate in the rest of New Jersey

In summary, this fundamental change in the demographic and economic base of Sussex County has had many causes. Nevertheless, it is a reality that must be taken into consideration as Branchville shapes a new affordable housing strategy that is outlined in Sections 6 and 7.

5. ENVIRONMENTAL, INFRASTRUCTURE AND RELATED FACTORS

Branchville - as described in the 2008 HP/FSP and in other planning documents, such as the Borough's 1995 Master Plan and subsequent Master Plan Reexamination Reports - although small in size - Branchville consists of a variable landscape that includes some wetlands, steep slopes, a stream corridor and flood zone associated with a branches of the Paulins Kill River - Dry Brook and Culvers Creek - and some small "remainder" forested areas.

In terms of another possible limitation, with respect to Branchville's potential for new growth, the existing land development pattern of the Borough can be described as being primarily single family detached residences on relatively small lots. In addition, there are several business located within the Borough's central business district along Broad St., Main St and Mattison Ave. There is also a scattering of commercial uses along Route 206 and the Borough is also home to two prominent insurance companies, with one of them - Selective Risk - occupying a campus type facility on the northern edge of the community.

With respect to the overall land development pattern and land use picture, it needs to be noted that there are few undeveloped tracts of any significant size in the Borough. Table 1 below is a list of vacant parcels in Branchville and a review of the list indicates that most of the vacant parcels consist of less than an acre

Table 1

class	acreage	block	lot	location
15C	1.43	101	4	WANTAGE AVE
1	0.12	201	7	LLOYD AVE
15C	3.53	201	21	10 MAPLE AVE
15C	0.01	203	1	11 & 13 WANTAGE AVE
1	0.67	203	7	10 MATTISON RD
1	0.26	203	00008 02	REAR NEW ST
15C	0.02	203	11	2 MATTISON RD
1	0.76	204	3	MATTISON AVE
1	0.33	205	3	SECOND ST
1	2.23	301	00003 02	5,11,13 ROSLYN RD
1	0.18	301	00027 02	MAIN ST
1	0.54	301	42	3 DECKER HILL RD
1	0.08	302	00002 02	5 CHURCH HILL
1	0.35	302	5	7 CHURCH HILL RD
1	0.7	302	00006 01	23 CHURCH HILL
1	0.92	303	1	ROSLYN RD
1	1.16	303	2	ROSLYN RD
1	0.29	303	3	ROSLYN RD
1	0.72	401	00005 01	35 1/2 MAIN ST
1	0.18	401	8	41 MAIN ST
1	0.03	401	8	RT 206
1	0.11	401	9	52,54 RT 206
15C	0.01	402	2	RT 206
1	2.4	402	3	5T RT 206
1	0.5	402	4	RT 206
15C	0.21	502	00001 02	MAIN ST
15F	0.18	503	1	Cor Main & Hrside Ave
1	0.03	503	10	MAIN ST
1	0.05	503	14	MAIN ST
1	0.11	503	15	1 KEMAH LAKE RD
1	0.57	504	7	1 KEMAH LAKE RD
1	0.9	504	8	RT 206 & KEMAH LK RD
1	7.45	504	10	245 RTE 206
1	0.91	504	00010 03	RT 206
1	0.42	504	00016 05	RT 206
1	0.05	504	21	9 MILL ST
15C	0.18	504	22	4 MILL ST
1	4.42	505	3	RT 206
1	0.71	506	1	245 RT 206
1	1.2	601	1	44 MILL ST
15C	1.72	601	7	MAIN ST
1	1.54	601	13	RT 206
1	2.79	602	00007 02	MORRIS AVE
1	0.12	602	13	15 MORRIS AVE
1	0.87	603	1	RT 206
15C	1.68	701	1	SECOND ST
1	0.05	702	00001 01	BROAD ST
1	1.6	703	15	PROSPECT ST
1	0.36	705	8	70 BROAD ST
1	0.12	705	17	48 BROAD ST
15C	1.03	705	18	40 BROAD ST
1	0.06	705	00023 01	25 MILL ST

Furthermore, Appendix A in this document contains six maps. One is an aerial photo of the Borough that confirms the previous description of the existing land development pattern of the community. The other maps include a "Build Out" map of the Borough and three maps associated with the constraints affecting future development – the Landscape Map (which uses NJDEP data), the Sewer Service Area map and the Slopes map. Finally, the Zoning Map of the Borough, is included which will need to be consulted in connection with the material presented in Section 7.

In terms of a limitation related to infrastructure, Route 206 is a major arterial road – albeit one lane in each direction - and is under the jurisdiction of the State of New Jersey. At certain times of the year and days of the week, this roadway carries a substantial amount of traffic – not usually stopping in Branchville as a destination but instead travelling through the community. However, Branchville residents utilize this road as well and any affordable housing strategy must consider the adequacy of this road with respect to an increased population

Finally with respect to the water supply and sewage disposal issues relevant to future growth in the Borough, suffice it to say that the capacities of both systems are not unlimited. As noted earlier, the sanitary sewerage system now under construction will result in most of the Borough transitioning from individual subsurface disposal systems to a central collection and disposal strategy. However, at this time it is unknown what the excess capacity will be until the system has been in operation for possibly as long as a year and the sewage flows can be documented and evaluated. So, until then the Borough has to be careful about authorizing new connections, so that it doesn't find itself in violation of any NJDEP regulations. Attached in Appendix B is a letter from the Borough Engineer's office that provides some insight into the complex set of decisions that were involved in determining the exact extent of the Borough's Sewer Service Area.

In summary, there are limitations to the amount of future growth that can reasonably occur within the Borough, which must be considered as part of any affordable housing strategy. That's not to say the Borough cannot accept any new development. It can and it will. But that growth must be tailored to fit Branchville in a way that doesn't violate the overall planning goals and objectives of the community.

6. BRANCHVILLE'S AFFORDABLE HOUSING OBLIGATION

The Borough's affordable housing obligation - as mentioned earlier in this document - and the obligation of every municipality in New Jersey, begins with the New Jersey Constitution, as interpreted by the New Jersey Supreme Court. Specifically, the Mt. Laurel doctrine imposes on municipalities the obligation to create a "realistic opportunity" for the development of low and moderate income housing. "Whether the opportunity is 'realistic' will depend on whether there is in fact a likelihood - to the extent economic conditions allow - that the lower income housing will actually be constructed." Southern Burlington County N.A.A.C.P. v. Mount Laurel Twp., 92 N.J. 158, 222 (1983) ("Mt. Laurel II").

The obligation is limited by "rational long-range land use planning" and should not arise from "sheer economic forces." Id. at 215. The Court in Mt. Laurel II further directed that the Mt. Laurel doctrine coincide with the "fundamental legitimate control of municipalities over their own zoning and, indeed, their destiny." Id. at 214. So, as discussed earlier in Section 5, the unique environmental and location constraints, plus other factors associated with the Borough can legitimately be considered - in fact must be considered - in shaping Branchville's affordable housing strategy.

Furthermore, The Fair Housing Act ("FHA"), enacted as the legislative response to the Mt. Laurel decisions, further intended that statewide development be tempered by a municipality's "respective environmental requirements". While the FHA suggests that municipalities may implement "a plan for infrastructure expansion and rehabilitation if necessary to assure the achievement of the municipality's fair share of low and moderate income housing," subsection 311(9)(d) of the Act provides that "nothing in [the Act] shall require a municipality to raise or expend municipal revenues in order to provide low and moderate income housing." The Mt. Laurel II court emphasized that development of low and moderate income housing is expected to utilize existing infrastructure, "contiguous with existing development," and to take shape in harmony with the municipality's "respective environmental requirements." Id. at 229; 231 (quoting the SDGP).

As already noted, Branchville did not obtain substantive certification from COAH but it did make a good faith effort to do so. The Borough is now prepared to address its affordable housing obligation and is taking the necessary steps to make that happen.

In response to the NJ Supreme Court decision in March 2015 ("Mount Laurel IV") the Borough filed a Declaratory Judgment action in 2015 and simultaneously filed a motion for a period of temporary immunity, which the Court has granted. The Borough chose not to join the consortium that retained Econsult Solutions to determine the affordable housing obligations of the participating municipalities. The Borough instead is relying on the numbers calculated by the Fair Share Housing Center (FSHC) consultant, David Kinsey, regarding its fair share

affordable housing obligation. Specifically, the Borough is relying on the May 2016 Kinsey report, as adjusted by FSHC in connection with a series of negotiations that have occurred with other Sussex County municipalities.

The Kinsey report provides three separate obligation numbers for each municipality. Those categories can be summarized as follows:

Prior Round Obligation – This figure represents the obligation of the municipality prior to the Third Round

Present Need – This figure theoretically represents the units that exist in Branchville, that are occupied by low and moderate residents, which need to be rehabilitated

The Prospective Need – This figure represents the portion of the regional need, in the future, for low and moderate income housing and the portion or share of that need allocated to Branchville.

However, unlike in 2008, the numbers for Branchville this time are somewhat on the high side and meeting that obligation by providing a realistic opportunity for new affordable housing units to be constructed in the Borough may be difficult.

Specifically, the Kinsey affordable housing obligation numbers for Branchville are presented in Table 2 below.

Table 2

Prior Round Obligation	13 units
Present Need	1 unit
Prospective Need.....	<u>73 units (unadjusted)</u>
Total	87 units

As noted earlier, there have been a series of negotiations during June of 2016 with other Sussex County municipalities and FSHC, which have result in the Kinsey Prospective Need numbers being adjusted downward by 30%. Although Branchville has not participated in any negotiations with FSHC, it is assumed that, in fairness, FSHC will honor that standard reduction in connection with the Prospective Need, which has been offered to other municipalities. Consequently, this document will rely on a Prospective Need obligation number of 51, rather than 73, as listed above, thereby reducing the Borough's total obligation from 87 to 65.

7. BRANCHVILLE'S AFFORDABLE HOUSING STRATEGY

A OVERVIEW

Branchville is one of several small "older suburban / urban" type municipalities in Sussex County – the others being Hamburg, Sussex, Ogdensburg, Andover and to a certain extent, Franklin, Stanhope and Newton - that were formed and developed many years ago under a very different set of circumstances than exist today. For the most part, they are significantly different than their larger, more rural neighbors but they are still constrained by many of the environmental and infrastructure problems afflicting the rest of Sussex County and they are also experiencing population declines, as already noted.

Nevertheless, these communities, including Branchville, have an affordable housing obligation that must be addressed. The question that the following pages will answer is how that obligation can realistically be met in Branchville specifically.

B THE FAIR SHARE PLAN AMENDMENTS

The specific Fair Share Plan as to how this affordable housing goal will be accomplished, between now and 2025, is presented as follows:

Present Need – 1 unit – Local officials, with knowledge of the Borough's housing stock, obviously considers this number to be reasonable. Branchville will make funds available for rehabilitation purposes, based on the Second Round Rules, and publicize the purpose of the program. The initial amount needed for the program will be less than \$20,000. The funds will be derived from the Borough's Development Fee Ordinance.

Prior Need – 13 units/credits – This part of the Borough's obligation is partially addressed, simply by applying the credits available from the existing SCARCC group home in the Borough (5 bedrooms plus the 4 bonus credits = 9 units/credits). As required, 25% (4) of the units related to the Prior Round obligation must be rentals and no more than 25% can be age restricted. In addition, the bonus credits related to rentals are limited to four in this instance. Other limitations and requirements, such as the minimum number of very low income and low income units are also met by the group home. It is further the recommendation of this Addendum that the remainder of the Prior Round obligation also be met by an additional group home to be located in the in the Borough. A four bedroom group home would not be eligible for any bonus credits but when combined with the existing group home, the Prior Round obligation will be fully met. The Borough will need to work with a provider of group homes - SCARCC,

Advanced Housing, Willowglen etc. Although the Borough is not obligated to provide any direct funding for such a facility, there are two things that the municipality can do to help facilitate such a project. First, the Borough can help fast track the approval process. Secondly, the Borough, as an incentive, could offer municipality owned property, at no cost, as a possible site for a group home. There are several properties that could meet the criteria for a group home but further study is needed before one is selected.

Prospective Need – 51 units/credits – The Prospective Need number is somewhat high and doesn't fully consider the constraints that exist within the Borough, such as the limited amount of developable land remaining. However, there are some future opportunities for affordable housing in the Borough, which will address the Prospective Need obligation, subject to the requirements of the Second Round Rules.

As required, 25% (13) of the units must be rentals and no more than 25% can be age restricted. In addition, the bonus credits related to rentals are limited to 13. Other limitations and requirements, such as the minimum number of very low income and low income units will also be met. The components of the Borough's affordable housing strategy are presented as follows:

1. Inclusionary Zoning Projects

Currently, within the Borough there are several locations that are undeveloped and / or underdeveloped that could accommodate inclusionary projects. They are generally located within the vicinity of Route 206. They can be located by referring to the Zoning Map in Appendix A of this document. A brief description of each site follows:

- * Site A – Block 505 Lot 3 – South side of Route 206, east of Kemah Lake Rd - Approx. 4.50 acres
- * Site B – Block 504 Lot 10 – North side of Route 206, with frontage on Hillside Ave., as well. Approx – 9.25 acres
- * Site C – Block 602 Lots 1, 7, 9 10 – North side of Route 206, with frontage on Morris Ave and Route 519, as well – Approx. 13.75 acres

These three sites total approximately 27.50 acres. However, the properties are somewhat irregular in shape and include some

environmental constraints, so a more detailed review will be needed to determine how many multi family housing units can actually fit on each site. But in terms of some general numbers, using a proposed density of 6 units per acre, these sites could accommodate a total of approximately 165 units, with the affordable component being in the range of 25 to 41 housing units. In order to make this happen, modifications to the Borough's zoning will be required

2. 100% Affordable Project

If the Borough wants to pursue the construction of a small senior project – 10 to 15 units or less - all of the units would count toward the Borough's obligation. However, the Borough would have to show that it has property where the housing units could be located or a site would be acquired. The Borough would also have to indicate how the project would be funded.

3. Apartments Over Commercial Uses

In the C and HC Zones residential units are allowed over commercial uses. A change in the zoning could require that a specific percentage of such units be affordable. However, the question that will be asked is how realistic is the possibility of any affordable units being created via this mechanism. Nevertheless, an argument could be made that 5 to 8 affordable units could result from this zoning change.

In summary then, these three components - or some variation - could result in the construction of approximately 50 to 80 affordable units. It is anticipated, then, that the aforementioned components will produce the 51 affordable housing units / credits that the number in the Kinsey report, as adjusted, has determined is Branchville's obligation. Meeting this obligation will reverse the slow but steady population decline that the Borough has experienced in the past. However, it is essential that this new housing be phased in gradually, so as not to overwhelm the Borough's support services. It is estimated that these 51 units / credits will require the construction of at least 125 to 165 new market rate units.

The Borough is taking this approach of establishing a plan that is capable of exceeding its obligation, because of the uncertainties associated with some of the components. In addition, the Borough prefers to use a phased approach in this regard. Consequently, the Borough's priority will be to first pursue the implementation requirements associated with components 1 and 3 and evaluate the success of those efforts before pursuing the implementation requirements associated with component 2.

8. SUMMARY

This concludes the Addendum to the 2008 Housing Plan / Fair Share Plan of the Borough of Branchville. As stated earlier, the Borough has not only encouraged the location of some affordable housing in the Borough but is prepared to provide the realistic opportunity for more such housing.

The Borough's total obligation is not a small one – 65 units – given the size of the Borough. Nevertheless, Branchville has chosen to meet its obligation, rather than seek a formal vacant land adjustment. However, it is clear that most of the remaining vacant land consists of small lots or is environmentally constrained and may be further complicated by the sewage disposal issue.

In closing, this Addendum has determined that the various projects / components that comprise the Borough's affordable housing strategy will provide a realistic opportunity for more affordable housing in the Borough. However, it will be equally important to evaluate, on a project by project basis, if such additional development will be contrary to the various constraints, which affect the Borough, and the overall planning policies of the community.

APPENDIX A

MAPS



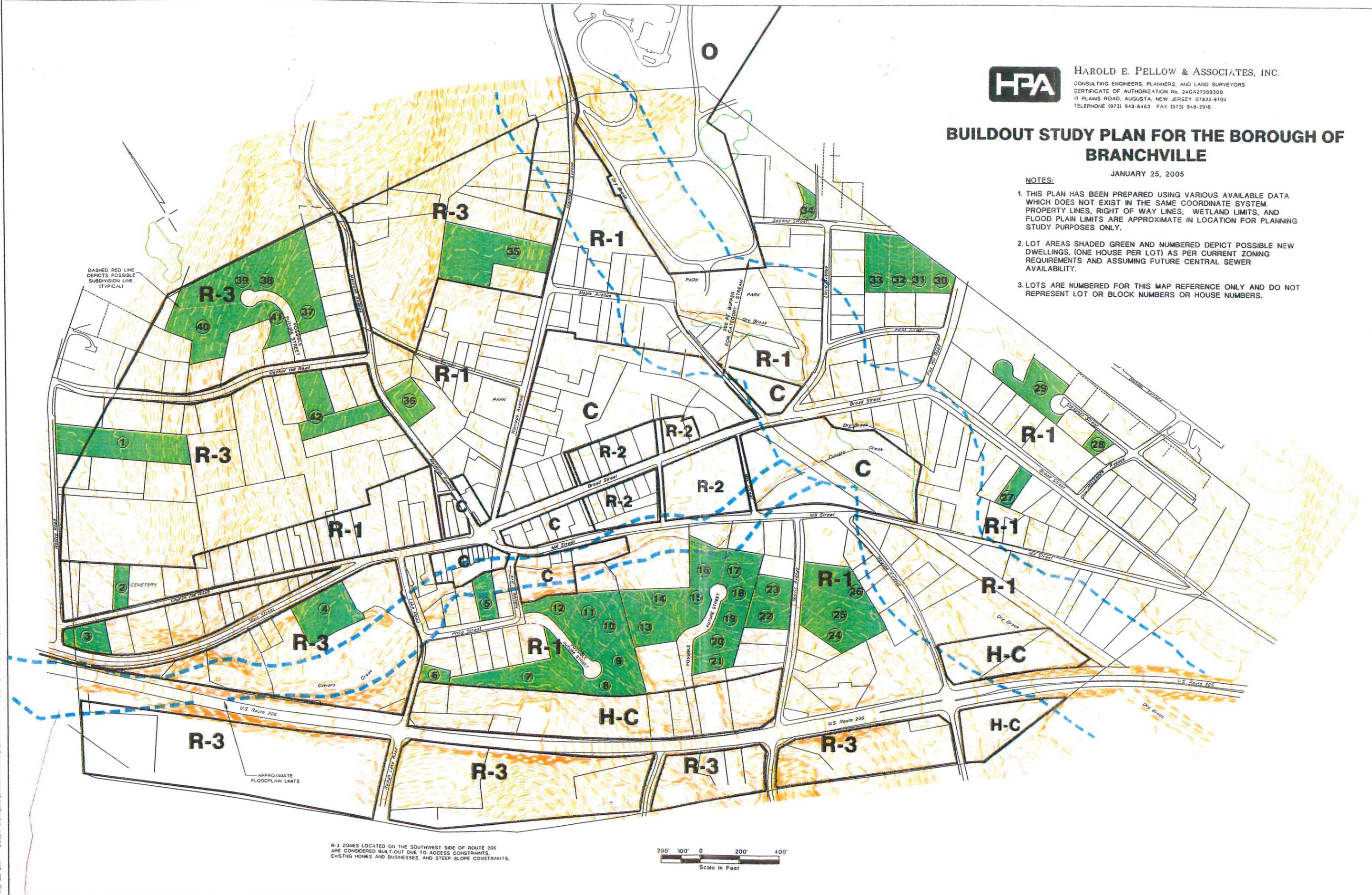
HAROLD E. PELLOW & ASSOCIATES, INC.
 CONSULTING ENGINEERS, PLANNERS, AND LAND SURVEYORS
 CERTIFICATE OF AUTHORIZATION No. 24GA27959300
 17 PLAINS ROAD, AUGUSTA, NEW JERSEY 07822-9704
 TELEPHONE (973) 948-6463 FAX (973) 948-2916

BUILDOUT STUDY PLAN FOR THE BOROUGH OF BRANCHVILLE

JANUARY 25, 2005

NOTES:

1. THIS PLAN HAS BEEN PREPARED USING VARIOUS AVAILABLE DATA WHICH DOES NOT EXIST IN THE SAME COORDINATE SYSTEM. PROPERTY LINES, RIGHT OF WAY LINES, WETLAND LIMITS, AND FLOOD PLAIN LIMITS ARE APPROXIMATE IN LOCATION FOR PLANNING STUDY PURPOSES ONLY.
2. LOT AREAS SHADED GREEN AND NUMBERED DEPICT POSSIBLE NEW DWELLINGS. (ONE HOUSE PER LOT) AS PER CURRENT ZONING REQUIREMENTS AND ASSUMING FUTURE CENTRAL SEWER AVAILABILITY.
3. LOTS ARE NUMBERED FOR THIS MAP REFERENCE ONLY AND DO NOT REPRESENT LOT OR BLOCK NUMBERS OR HOUSE NUMBERS.

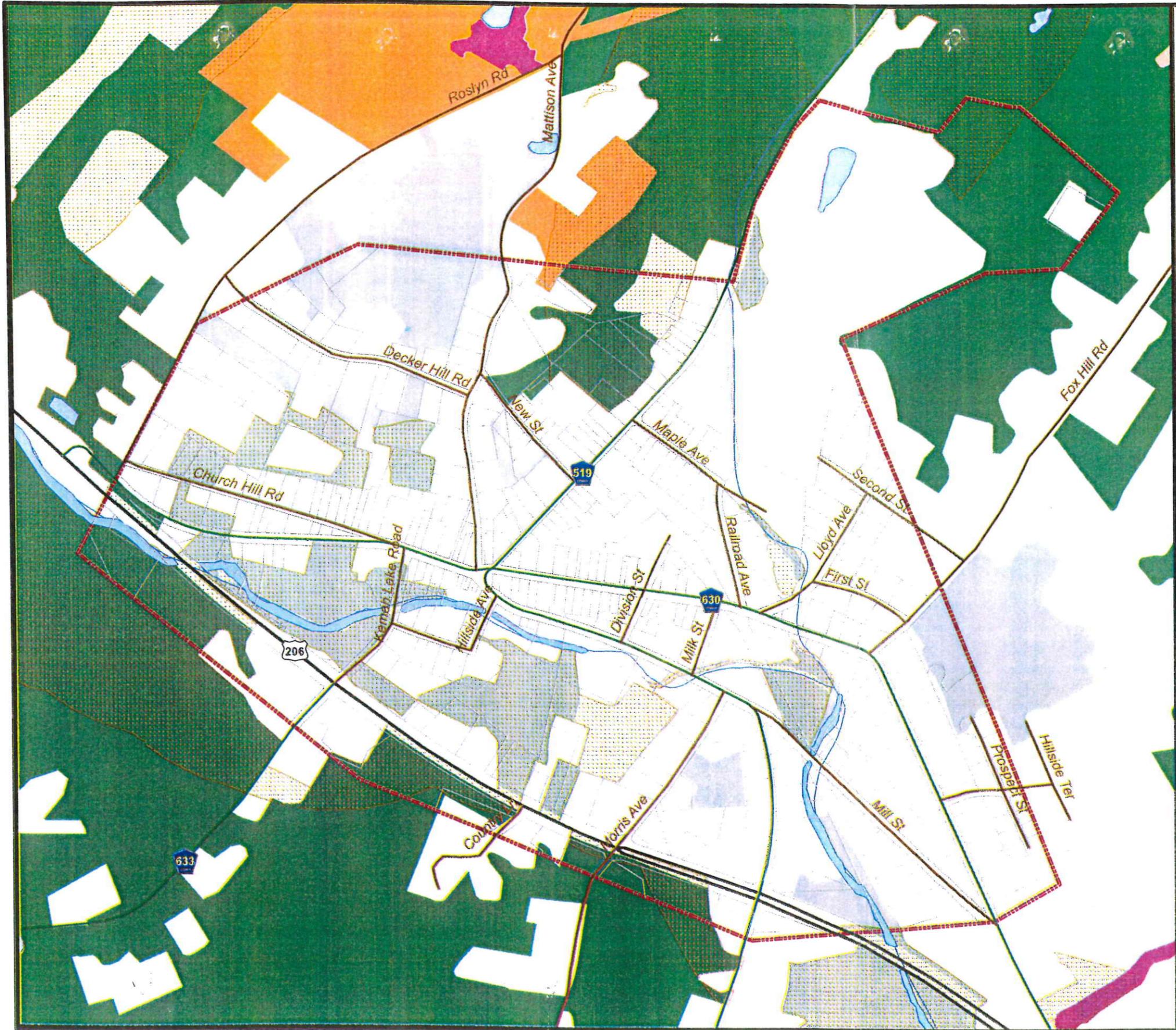


DASHED RED LINE DEPICTS POSSIBLE SUBDIVISION LINE (TYPICAL)

APPROXIMATE FLOODPLAIN LIMITS

R-3 ZONES LOCATED ON THE SOUTHWEST SIDE OF ROUTE 206 ARE CONSIDERED BUILT-OUT DUE TO ACCESS CONSTRAINTS, EXISTING HOMES AND BUSINESSES, AND STEEP SLOPE CONSTRAINTS.





Legend

- Parcels
- Municipal Roads
- County Roads
- State Roads
- Hydrology
- Streams
- Municipal Boundary
- Wood Turtle Habitat
- Bald Eagle Foraging Habitat (None in Borough)
- Urban Peregrine Falcon Nest Habitat (None in Borough)
- Forest Habitat**
- Suitable (1)
- Priority Species (2)
- State Threatened (3)
- State Endangered (4)
- Federal T and E (5)
- Grassland Habitat**
- Suitable (1)
- Priority Species (2)
- State Threatened (3)
- State Endangered (4)
- Federal T and E (5)
- Emergent Wetland Habitat**
- Suitable Habitat (1)
- Priority Species (2)
- State Threatened (3)
- State Endangered (4)
- Federal T and E (5)
- Forested Wetlands Habitat**
- Suitable (1)
- Priority Species (2)
- State Threatened (3)
- State Endangered (4)
- Federal T and E (5)

"This map was developed using Sussex County Geographic Information System (SCOGIS) digital data, but this secondary product has not been verified by SCOGIS and is not county-authorized."

"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."

Last Revised: Feb. 26, 2010

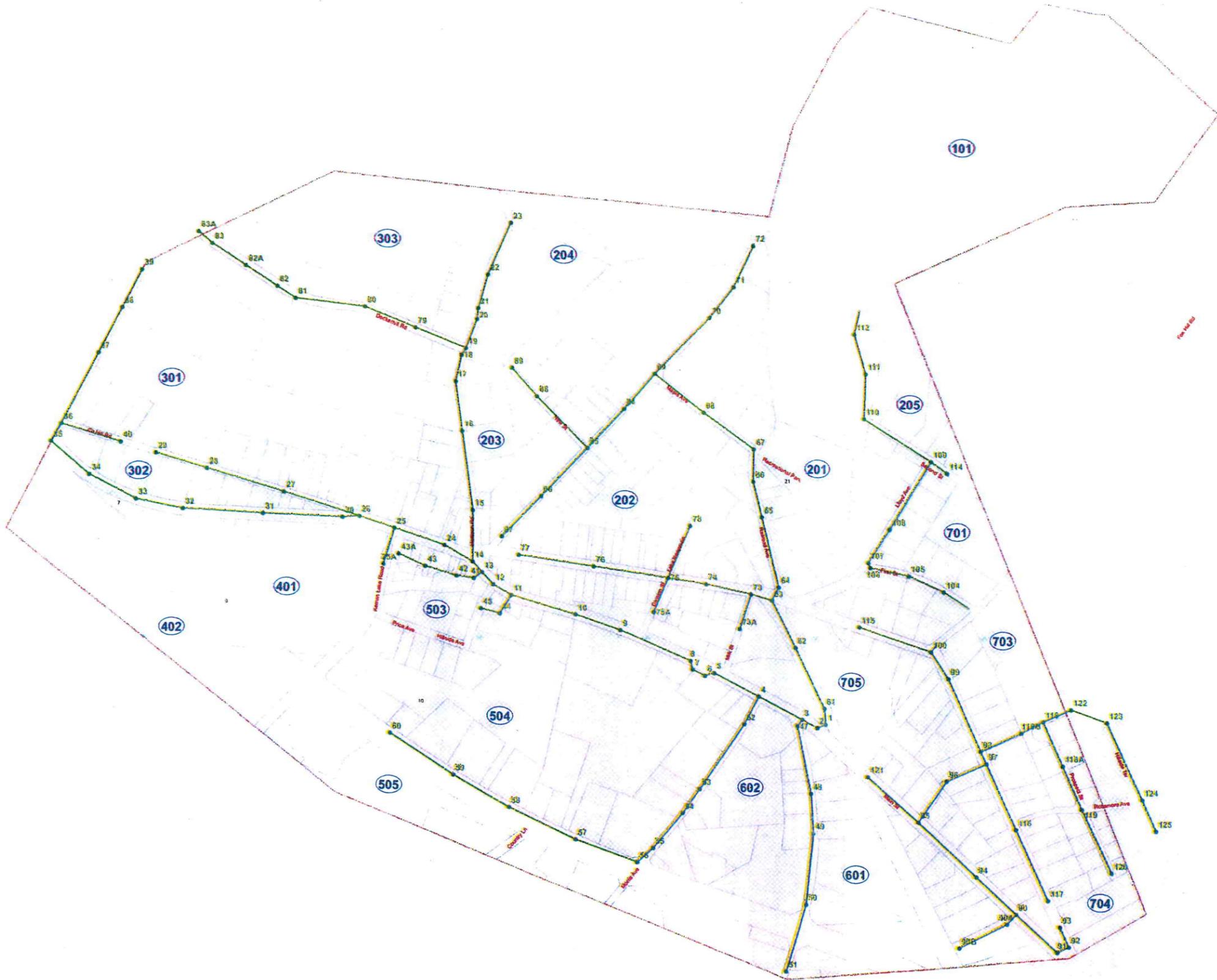


LANDSCAPE MAP (v.2.1)

Branchville Borough
Sussex County - New Jersey



Harold E. Pellow & Associates, Inc.
Consulting Engineers
C.O.A. #24GA27959300
Augusta, N.J.



- Legend**
- Proposed Sewer Manhole
 - Proposed Sewer Lines
 - Sewer Service Area
 - Parcels

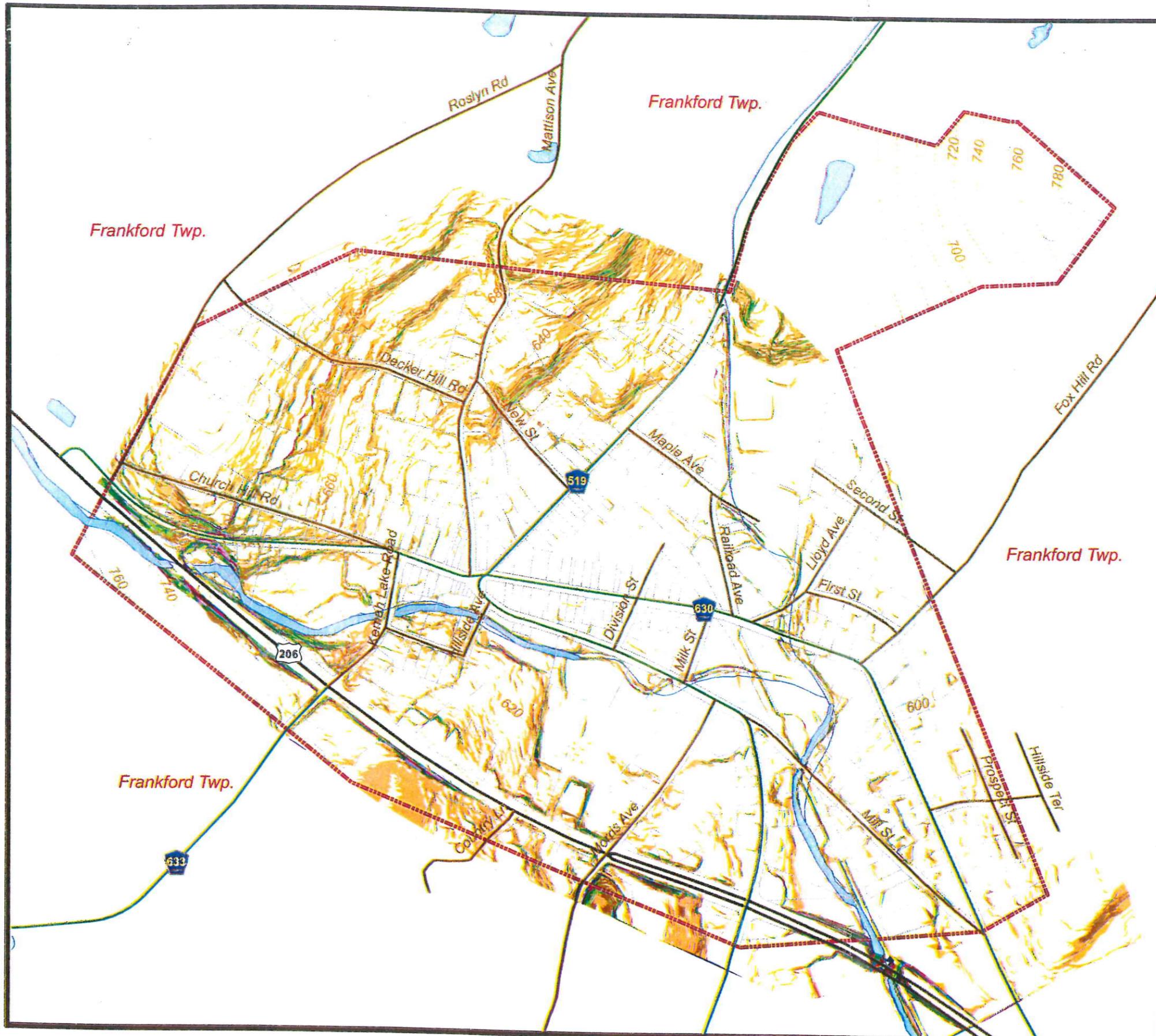
This map was developed using Sussex County Geographic Information System (SCOGIS) digital data, but this secondary product has not been verified by SCOGIS and is not county-authorized.

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Sewer Service Area
Borough of Branchville
Sussex County - New Jersey

Harold E. Pellow & Associates, Inc.
Consulting Engineers, Planners & Land Surveyors
C.O.A. #24GA27959300
Augusta, N.J.



Legend

- Parcels
- Municipal Roads
- County Roads
- State Roads
- Hydrology
- Streams
- Municipal Boundary
- Bville_Slopes

Steep Slopes

- 15% Slopes
- 25% Slopes
- 35% Slopes
- 45% Slopes
- 55% Slopes
- 65% Slopes
- 75% Slopes
- 85% Slopes
- 95% Slopes

"This map was developed using Sussex County Geographic Information System (SCOGIS) digital data, but this secondary product has not been verified by SCOGIS and is not county-authorized."

"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."

Last Revised: Feb. 26, 2010



SLOPES

Branchville Borough
Sussex County - New Jersey



Harold E. Pellow & Associates, Inc.
Consulting Engineers
C.O.A. #24GA27959300
Augusta, N.J.

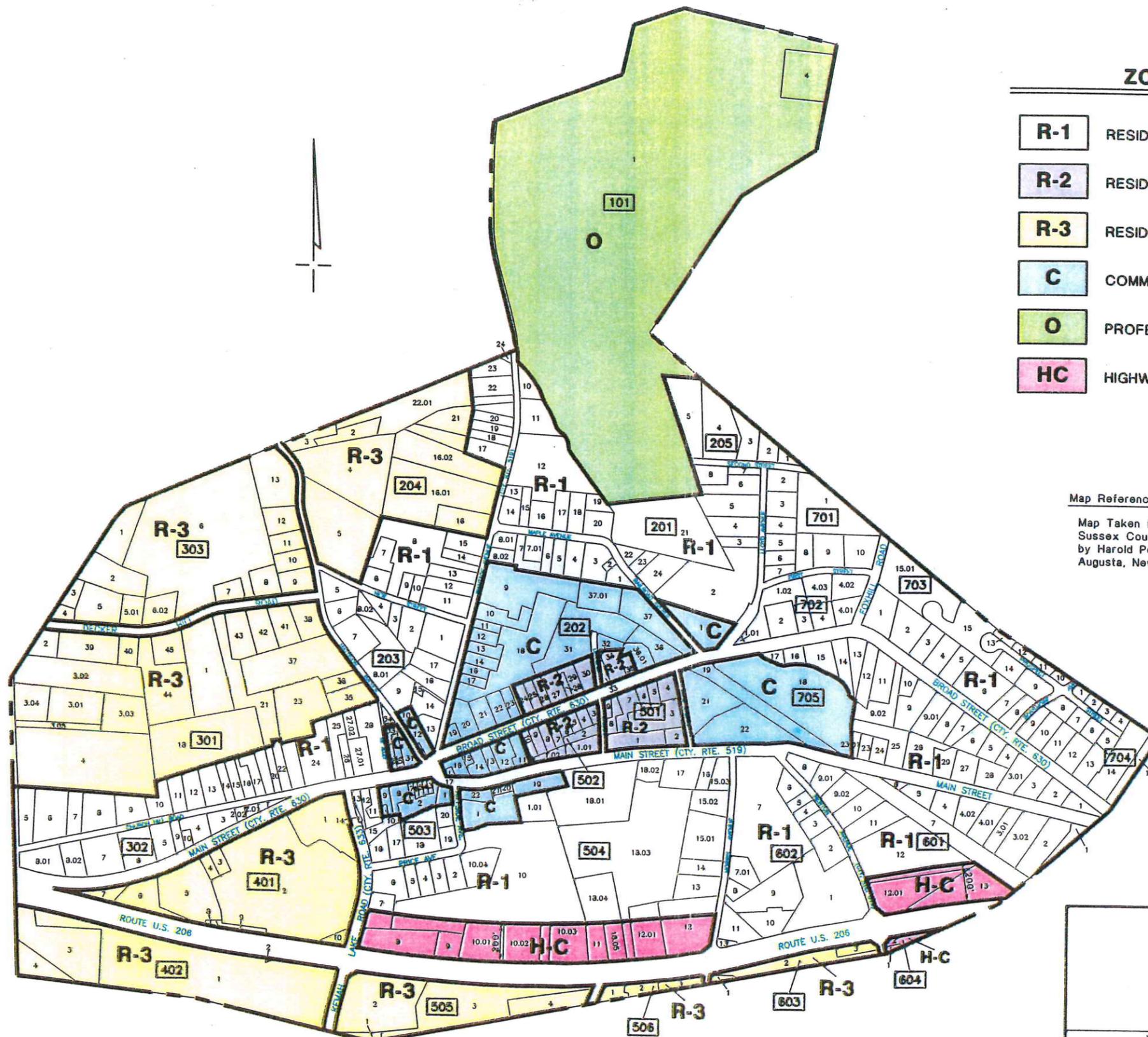


ZONE LEGEND

- R-1 RESIDENTIAL 1 DISTRICT
- R-2 RESIDENTIAL 2 DISTRICT
- R-3 RESIDENTIAL 3 DISTRICT
- C COMMERCIAL DISTRICT
- O PROFESSIONAL AND OFFICE DISTRICT
- HC HIGHWAY COMMERCIAL DISTRICT

Map Reference :

Map Taken from "Zoning Map of the Borough of Branchville, Sussex County, New Jersey; dated February 1979 as prepared by Harold Pellow and Associates, Inc., Consulting Engineers, Augusta, New Jersey."



July 21, 2007 - 9:43 AM J:\Projects\Branchville Borough\Master Plan\Zoning Map\Bville-Zoning.dwg (Rcourtright) HAROLD E. PELLOW & ASSOCIATES, INC.

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**ZONING MAP
OF
THE BOROUGH OF
BRANCHVILLE
SUSSEX COUNTY - NEW JERSEY**

	HAROLD E. PELLOW & ASSOCIATES, INC. CERTIFICATE OF AUTHORIZATION No. 2162-A27569000 CONSULTING ENGINEERS 17 PLAINS ROAD - AUGUSTA - N.J. 07022 PH. (973) 543-0463 FAX. (973) 948-2910	DRAWN BY: HCH CHECKED BY: RPC FIELD BOOK: N/A FILE No. 00-012	DATE: JULY 2007 SCALE: 1" = 400' SHEET No. 1 of 1
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HAROLD E. PELLOW, P.E. & L.S.
PROFESSIONAL ENGINEER & LAND SURVEYOR N.J. LIC. No. 13229

DATE _____

APPENDIX B

SSA LETTER FROM BOROUGH ENGINEER'S OFFICE



HAROLD E. PELLOW & ASSOCIATES, INC.

CONSULTING ENGINEERS • PLANNERS • LAND SURVEYORS

Established 1969

HAROLD E. PELLOW, *PRESIDENT*
NJ - P.E. & L.S., NJ - P.P., NJ - C.M.E.,
PA - P.E.

CORY L. STONER, *EXEC. VICE PRESIDENT*
NJ - P.E., NJ - C.M.E.,
PA - P.E.

ANN PELLOW WAGNER
NJ - C.L.A., VA - C.L.A., PA - C.L.A.
(5126/84 - 7127/89)

MATTHEW J. MORRIS
NJ - L.L.A., NJ - P.P.

DAVID B. SIMMONS, JR., *VICE PRESIDENT*
NJ - P.E. & L.S., NJ - P.P., NJ - C.M.E.,
NY - P.E. & L.S., PA - P.E. & L.S.

THOMAS G. KNUTELSKY, *ASSOCIATE*
NJ - P.E.

June 7, 2016

VIA E-MAIL & 1ST CLASS MAIL

MEMORANDUM TO: Branchville Borough Mayor and Council

FROM: Thomas G. Knutelsky, P.E.

SUBJECT: Sewer Service Area Designation for 241 Route 206 South
Block 506, Lot 2 – Steve Worthington Property
HPA No. 00-007

Dear Mayor Frato and Council Members:

As requested, I have researched all available information and records pertaining to the establishment of Sewer Service Area (SSA) limits in Branchville Borough and specifically, at the property referenced above. Upon completion of this research, I report the following to you:

1. As part of the proposed Branchville Borough Sewer System Design process, an amended Wastewater Management Plan (WMP) document was prepared in 2003 and submitted to the Sussex County 208 Policy Advisory Council (PAC) for review and endorsement. This amended WMP was required to be filed by statute and contained the overall limits of proposed Sewer Service Areas (SSA) in the Borough. After multiple meetings with the PAC, a resolution was prepared recommending the project for preliminary approval by the Freeholders and subsequent filing with NJDEP for their review. The Freeholders gave preliminary approval of the WMP and forwarded the plan to NJDEP on January 22, 2004.
2. At the time of the 2004 WMP submission to NJDEP, the subject property WAS included as a future SSA lot and was intended to be serviced by the proposed sanitary sewer system under design.
3. NJDEP finalized their review of the submitted WMP on July 15, 2005 with multiple comments related to NEW water quality standards which had not been in affect when the original WMP was submitted in 2004. Many of the comments centered on removal of lots associated with threatened and endangered species habitat, undeveloped lands, floodways, riparian corridors, and other environmentally sensitive lands.

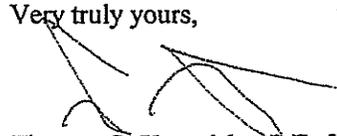
4. Borough and County representatives met with NJDEP on September 21, 2005 to go over the originally submitted 2004 WMP and subsequent 2005 department comments. It was made obvious during this meeting that WMP approval would not be issued unless the WMP was revised in accordance with the new standards. Without WMP approval, the Branchville sewer project would not be permitted.
5. In accordance with funding discussions held with USDA, it was indicated that NO funding would be available for the Branchville Sewer project until an Amended WMP was reviewed and approved by NJDEP. The Borough was encouraged to get the WMP approved in early 2006 as potential funding would utilize available 2006 monies. Funding available during future years 2007 and 2008 would be limited due to rebuilding costs associated with Hurricanes Katrina and Rita. For the sewers to be properly funded, it was imperative that the WMP be approved.
6. Based upon the 2005 NJDEP comments, the Borough revised the WMP by modifying the general limits of the SSA to coincide with the Town Center boundaries of the Borough. In addition, multiple environmentally constrained lots were also removed.
7. On September 7, 2006, NJDEP provided public notification of their intent to approve the revised WMP submitted by Branchville Borough. In the notice, it was specifically indicated that "The SSA has been defined to preserve riparian corridors and threatened and endangered species habitat. As a result the SSA was delineated to largely exclude those areas to ensure their protection." It went on to say "The proposed sewer service area boundary was negotiated such that areas determined by the Department to be critical habitat for the identified species were excluded from the sewer service area." This portion of the notice clearly indicates that the limits of the SSA depicted in the revised WMP for Branchville was determined by NJDEP.
8. I note that most properties on the westerly side of Route 206 are commercially zoned properties and are not part of the Town Center area. These properties are also associated with a Rank of 3, 4 or 5 threatened and endangered species habitat. It was for these reasons that the subject lot was removed from the SSA by NJDEP.
9. At the time of the NJDEP negotiated SSA withdrawal of this property in 2006, the property was owned by Angel G. Pacheo (Deed Bk 2979 Pg 1). The property was foreclosed upon in July 2015, and the mortgage was assumed by Federal National Mortgage Assoc. (Deed Bk 3375 Pg 416). The current owner bought the property in January 2016 (Deed Bk 3382 Pg 748). At the time of the current 2016 sale, the property had been removed from the SSA for approximately 10 years.

Branchville Borough Mayor and Council
RE: Sewer Service Area Designation for 241 Route 206 South
Block 506, Lot 2 – Steve Worthington Property
June 7, 2016

Page 3

I hope this sheds some light on the genesis of the SSA establishment in the Borough and the current status of SSA for the referenced lot. Please contact this office should you have any further questions, comments or concerns regarding this issue.

Very truly yours,



Thomas G. Knutelsky, P.E. for
HAROLD E. PELLOW & ASSOCIATES, INC.
Branchville Borough Engineers

TGK:tgk
K:\Projects\Municipal\Branchville\Council\00-007 - Council Business\Council - SSA Designations - 241 Route 206 - B 506 L 2.doc

cc: Kathryn Leissler, Municipal Clerk (via email)
Harold E. Pellow, P.E., L.S., Borough Engineer

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CERTIFICATE OF AUTHORIZATION NO. 24GA27959300

APPENDIX C

DOCUMENTATION AS REQUIRED