

2025 FOURTH ROUND HOUSING PLAN

HOUSING ELEMENT & FAIR SHARE PLAN
BOROUGH OF RARITAN
SOMERSET COUNTY
NEW JERSEY

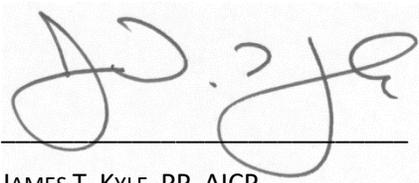
ADOPTED BY THE PLANNING BOARD

JUNE 25TH, 2025

ENDORSED BY THE BOROUGH COUNCIL

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PREPARED BY:



JAMES T. KYLE, PP, AICP
NEW JERSEY PROFESSIONAL PLANNER LICENSE 5667

KYLE McMANUS ASSOCIATES

A SIGNED AND SEALED ORIGINAL IS ON FILE WITH THE BOROUGH CLERK



2 East Broad Street, Second Floor
Hopewell, NJ 08525
jkyle@kylemcmanus.com

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INTRODUCTION & EXECUTIVE SUMMARY

Since the 1975 New Jersey Supreme Court decision known as “Mount Laurel I,” New Jersey municipalities have a constitutional obligation to provide opportunities for construction of low and moderate housing units through zoning ordinances. This 1975 decision led to a body of case law, legislative changes and rulemaking by a state agency that collectively is known as the “Mount Laurel Doctrine”. Through the compliance process, New Jersey municipalities have been assigned their fair share of the region’s affordable housing need for each compliance period and they must create mechanisms to address that need to have “satisfied” their constitutional obligation. The purpose of this Housing Element and Fair Share Plan (hereinafter the “Plan”) is to detail how Raritan will satisfy its constitutional obligation.

Affordable housing in New Jersey is defined as housing units which are reserved for households with incomes not more than 80% of the regional median income. Each affordable unit, depending on the age and type of housing, must remain reserved for low and moderate income households for up to 40 years, a requirement enforced by deed restriction. Each affordable unit is eligible for one “credit” against the obligation and certain units are eligible for “bonus credits,” which potentially provide more than one credit per unit. In addition to providing the minimum number of credits, municipalities must ensure diversity in the unit type (at least half of the units must be available to families and the remaining may be reserved for seniors and those with special needs), diversity in the level of affordability (very low, low and moderate income units), and diversity in the size of affordable units (one, two and three bedroom units).

Participation in this process and satisfaction of the affordable housing obligation can be achieved voluntarily or involuntarily, however, voluntary compliance is heavily incentivized. Municipalities that do not successfully participate may be vulnerable to exclusionary zoning litigation or a builder’s remedy, which is a litigation tool that can grant a developer the right to construct what is typically multifamily development on land that was not zoned to permit that use or density.

This Housing Plan addresses the Borough of Raritan’s newly assigned fourth round affordable housing obligation consisting of a present need (rehabilitation) of 9 units and a prospective need (new construction) of 99 units. The Borough was subject to a vacant land adjustment for the third round obligation, which established an RDP of 157 units and Unmet Need of 136 units. The Borough continues that vacant land adjustment and has identified two vacant properties not included in the third round analysis that lead to a fourth round RDP of

This Plan supersedes all previously adopted housing plans and will serve as the foundation for the Borough’s filing with the New Jersey Affordable Housing Dispute Resolution Program and a request for Compliance Certification. As detailed in this Plan, the Borough – like all New Jersey municipalities – has four components of its affordable housing obligation. Each component of the Borough’s obligation is identified on the following page and further detail is provided in later sections of this plan.

- Rehabilitation Obligation: 9 units
The rehabilitation obligation can be defined as an estimate of the number of deteriorated housing units existing in Raritan that are occupied by low- and moderate-income households. This component is also referred to as “present need”.
- First & Second Rounds Obligation: 82 units

The first and second round obligations can be defined as the cumulative 1987 through 1999 new construction affordable housing obligation. This component is often referred to as the “prior round” obligation.

- Third Round Obligation: 293 units

The third round obligation can be defined as the 1999 through 2025 new construction affordable housing obligation.

- Fourth Round Obligation: 99 units

The fourth round obligation can be defined as the 2025-2035 new construction affordable housing obligation. The current round of affordable housing, now the fourth round, is also referred to as the “prospective need”.

AFFORDABLE HOUSING IN NEW JERSEY

In its landmark 1975 decision, now referred to as “Mount Laurel I,” the NJ Supreme Court ruled that developing municipalities have a constitutional obligation to provide variety and choice of housing types affordable to low- and moderate-income households. In its 1983 “Mount Laurel II” decision, the NJ Supreme Court extended the regional fair share obligation to all municipalities with any “growth area” as designated in the State Development Guide Plan (NJDCA 1978) and determined that each municipality would have to establish its fair share obligation and provide zoning strategies to create a realistic opportunity for fulfillment of the fair share obligation. Mount Laurel II also gave developers, under appropriate circumstances, the opportunity to secure a builder’s remedy, a litigation tool that grants a developer the right to develop what is typically a multi-family development on land that was not zoned to permit the use or the residential density desired by the developer provided a “substantial” percentage of the units are reserved for low and moderate income households. Raritan seeks to avoid this possibility and preparation of this fourth round plan along with those previously adopted are evidence of that.

In 1985, the Legislature enacted the Fair Housing Act in response to Mount Laurel II. The Fair Housing Act created the Council on Affordable Housing (hereinafter “COAH”) as an administrative alternative to compliance in a court proceeding. The Legislature conferred “primary jurisdiction” on COAH and charged COAH with promulgating regulations to establish housing regions, to estimate the state’s low- and moderate-income housing needs, set criteria and guidelines for municipalities to determine and satisfy their affordable housing obligation, and to create a process for the review and approval of appropriate housing elements and fair share plans. Approval of a municipal housing element and fair share plan by COAH was referred to as “substantive certification” and it provided protection from builder’s remedy litigation during the period which the housing element and fair share plan addresses (i.e. the round).

COAH created the criteria and guidelines for municipalities to determine and address their respective affordable housing obligation. COAH originally established a formula for determining municipal affordable housing obligation for the six-year period between 1987 and 1993 (*N.J.A.C. 5:92-1 et seq.*), which became known as the “first round.” These rules established the first round rehabilitation obligation (also referred to as the “present need”) and the first round new construction obligation.

The first round formula was superseded by COAH regulations in 1994 (*N.J.A.C. 5:93-1.1 et seq.*). The 1994 regulations recalculated a portion of the first round 1987-1993 affordable housing obligations for each municipality and computed the additional municipal affordable housing need from 1993 to 1999 using

1990 U.S. Census data. The regulations COAH adopted in 1994 to identify a municipality's "cumulative" obligations for the first and second rounds are known as "the second round" regulations. Under regulations adopted for the third round, the obligation of municipalities to create new affordable housing for the first and second rounds was referred to as the "prior round" obligation.

On December 20, 2004, COAH's first version of the third round rules became effective some five years after the end of the second round in 1999. At that time, the third round was defined as the time from 1999 to 2014 but condensed into an affordable housing delivery period from January 1, 2004 through January 1, 2014. The third round rules marked a significant departure from the methods utilized in COAH's earlier rounds by creating a "growth share" approach that linked the production of affordable housing to residential and non-residential development within a municipality.

The growth share approach and the rules under which it was created was the subject of significant litigation and ultimately overturned by the New Jersey Appellate Court. On January 25, 2007, the New Jersey Appellate Court decision, In re Adoption of N.J.A.C. 5:94 and 5:95, 390 N.J. Super. 1, invalidated key elements of the first version of the third round rules, including the growth share approach. COAH issued revised rules on June 2, 2008 (as well as a further rule revision effective on October 20, 2008). Included in the 2008 rules was a recalculation of the cumulative first and second rounds obligation to account for updated data addressing secondary sources (filtering, demolitions, and residential conversions). Just as various parties challenged COAH's initial third round regulations, parties challenged COAH's 2008 revised third round rules. On October 8, 2010, the Appellate Division issued its decision, In re Adoption of N.J.A.C. 5:96 and 5:97, 416 N.J. Super. 462, with respect to the challenge to the second iteration of COAH's third round regulations. The Appellate Division upheld the COAH regulations that assigned rehabilitation and first and second rounds obligations to each municipality but invalidated the regulations by which the agency assigned housing obligations in the third round, finding that the Agency continued to utilize a growth share approach, albeit an amended one.

COAH sought a stay from the NJ Supreme Court of the deadline to issue new third round housing rules set forth by the Appellate Division. Additionally, there were various challenges to the Appellate Division's 2010 decision. On September 26, 2013, the NJ Supreme Court upheld the Appellate Court decision in In re Adoption of N.J.A.C. 5:96 and 5:97 by New Jersey Council On Affordable Housing, 215 N.J. 578 (2013), and ordered COAH to prepare the necessary rules. Subsequent delays in COAH's rule preparation and ensuing litigation led to the NJ Supreme Court, on March 14, 2014, setting forth a schedule for adoption.

Although ordered by the NJ Supreme Court to adopt revised new rules on or before October 22, 2014, COAH deadlocked 3-3 at its October 20th meeting and failed to adopt the draft rules it had issued on April 30, 2014. In response, Fair Share Housing Center (hereinafter "FSHC") filed a motion in aid of litigant's rights with the NJ Supreme Court.

On March 10, 2015, the NJ Supreme Court issued a ruling on the Motion In Aid of Litigant's Rights (In re Adoption of N.J.A.C. 5:96 & 5:97, 221 NJ 1, aka "Mount Laurel IV"). This long-awaited decision provided a new direction for how New Jersey municipalities were to comply with the constitutional requirement to provide their fair share of affordable housing. The Court transferred responsibility to review and approve housing elements and fair share plans from COAH to designated Mount Laurel trial judges. The implication was that municipalities were required to apply to Superior Court with a Declaratory Judgement Action, instead of to COAH, if they wished to be protected from exclusionary zoning litigation, including builder's remedy. These trial judges, with the assistance of an appointed Special Adjudicator to the Court, reviewed municipal plans much in the same manner as COAH previously did.

While the NJ Supreme Court’s decision set a process in motion for Boroughs to address their third round obligations, it did not assign those obligations. Instead, the task was completed by the trial courts. However, the NJ Supreme Court did direct that the method of determining municipal affordable housing obligations were to be “similar to” the methodologies used in the first and second round rules and municipalities should rely on COAH’s 1993 second round rules (*N.J.A.C. 5:93*) and certain components of COAH’s 2008 regulations that were specifically upheld, as well as the Fair Housing Act (*N.J.S.A. 52:27D – 301 et seq.*), in their preparation of third round housing elements and fair share plans.

FSHC, the only public interest advocacy organization in New Jersey devoted exclusively to promoting the production of housing affordable to low and moderate income households, was permitted to serve as an interested party in every municipal Declaratory Judgment Action. In this role the organization calculated municipal affordable housing obligations and offered to settle with municipalities. Such settlements addressed the municipal affordable housing obligation, compliance strategies and other terms intended to promote affordable housing production. Most municipalities that filed a Declaratory Judgment Action settled with FSHC, finding it to be in their best interest. The typical alternative to settlement with FSHC was conducting a trial in Superior Court to determine the municipal affordable housing obligation.

In addition to the State agency activity and judicial decisions through 2015, the New Jersey Legislature amended the Fair Housing Act in 2008 (P.L. 2008, c. 46, often referred to as the “Roberts Bill”, or “A500”). This amendment established a statewide 2.5% nonresidential development fee, prohibited new regional contribution agreements (hereinafter “RCAs”), required that 13% of all new affordable housing units be restricted to very low income households (30% of median income), and added a requirement that municipalities had to commit to spend development fees within four (4) years of the date of collection. Additionally, the Fair Housing Act was amended in 2013 (P.L. 2013, c. 6) to permit municipalities to enter into an agreement with a developer or development owner to provide a preference for veterans who served in time of war or other emergency to occupy up to 50% of the affordable units in a particular development. The preference is applicable to the first 90 of the 120 days of initial marketing and thereafter may be placed on a special waiting list for future available affordable units in the development. These amendments to the Fair Housing Act are not promulgated in any valid COAH regulations.

On March 20, 2024, an amendment to the Fair Housing Act was adopted (P.L. 2024, c.2.). This amendment creates significant changes to the fourth round of affordable housing, and all subsequent rounds. Such changes include the process in which municipalities obtain protection from builder’s remedy litigation – including but not limited to the elimination of COAH and the creation of the Affordable Housing Dispute Resolution Program, the methodology to calculate municipal prospective need obligations, and the administration of affordable housing units. However, the Fair Housing Act does not create or direct the creation of new rules that would provide further guidance, instead it states municipalities shall rely on rules adopted by COAH, unless contradicted by statute or binding court decisions, for municipal crediting, adjustments and compliance strategies. One notable example of contradiction is the generation of and use of bonus credits. See the sections that follow for additional information regarding this amendment to the Fair Housing Act.

The Affordable Housing Dispute Resolution Program (hereinafter the “Program”) resides within the judiciary and is made up of an odd number of Judges with a minimum of 3 and not more than 7. The Program, in its discretion and in accordance with the Rules of Court, may consult or employ services of one or more special adjudicators or staff to assist it in rendering determinations, resolving disputes, and facilitating communication among municipalities and interested parties. The Program is responsible for

reviewing municipal affordable housing obligations, housing plans, and conducting mediation. However, final determinations of compliance, disputes, and other issues, as well as Court orders may only be issued by a County-level housing judge.

In addition to changes addressing the compliance process and elimination of COAH, the amendment also revised minimum affordability controls for rental units from 30 years to 40 years and those for extension of affordability controls from 30 years to as little as 20 years, provided the total control period is not less than 60 years. It also created new roles for the Department of Community Affairs (hereinafter “DCA”), including calculation of non-binding rehabilitation and prospective need affordable housing obligations, oversight and adoption of rules regulating municipal affordable housing trust funds, municipal housing liaisons and affordable housing administrative agents, as well as oversight of affordable unit administration. The amendment also directed the New Jersey Housing and Mortgage Finance Agency to revise the Uniform Housing Affordability Control Rules (*N.J.A.C. 5:80-26.1 et seq.*).

The Compliance Process

The first step in a municipality’s compliance process is to establish the affordable housing obligation. The first, second and third round obligations are already established by COAH or Superior Court, as applicable. Only the rehabilitation obligation and current prospective need, the fourth round obligation, are subject to the current determination.

The methodology and formulas each municipality must rely upon to determine its rehabilitation and fourth round obligation (as well as subsequent round obligations) are set forth within *N.J.S.A. 52:27D-304.1* thru *-304.3* of the Fair Housing Act. The March 8, 2018 unpublished decision of the Superior Court, Law Division, Mercer County, *In re Application of Municipality of Princeton (“Jacobson Decision”)* is also to be referenced as to datasets and methodologies that are not explicitly addressed in *N.J.S.A. 52:27D-304.3*. Notwithstanding the methodology set forth in the Fair Housing Act, the Act also required the DCA to release a non-binding report calculating obligations for each municipality in the State.

The following provides an overview of the process and deadlines associated with fourth round compliance.

- Establishing the Affordable Housing Obligation
 - October 20, 2024: DCA Regional and Municipal Fair Share Obligation Report Issued.
 - January 31, 2025: Deadline for municipalities to adopt a binding resolution committing to the affordable housing obligation and seeking a Compliance Certification through participation in the Program.
 - February 28, 2025: Deadline for an interested party to challenge the municipality’s determination of its obligation to the Program. It shall apply “an objective assessment standard”.
 - March 1, 2025: The municipality’s determination of its obligation will be established by default if no challenge.
 - March 31, 2025: The Program must issue a decision on the obligation challenge.
- Obtaining a Compliance Certification

- June 30, 2025: Municipality shall adopt a Housing Plan and propose drafts of ordinances and resolutions to implement the plan. If a municipality does not adopt a Housing Element and Fair Share Plan by June 30, 2025, the Rules of Court may permit the Program or County Level Judge to allow the municipality to secure a grace period. If a municipality does not adopt a Housing Plan by June 30, 2025 and does not secure a grace period, the municipality will have its immunity revoked.
- August 31, 2025: Deadline for an interested party to file a challenge to the Housing Plan with the Program. If there is no challenge by this date the Program will begin review of the Housing Plan for consistency with the FHA.
- December 31, 2025: Deadline for a municipality to settle any challenge or provide an explanation as to why it will not make all, or some of the changes brought by the challenge.
- March 15, 2026: Municipality to amend the Housing Plan and implement the agreed upon revisions resulting from a challenge and adopt all pertinent ordinances. The Housing Plan and adopted ordinances shall be immediately filed with the Program.
- Ongoing Compliance
 - Midpoint (2030): Action by municipality or interested party filed to seek a realistic opportunity review of any developments that have not moved forward.

Affordability Requirements

Affordable housing is defined under New Jersey’s Fair Housing Act as a dwelling, either for sale or rent, that is within the financial means of households of low- or moderate-income, as is measured within each housing region. Raritan is in housing Region 3, which includes Hunterdon, Middlesex and Somerset counties. Moderate-income households are those with annual incomes greater than 50%, but less than 80% of the regional median income. Low-income households are those with annual incomes that are 50% or less of regional median income and very low-income households are a subset of low-income households and are defined as those with incomes 30% or less of regional median income.

The Uniform Housing Affordability Controls (hereinafter “UHAC”) at *N.J.A.C. 5:80-26.3(d)* and (e) requires that the maximum rent for a qualified unit be affordable to households with incomes 70% or less than the median income for the region, provided the development includes 13% or more very low income units. The number of units priced at 70% of regional median income cannot exceed the number of very low income units plus one additional unit. The average rent must be affordable to households with incomes no greater than 52% of the median income. The maximum sale prices for affordable units must be affordable to households with incomes 70% or less than the median income. The average sale price must be affordable to a household with an income of 55% or less than the median income.

The regional median income is defined using the federal income limits established by Department of Housing and Urban Development (hereinafter “HUD”) on an annual basis. In the spring of each year, HUD releases updated regional income limits, and it is from these income limits that the rents and sale prices for affordable units are derived. The table on the following page reflects the 2024 affordable housing regional income limits for Region 3, prepared by NJHMFA.

2025 Income Limits for Region 3					
Household Income Levels	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5-Person Household
Median	\$102,340	\$109,650	\$131,580	\$146,200	\$157,896
Moderate	\$81,872	\$93,568	\$105,264	\$116,960	\$126,317
Low	\$51,170	\$58,480	\$65,790	\$73,100	\$78,948
Very Low	\$30,702	\$35,088	\$39,474	\$43,860	\$47,369

Source: 2025 Income Limits prepared by NJHFMA, effective May 16, 2025.

Overview of Compliance Requirements

There are extensive requirements that municipalities must meet to ensure their affordable housing strategies result in a Compliance Certification. Further, those requirements vary by round. The following provides a brief overview of the requirements.

- Rental Obligation. Not less than 25% of affordable units addressing the obligation of a round must be rental housing units.
- Family Obligation. Not less than 50% of affordable units addressing the obligation of a round must be available to families, meaning they are not restricted to a particular population. This obligation does not apply to the first and second rounds.
- Family Rental Obligation. Not less than 50% of the units meeting the rental obligation of a round must be available to families, meaning they are not restricted to a particular population. This obligation does not apply to the first and second rounds.
- Senior Maximum. Up to 30% of affordable units addressing the obligation of a round may be reserved for seniors. The maximum was 25% for the first, second and third rounds.
- Income Distribution of Affordable Units
 - Very Low Income Obligation. Not less than 13% of affordable units created or approved on or after July 1, 2008 must be reserved for very low income units (30% or less than the regional median income). Very low income units are a subset of low income units.
 - Family Very Low Income Obligation. Not less than 50% of the units meeting the very low income obligation must be available to families, meaning they are not restricted to a particular population.
 - Low Income Obligation. Not less than 50% of affordable units in any development must be reserved for low income households (50% or less than the regional median income, which includes very low income units). The remaining may be available to moderate income households (51-80% of regional median income).
- Bedroom Distribution of Affordable Units

- The total bedrooms within the affordable units in any development must be not less than twice the number of affordable units. This requirement does not apply to the first, second or third round.
- Studio and 1-bedroom Units. Not more than 20% of units in any development.
- 2-bedroom Units. Not less than 30% of units in any development.
- 3-bedroom Units. Not less than 20% of units in any development.
- The above requirements do not apply to special needs housing or senior housing.
- Senior developments are subject to a modified bedroom distribution such that the total bedrooms within the affordable units must be not less than the number of affordable units.
- Senior and supportive housing developments with 20 or more affordable units shall have not less than 5% 2-bedroom and 3-bedroom affordable units. This requirement does not apply to the first, second or third round.
- Bonus Credits
 - No more than 25% of the obligation for each round.
 - Only one type of bonus credit may be applied to a unit.
 - Rental bonus credits (1.0) are only applicable to the first, second and third rounds.
 - The following unit types are eligible for 1.0 bonus credit in the fourth round.
 - Supportive and special needs bedrooms.
 - Market to affordable (conversion of a market rate unit to an affordable unit).
 - 100% affordable developments: Units within 100% development provided the municipality supplies the land or a minimum of 3% of the development costs.
 - The following unit types are eligible for 0.5 bonus credit in the fourth round.
 - Partnership with non-profit.
 - Proximity to transit: units within ½ mile of transit (rail, bus, ferry).
 - Senior: limited to 10% of the affordable age-restricted units proposed but capped at 30% of the obligation.
 - Units with at least three bedrooms above the minimum number required by the bedroom distribution requirements in UHAC.
 - Redevelopment for units on land previously utilized for retail, office or commercial use.
 - Extension of affordability controls on rental housing only, provided the municipality funds the cost for extension.
 - Very Low-Income units above the 13% required.

AFFORDABLE HOUSING IN RARITAN

The Borough was the subject of a builder's remedy lawsuit in the late 1980's, which ultimately resulted in the Borough being granted a Judgment of Repose in April of 1989. Subsequent to that judgment, the developer who sued the Borough sought a modification to the settlement agreement, and the matter was transferred to COAH by the Court in March of 1992. The Borough was granted a vacant land adjustment at that time and received First Round Substantive Certification from COAH on October 6, 1993.

Raritan filed a Second Round petition with COAH on March 26, 1997, and received Substantive Certification on June 2, 1999. Subsequently the Borough repeteritioned COAH in March of 2000 and was granted Amended Substantive Certification on August 2, 2000.

For the Third Round, Raritan filed a Housing Element and Fair Share Plan with COAH on December 31, 2008. Their petition was deemed complete on February 9, 2009, however due to ongoing issues with COAH, the Borough never received Substantive Certification.

After the 2015 Supreme Court decision, the Borough fled a declaratory judgment action, negotiated with Fair Share Housing Center and ultimately settled through an agreement that was approved by the Court after a fairness hearing. The Borough was granted a conditional judgment of compliance.

CONSIDERATION OF LANDS MOST APPROPRIATE FOR AFFORDABLE HOUSING

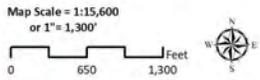
Raritan Borough is a largely built out suburban community of approximately 2 square miles. As noted earlier in this plan, there is limited vacant land to support opportunity for the construction of significant additional housing. There are, however, opportunities for redevelopment, although they are somewhat limited at this point as the Borough has pursued a number of redevelopment projects in recent years. All have included or will include deed restricted affordable housing units.

In assessing lands most appropriate for affordable housing, the Borough has focused on areas that can potentially be redeveloped, as shown on the map on the following page. Each of these properties currently have structures and uses on them, but there is opportunity to develop them more efficiently and with multifamily housing that will help address the Borough's Unmet Need. With the exception of the property on Busky Lane discussed in the section of this plan addressing the Borough's fourth round obligation, all are in the late stages of the redevelopment process, with many subject to redevelopment plans already adopted.

The map on the following page depicts existing and proposed projects as well as redevelopment areas referenced later in this plan. Three new mechanisms are proposed to address the fourth round RDP and Unmet Need, Busky Lane, Agway and Raritan Mall. Existing and proposed projects are outlined in red and redevelopment areas are outlined in yellow.

Affordable Housing Sites

Borough of Raritan
Somerset County, NJ
June 2025



- Legend**
- Existing and Proposed Projects
 - Redevelopment Areas

Data Sources: NJOT Office of Geographic Info. Services, ARCGIS Online, BING Maps

Map Prepared by:
James T. Kyle, AICP/PP
Kyle McManus Associates, LLC
PO Box 236
Hopewell, NJ 08525
jkyle@kylemcmanus.com



OPPORTUNITY FOR MULTIGENERATIONAL HOUSING

The Fair Housing Act requires “an analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission”. As of the date of this Housing Plan, there have been no recommendations by the Multigenerational Family Housing Continuity Commission on which to provide the required analysis. However, the Commission has the primary goal of enabling senior citizens to reside at the homes of their extended families, thereby preserving and enhancing multigenerational family continuity. Borough land use policies are not in conflict with this goal and much of the Borough’s housing stock is large enough to accommodate multigenerational living. Nothing in the zoning prohibits creation of additional living space consisting of a bedroom and bathroom, but inclusion of separate kitchen facilities would constitute a second dwelling unit, which is not permitted but is also not necessary to permit multigenerational living.

DEMOGRAPHIC, HOUSING & EMPLOYMENT ANALYSIS

See Appendix 1 for this analysis.

AFFORDABLE HOUSING OBLIGATION & SATISFACTION

Fourth round housing plans must address four components of a municipality’s affordable housing obligation. These include the rehabilitation obligation to improve substandard housing occupied by low- and moderate-income households, the first and second round obligation of new construction from 1987 to 1999, third round obligation of new construction from 1999 to 2025, and the fourth round obligation of new construction from 2025 to 2035.

Rehabilitation Obligation: 9 units

The rehabilitation obligation can be defined as an estimate of the number of deteriorated housing units existing in Raritan that are occupied by low- and moderate-income households. The Fair Housing Act, N.J.S.A. 52:27D-304.3.b., describes present need as being determined by “estimating the existing deficient housing units currently occupied by low- and moderate-income households within the municipality, following a methodology comparable to the methodology used to determine third round present need, through the use of datasets made available through the federal decennial census and the American Community Survey, including the Comprehensive Housing Affordability Strategy dataset thereof.” The DCA calculated municipal present need obligations in *Affordable Housing Obligations for 2025-2035 (Fourth Round) Methodology and Background*, released on or about October 18, 2024. This DCA Report calculated a rehabilitation obligation of 4-units for the Borough, which was accepted in the Borough’s binding resolution adopted in conformance with the requirements of the law.

The Borough will address this obligation through a municipal housing rehabilitation program, to be funded utilizing affordable housing trust funds. A draft Home Improvement Program Manual is provided in Appendix 2.

First & Second Rounds Obligation: 82 units

The following sections and tables present information on the Borough's satisfaction of the first and second round obligations, which have been addressed entirely.

Satisfaction of the 82-unit Prior Round Obligation			
Program	Units	Bonus Credits	Total Credits
Cardinal Woods (for-sale units)	24	0	24
Alternatives Supportive Housing (39 First Avenue)	4	4	8
Alternatives Supportive Housing (41 Thompson Avenue)	5	5	10
Community Options Group Home (617 N. Thompson Street)	3	3	6
River Park (The Lena)	12	9	21
Stonebridge	13	0	13
Totals	61	21	82

Cardinal Woods

Cardinal Woods is a 119-unit development that includes 24 low and moderate income for-sale affordable units. Completed in 1995, the units were subject to a 20-year deed restriction, which was subsequently extended by the Borough on May 26, 2015 an additional 30 years, to 2045. Crediting information was provided with the Borough's third round plan.

Alternatives Supportive Housing – 39 First Avenue

Alternatives Inc. operates a permanent supportive housing facility at 39 First Avenue, Block 80, Lot 11, consisting of four (4) very low income units. The initial license for the facility was granted on June 10, 1997 and it has been in continuous operation since that time. A certificate of occupancy was issued on November 17, 2021. The Borough seeks 4 credits for the bedrooms along with 4 rental bonus credits. Crediting information was provided with the Borough's third round plan.

Alternatives Supporting Housing – 41 Thompson Street

Alternatives Inc. operates a permanent supportive housing facility at 41 Thompson Street, Block 91, Lot 25, consisting of five (5) very low income units. The initial license for the facility was granted on February 28, 2022 and it has been in continuous operation since that time. A certificate of occupancy was issued on November 17, 2021. The Borough seeks 5 credits for the bedrooms along with 5 rental bonus credits. Crediting information was provided with the Borough's third round plan.

Community Options Group Home - 617 N. Thompson Street

Community Options Inc. operates a licensed group home at 617 North Thompson Street, Block 28, Lot 3 consisting of three (3) very low income units. The initial license for the facility was granted on October 1, 1996 and it has been in continuous operation since that time; the current license is valid until December 31, 2022. The Borough seeks 3 credits for the bedrooms along with 3 rental bonus credits. Crediting information was provided with the Borough's third round plan.

River Park (The Lena)

The Lena is a 214-unit multifamily project constructed in 2007 that includes a total of 12 affordable family rental units. The affordable units are subject to a minimum 30-year deed restriction, and documentation was provided with the Borough's third round plan.

Stonebridge

This project, totaling 363 units, provided 73 affordable family rental housing units (20%) and is fully constructed and occupied; 13 of the 73 units are applied to the Prior Round Obligation. Documentation on the designated affordable units and deed restrictions were provided as part of the Borough's third round compliance plan.

Satisfaction of the Third Round Obligation - RDP

While the Borough's Third Round Obligation was determined to be 293 units through settlement achieved during the Declaratory Judgment process, it was also determined at that time that insufficient vacant land exists to address that entire obligation. Through a vacant land analysis, prepared during the settlement process and reviewed by Fair Share Housing Center, a Realistic Development Potential (RDP) of 101 units was identified. As detailed on the following page, however, existing units, a new proposed redevelopment project and rental bonuses total 157 credits, so RDP has been established at 157 units and Unmet Need at 136 units. It should be noted this differs from the 2018 settlement agreement with FSHC, which identified RDP of 139 units and Unmet Need of 154 units. This is due to fact that the Mill Street redevelopment project (now known as Raritan Orlando Drive Associates) was approved by the Raritan Borough Planning Board in a resolution adopted on October 8, 2020, and the developer agreed to provide 2 affordable housing units in order to settle litigation related to the imposition of an affordable housing requirement that led to the application initially being denied. Additionally, the Raritan Crossing redevelopment project is anticipated to provide 12 affordable family rentals. This is discussed in more detail in the section outlining mechanisms for Unmet Need.

To address its RDP of 157 units, the Borough utilized credits from 3 existing developments that are built and occupied and subject to 30-year deed restrictions along with one project that was approved but has not yet been constructed along with a new redevelopment project. The table below details the number of units and bonus credits for each project and brief descriptions of each project follows the table.

Satisfaction of the 157-unit Third Round RDP

Program	Affordable Units	Bonus Credits	Total Credits
Cardinal Woods (for-sale units, extension of expiring controls)	24	0	24
Crossings at Raritan Station (family rentals)	20	0	20
Stonebridge (family rental)	60	39	99
Raritan Orlando Drive Associates (family rental)	2	0	2
Raritan Crossing (family rental)	12	0	12
Totals	118	39	157

Cardinal Woods

Cardinal Woods is a 119 unit development that includes 24 low and moderate income for-sale affordable units. Completed in 1995, the units were subject to a 20 year deed restriction, which was subsequently extended by the Borough on May 26, 2015 an additional 30 years, to 2045. With extension of controls for 30 years, the Borough is eligible for 24 units of credit towards its RDP. Documentation was provided with the Borough's third round compliance plan.

Crossings at Raritan Station

This recently constructed family rental project includes a total of 20 affordable housing units that are deed restricted for a minimum of 30 years. Documentation on the designated affordable units and deed restrictions was provided with the Borough's third round compliance plan.

Stonebridge

Stonebridge is a rental community with a total of 363 units, including 73 family rental units affordable to low and moderate income households. A total of 60 units will be applied to RDP. These rental units are also eligible for bonus credits totaling 39 units (maximum of 25% of RDP). Documentation on the designated affordable units and deed restrictions was provided with the Borough's third round compliance plan.

Raritan Orlando Drive Associates

Raritan Orlando Drive Associates is a 42 unit family rental project that was approved by the Planning Board via resolution on October 8, 2020. At the time the application was initially considered by the Board, the mandatory setback ordinance was not in place. The Board denied the application based on the lack of

affordable housing units, and the developer sued the Board. Settled prior to a decision on the merits of the lawsuit, the developer and Board agreed to provide 2 family rental units complying with all affordable housing requirements.

Raritan Crossing

The Borough has been engaged in discussions with a developer proposing to redevelop a portion of the existing Raritan Mall property and adjacent parking areas with a new multifamily rental project consisting of 75 units. Designated as Block 116.01, Lots 11.01, 25 and 26.01, the site currently contains an existing shopping center, although only a portion of the site is proposed to be redeveloped consisting of the existing building containing Retro Fitness, Hunterdon Urgent Care and various retail shops. The Borough adopted a redevelopment plan for the project, which was provided as part of the Borough's third round compliance plan.

Mechanisms Addressing Unmet Need

To help address its Unmet Need obligation of 136 units, the Borough provided modification to permitted densities in its existing inclusionary zoning districts (IRD-2 and IRD-4), and also established the AH-1 Affordable Housing Overlay Zone. While the increase in density in the IRD-2 and IRD-4 zones was intended to address a decrease in the required affordable housing setaside for 5 redevelopment projects, this increase also makes these sites more attractive for potential development, providing density as high as 20 units per acre. The reduction in required affordable housing setasides for specific redevelopment projects to 10% was reviewed and agreed to by FSHC during the settlement process and is seen as necessary by the Borough to keep these smaller redevelopment opportunities attractive. All in all, this provides a balanced approach that will ensure the production of affordable housing in the most cost-effective manner. The Borough adopted a mandatory setaside ordinance as agreed to with Fair Share Housing Center in the Borough's settlement agreement (see Appendix 4). Unmet Need mechanisms are identified in the table on the following page and described in more detail following the table. As illustrated, the Borough is providing opportunity for the creation of between 81 and 117 affordable housing units. If constructed, these units will be eligible for bonus credits totaling between 21 and 30 credits. On the low end, opportunity is created for a total of 102 credits and on the high end, 147 credits.

Mechanisms for Third Round Unmet Need

Site	Zone Designation	Developable Acres	Density (units/acre)	Total Potential Units	% Setaside	Total Affordable Units
Block 2, Lot 11	IRD-2	7	10/20	70/140	15%/20%	11/25
Block 2, Lot 12.01	IRD-4	3.42	10/20	34/68	15%/20%	6/12
Block 2, Lots 6.01, 7, 8, 9, 10	AH-1	20	16	320	15%/20%	48/64
Lagrange Street	Red. Area	N/A	N/A	15	10%	2
Zeus Chemical	Red. Area	N/A	N/A	12	10%	2
Tillman Street	Red. Area	N/A	N/A	37	10%	6
Somerset Street	Red. Area	N/A	N/A	32	10%	4
33 2 nd Street	N/A	N/A	N/A	8	15%	1 (1)
Colfax Street	N/A	N/A	N/A	8	15%	1 (1)
Totals				536-640		81-117

- (1) – Application of the mandatory setaside ordinance results in a requirement for 1.2 affordable units. The applicant will be given the opportunity to provide one affordable 3 bedroom low income unit and make a payment in lieu of providing the fractional portion of the affordable unit in the amount of \$29,000.

IRD-2 and IRD-4 Inclusionary Residential Development Zones

The Borough has 2 existing inclusionary zoning districts, the IRD-2 and IRD-4 zones. The IRD-2 permits age-restricted development consisting of garden apartments and townhomes at a density of 10 units per acre. While the IRD-4 zone is noted on the 2013 Zoning Map, the ordinance currently does not contain standards for the district. As agreed to through settlement with FSHC, the ordinance will be amended to permit development at a density up to 20 units per acre, with a 15% setaside of affordable housing units for the first 10 units per acre and a 20% setaside of affordable housing units for the second 10 units per acre. It is anticipated that if fully developed at maximum density, a total of 208 units could be built, providing 37 affordable housing units. The adopted IRD-2 and IRD-4 zoning ordinances were provided with the Borough’s third round compliance plan and will remain in place in conformance with the terms of the Borough’s settlement agreement with Fair Share Housing Center.

AH-1 Affordable Housing Overlay Zone - Block 2, Lots 6.01, 7, 8, 9 and 10

The Borough has adopted an ordinance creating the AH-1 Affordable Housing Overlay Zone covering an area currently zoned R-1 and OM-3 along Vanderveer Avenue. The AH-1 zone permits multifamily and

townhome development at a maximum density of 16 units per acre requiring an affordable housing setaside of 15% for rental units and 20% for for-sale units. Totalling approximately 20 developable acres, the site could potentially yield 320 units. If rental affordable units are provided the site could yield 48 low and moderate income units and if for-sale units are provided, 64 low and moderate income units. The adopted AH-1 ordinance was provided with the Borough's third round compliance plan and will remain in place in conformance with the terms of the Borough's settlement agreement with Fair Share Housing Center.

Redevelopment Areas

As part of the 2018 settlement process, the Borough identified 5 potential redevelopment areas being considered at the time. These include Lagrange Street, Mill Street, Zeus Chemical, Tillman Street and Somerset Street. Since execution of the settlement agreement, the Borough Planning Board in October of 2020 approved a site plan application for the potential redevelopment area identified as Mill Street, and 42 apartments, including 2 affordable housing units, are anticipated. This potential redevelopment area was therefore no longer needed. Likewise Zeus Chemical was granted approval, obviating the need for a redevelopment plan. Redevelopment plans have been adopted for Crossing at Raritan (see Appendix 2) and Tillman Street (see Appendix 3). The Somerset Street redevelopment area never materialized, removing the potential 4 units identified as

33 2nd Street

An applicant has submitted a request for use variance approval for Block 87, Lot 9 and is requesting permission to construct 8 multifamily units. This will be achieved through conversion of an existing 3-story building. Under the mandatory setaside ordinance adopted in May of 2019, the applicant is obligated to provide a 15% setaside of affordable units, which totals 1.2 units. Under proposed amendments to the mandatory setaside ordinance, the applicant will be given the choice to provide 2 affordable units, or provide 1 affordable 3 bedroom low income unit and make a payment in lieu for the 0.2 fraction of a unit required. Based on payment in lieu requirements from the 2008 affordable housing rules, a unit construction cost of \$145,000 is established, and 0.2 of that cost is equal to \$29,000. This payment in lieu will go to the Borough's affordable housing trust fund and be utilized for other mechanisms.

Colfax Street

An applicant has submitted a request for use variance approval for Block 95, Lots 12 and 13 and is requesting permission to construct 8 multifamily units. Under the mandatory setaside ordinance adopted in May of 2019, the applicant is obligated to provide a 15% setaside of affordable units, which totals 1.2 units. Under proposed amendments to the mandatory setaside ordinance, the applicant will be given the choice to provide 2 affordable units, or provide 1 affordable 3 bedroom low income unit and make a payment in lieu for the 0.2 fraction of a unit required. Based on payment in lieu requirements from the 2008 affordable housing rules, a unit construction cost of \$145,000 is established, and 0.2 of that cost is equal to \$29,000. This payment in lieu will go to the Borough's affordable housing trust fund and be utilized for other mechanisms.

ADDITIONAL REQUIREMENTS

As part of meeting its Third Round Obligation, the Borough must meet minimum and maximum requirements related to the rental obligation, maximum number of age-restricted units, minimum family unit obligation, and the minimum very low income obligation of 13% for units constructed after July 1, 2008. These requirements are detailed below along with details on how the requirements are met for the RDP of 142 units.

Minimum Rental Obligation = 36 units

.25 (obligation) = Minimum # rental units or .25 (157) = **40 units**

This is satisfied through rental units in the Stonebridge and Crossing at Raritan Station, totaling 80 units.

Maximum Senior Units = 36 units

.25 (obligation) = Maximum # age-restricted units or .25 (157) = **40 units**

The Borough has no age-restricted affordable units.

Minimum Family Unit Obligation = 58 units

.50 (obligation) = Minimum # family units or .50 (157) = **79 units**

All of the units addressing RDP are family units, totaling 118 units.

Minimum Family Rental Obligation= 15 units

.50 (rental obligation) = Minimum # Family Rental Units or .50 (40) = 20 units

Stonebridge, Crossings at Raritan, Raritan Crossing and Raritan Orlando Drive Associates all provide family rental units, totaling 94 units.

Minimum Very Low Income Unit Obligation = 14 units

The table below details compliance with this requirement

<u>Units Constructed or Approved After July 1, 2008</u>			
Project	Total Affordable Units	13% of Affordable Units	Very Low Income Units Provided
Crossing at Raritan Station (built)	20	2.6	3
Stonebridge (built)	73	9.5	8
Raritan Orlando Drive Associates (proposed)	2	0.26	1
Raritan Crossing (proposed)	12	1.6	2
Totals	107	13.96	14

Fourth Round Obligation

Present Need (Rehabilitation Obligation)

As calculated by DCA and accepted by the Borough in its binding resolution, Raritan's present need for the fourth round is nine (9) units. The Borough is proposing a rehabilitation program utilizing affordable housing trust funds as discussed in the spending plan. The draft rehabilitation manual is provided in Appendix 4 but will be updated by the Borough's administrative agent Community Grants, Planning and Housing as needed prior to marketing of the rehabilitation program.

Prospective Need

Raritan's fourth round obligation (also referred to as the prospective need) is 99 units. This obligation is defined as the new construction obligation for 2025-2035. The Fair Housing Act, *N.J.S.A. 52:27D-304.3.b.*, describes the obligation as a "projection of housing needs based on development and growth which is reasonably likely to occur in a region or a municipality, as the case may be, as a result of actual determination of public and private entities. Prospective need shall be determined by the methodology set forth pursuant to sections 6 and 7 of P.L.2024, c. 2 (C.52:27D-304.2 and C.52:27D-304.3) for the fourth round and all future rounds of housing obligations".

The methodology to calculate the obligation begins with determining the need for affordable housing in which the municipality is located. That regional need is then allocated to each municipality in the region, excluding qualified urban aid municipalities, based on an average of three factors: 1) equalized nonresidential valuation factor, which serves as a proxy for the municipal share of the region's change in employment during the previous affordable housing round, 2) income capacity factor, which is the municipal share of the region's median household income, and 3) land capacity factor, which is the municipal share of the region's developable land.

The DCA calculated municipal fourth round obligations in *Affordable Housing Obligations for 2025-2035 (Fourth Round) Methodology and Background*, released on or about October 18, 2024. This DCA Report calculated a fourth round obligation of 99 units for the Borough which was accepted in the binding resolution adopted by Mayor and Council.

Vacant Land Analysis

Raritan has prepared a vacant land analysis in accordance with the requirements of N.J.A.C. 5:93-4.2, first studying existing land use in the Borough as required by 5:93-4.2(a). As shown in the table on the following page and the map in Appendix 5, the Borough consists primarily of single family detached homes, with 1,901 of its 2,243 parcels (84.75%) designated as property class 2, residential. Only 23 parcels are classified as vacant, totaling 32.231 acres. All publicly owned property is either listed on the Borough's ROSI and permanently restricted as open space or supports a public use. Some publicly owned property is along the Raritan River and located within the 100 year floodplain.

Existing Land Use				
Property Type	# Properties	% of Total Properties	Total Acres	% Total Acres
Vacant	23	1.03%	32.231	2.94%
Residential	1901	84.75%	419.797	38.29%
Apartment	24	1.07%	43.409	3.96%
Commercial	177	7.89%	164.529	15.01%
Industrial	16	0.71%	289.149	26.37%
Public School Property	1	0.04%	10.132	0.92%
Other School Property	4	0.18%	1.834	0.17%
Public Property	37	1.65%	65.65	5.99%
Church and Charitable	18	0.80%	6.717	0.61%
Other Exempt	38	1.69%	25.146	2.29%
Class I Railroad	3	0.13%	8.36	0.76%
Class II Railroad	1	0.04%	29.501	2.69%
	2,243		1,096.455	

As noted above, the Borough received a vacant land adjustment relative to its third round obligation. The table below shows “new” vacant land identified in the fourth round, consisting of two parcels. Block 116.01, Lot 26 was purchased by a potential developer and Block 2, Lot 7 was previously classified as property class 2 (residential) and is now property class 1 (vacant). While there are redevelopment projects proposed in the Borough, these are utilized to address Unmet Need rather than RDP as they all have existing uses on them.

The Borough’s Realistic Development Potential (RDP) is 13 units, which was arrived at by applying a presumed density of 10 units per acre and a 20% setback requirement to the acreage of the property less any area impacted by floodplain or wetland. As noted in the table below, Lot 26 is impacted by a FEMA delineated 100 year floodplain, which covers 0.214 acres of the 1.104 acre property. Lot 7 is impacted by wetlands totaling 0.56 acres.

Vacant Land Adjustment Borough of Raritan							
Block	Lot	Acres	Wetland Acres	Floodplain Acres	Developable Acres	Total Units	Affordable Units
2	7	6.018	0.56	0	5.458	54.58	10.916
116.01	26	1.104	0	0.214	0.89	8.9	1.78
		7.122			6.348	63.48	12.696

With a fourth round obligation of 99 units and RDP of 13 units, the resulting Unmet Need is 86 units. The table on the following page details satisfaction of the Borough’s fourth round RDP.

Satisfaction of the 14-unit Fourth Round RDP			
Program	Units	Bonus Credits	Total Credits
Raritan Mall Redevelopment	9	4	13
RDP			13

Raritan Mall – Block 116.01, Lot 11.01

This 10.88 acre property is a commercial site that at one time was a thriving business center and contained the Borough’s only supermarket. Recently the Borough governing body adopted a redevelopment plan for the property, which permits mixed-use consisting of commercial and residential multifamily development. Based on the developer’s latest concept, a total of 276 units are proposed, which would result in 42 affordable family rental units. Since the site is within a half mile of a NJ Transit bus stop at Somerset Street and Route 206, each unit is eligible for 0.5 bonus credits, with 4 bonus credits applied to RDP. A redevelopment plan has been adopted for this site and is provided in Appendix 6.

The site is approvable. As noted a redevelopment plan has been adopted for the site and permits mixed-use development. The redevelopment plan is provided in Appendix 6. Although this site lies partially within the 100 year floodplain of the Raritan River, the redeveloper has already received a flood hazard permit from NJDEP to permit residential development.

The site is available. The site has no known legal encumbrances or deed restrictions that would preclude the development of affordable housing, and there are no known historic or architecturally important sites or buildings on the property or in the immediate vicinity that will affect the development of affordable housing. The redeveloper is the owner of the site and intends to develop it with multifamily apartments.

The site is developable. The site has access to public water and sewer infrastructure and is within a sewer service area.

The site will be developed consistent with the Residential Site Improvement Standards, N.J.A.C. 5:21-1 et seq. The Borough will require a minimum 40-year affordability control deed restrictions on the units in accordance with N.J.A.C. 5:93 et seq. and N.J.A.C. 5:80-26.1.

In coordination with the Borough’s administrative agent and municipal housing liaison, the developer of the property will utilize their own administrative agent, who will administer and affirmatively market the units in accordance with UHAC per N.J.A.C. 5:80-26.1.

Mechanisms to Address Unmet Need

The Borough’s Unmet Need of 86 units will be addressed with the compliance mechanisms below, all of which will redevelop sites containing existing uses. Since these properties are all currently developed and occupied, they are identified as Unmet Need mechanisms rather than as generating RDP. Each mechanism is described in detail, and appropriate draft ordinances or redevelopment plans are provided in the Appendices as noted.

Partial Satisfaction of the 86-unit Fourth Round Unmet Need			
Program	Units	Bonus Credits	Total Credits
Raritan Mall	33	12	45
Agway	9	0	9
Busky Lane	6	0	6
Totals	48	12	60
Unmet Need Remaining			26

Raritan Mall – Block 116.01, Lot 11.01

This 10.88 acre property is a commercial site that at one time was a thriving business center and contained the Borough’s only supermarket. Recently the Borough governing body adopted a redevelopment plan for the property, which permits mixed-use consisting of commercial and residential development. Based on the developer’s latest concept, a total of 276 units are proposed, which would result in 42 affordable family rental units, 33 of which are applied to Unmet Need. Since the site is within a half mile of a NJ Transit bus stop at Somerset Street and Route 206, each unit is eligible for 0.5 bonus credits, with 12 bonus credits applied to Unmet Need. A redevelopment plan has been adopted for this site and is provided in Appendix 6. See the previous page for discussion on site suitability criteria.

Agway – Block 84, Lot 3.01

This property is 1 acre in area and is located on the east side of Thompson Street just north of 2nd Street. It directly abuts the NJ Transit Station immediately to the north of the property. The prior use, Agway, closed in 2023 and the site was purchased by a prospective redeveloper who is proposing 60 multifamily rentals for the site. A redevelopment investigation was completed and Borough Council designated the property an area in need of redevelopment by resolution 2025-05-065 at its April 15, 2025 meeting. A redevelopment plan has yet to be drafted but will be advanced in the coming months as discussions with the prospective redeveloper continue.

The site is approvable. Although a redevelopment plan has not yet been drafted, the Borough has designated the property an area in need of redevelopment and intends to complete the redevelopment process.

The site is available. The site has no known legal encumbrances or deed restrictions that would preclude the development of affordable housing, and there are no known historic or architecturally important sites or buildings on the property or in the immediate vicinity that will affect the development of affordable housing. The prospective redeveloper is the owner of the site and intends to develop it with multifamily apartments.

The site is developable. The site has access to public water and sewer infrastructure and is within a sewer service area.

The site will be developed consistent with the Residential Site Improvement Standards, N.J.A.C. 5:21-1 et seq. The Borough will require a minimum 40-year affordability control deed restrictions on the units in accordance with N.J.A.C. 5:93 et seq. and N.J.A.C. 5:80-26.1.

In coordination with the Borough's administrative agent and municipal housing liaison, the developer of the property will utilize their own administrative agent, who will administer and affirmatively market the units in accordance with UHAC per N.J.A.C. 5:80-26.1.

Busky Lane – Block 116.01, Lot 26

This property, located on the east side of Busky Lane just south of Glaser Avenue is located immediately north of the Raritan Mall redevelopment site. Totaling just over 1 acre in area, it has frontage on Busky Lane, which would provide access to the site. The owner has submitted a concept plan depicting 30 for-sale townhomes and a 20% setaside would result in 6 affordable units. A draft ordinance is provided in Appendix 7 but may change depending on how the layout of the project evolves.

The site is approvable. A draft zoning ordinance permitting inclusionary development is provided in Appendix 8.

The site is available. The site has no known legal encumbrances or deed restrictions that would preclude the development of affordable housing, and there are no known historic or architecturally important sites or buildings on the property or in the immediate vicinity that will affect the development of affordable housing. The prospective developer is the owner of the site and intends to develop it with for sale townhomes.

The site is developable. The site has access to public water and sewer infrastructure and is within a sewer service area.

The site will be developed consistent with the Residential Site Improvement Standards, N.J.A.C. 5:21-1 et seq. The Borough will require a minimum 40-year affordability control deed restrictions on the units in accordance with N.J.A.C. 5:93 et seq. and N.J.A.C. 5:80-26.1.

In coordination with the Borough's administrative agent and municipal housing liaison, the developer of the property will utilize their own administrative agent, who will administer and affirmatively market the units in accordance with UHAC per N.J.A.C. 5:80-26.1.

Additional Mechanisms to Address Unmet Need

Aside from adopting ordinances or redevelopment plans as noted above, the Borough will continue its mandatory setaside ordinance, which is provided in Appendix 8. This will permit the Planning Board or Zoning Board to capture affordable housing units when for-sale projects of 5 or more units are proposed and when rental projects of 7 or more units are proposed. A payment-in-lieu option is provided for fractional units of four tenths or less. It should be noted this ordinance has successfully captured affordable housing units since its adoption in 2019.

Fourth Round Obligation Requirements

In addition to meeting the total 99 unit fourth round obligation, the Borough must also meet the minimum rental obligation, maximum number of senior units, minimum family unit obligation, minimum very low

income obligation, and maximum bonus credits, as set forth in the Fair Housing Act. Compliance with these requirements is noted for the 57 units addressing RDP and Unmet Need but will be applied as required should additional development be realized in the future.

Maximum Bonus = 15 credits

- Maximum bonus credits = 25% (obligation) | $25\% (57) = 14.25$ rounded up to 15 credits

The maximum of 15 bonus credits is applied based on the projects discussed above. Should additional units be realized, they will be eligible for up to 10 additional bonus credits.

Minimum Rental Units = 15 units

- Minimum rental units = 25% (of units meeting the obligation) | $25\% (57) = 14.25$ rounded up to 15 units.

All of the units except the for-sale townhomes in the Busky Lane project are rental units and this minimum is comfortably met.

Maximum Senior Units = 17 units

- Maximum age-restricted units = 30% (units meeting the obligation) | $30\% (57) = 17.1$ rounded down to 17 units

No age-restricted credits are proposed.

Minimum Family Units = 29 units

- Minimum family units = 50% (units meeting the obligation) | $50\% (57) = 28.5$ rounded up to 29 units

All units proposed to address RDP and Unmet Need are family units.

Minimum Family Rental Units = 15 units

- Minimum family rental = 50% (rental obligation) | $50\% (29) = 14.5$ rounded up to 15 units

All of the units proposed to address RDP and Unmet Need are family rental units with the exception of the 6 units proposed with the Busky Lane project.

Minimum Very Low Income Units= 8 units

- Minimum very low income units = 13% (fourth round units created or approved on or after July 1, 2008) | $13\% (57) = 7.41$, rounded up to 8 units

The Borough will require that 13% of all units constructed are available to very low income households. As detailed in the tables on the previous pages, the total number of units currently proposed is 57, and applying 13% to the individual projects results in the creation of at least 8 very low income units, meeting the minimum required. All future projects will be required to meet the minimum 13% on an individual basis.

Minimum Family Very Low Income Units = 2 units

- Minimum family very low income units = 50% (very low income obligation) | $13\% (8) = 1.04$ units rounded up to 2 units

As noted, all mechanisms addressing RDP and Unmet Need contain family units so this requirement is met.

Affordability Assistance

As required, the Borough will undertake a variety of affordability assistance activities to render units more affordable. These strategies are outlined in the spending plan (Appendix 9) and the affordability assistance program manual is provided in Appendix 10.

CONSISTENCY WITH THE STATE DEVELOPMENT AND REDEVELOPMENT PLAN

While the New Jersey State Development and Redevelopment Plan is currently being amended, the cross-acceptance process has not concluded and the 2001 Plan is still in effect. This consistency analysis is based on the 2001 Plan, although amendments proposed with the new Plan don't substantially alter policy and the Borough proposed no mapping changes.

Raritan Borough is primarily located within the PA-1, the Metropolitan Planning Area. The only exception is an area of PA-5, Environmentally Sensitive Planning Area, which covers portions of the Raritan River in the southern part of the Borough and includes the Raritan Mall site. The entirety of the Borough is within the regional center shared by Bridgewater, Raritan and Somerville.

PA-1 is intended to accommodate much of the State's future growth, particularly in centers. The plan acknowledges that redevelopment is a primary consideration in developed portions of PA-1, and the Borough's approach to addressing affordable housing needs utilizes the redevelopment process.

AFFORDABLE HOUSING ADMINISTRATION & AFFIRMATIVE MARKETING

Raritan Borough's Affordable Housing Ordinance is consistent with the Fair Housing Act, the Uniform Housing Affordability Control Rules, *N.J.A.C. 5:80-26.1 et seq.*, and the Division of Local Planning Services Fair Housing Act Rules, *N.J.A.C. 5:99*. As of the adoption of this Housing Plan, the latter is in the process of being amended, therefore the existing ordinance will be relied upon until such time as those regulations are finalized. Ordinances adopted by March of 2026 will reflect appropriate requirements. The Borough's affordable housing ordinance is provided in Appendix 11.

The Borough's Affordable Housing Ordinance, Chapter 207, Articles XVII and XVIIA govern the creation and administration of affordable units in the Borough as well as regulating the occupancy of such units. The Borough's Affordable Housing Ordinance addresses the phasing of affordable units, the low/moderate income split, bedroom distribution, occupancy standards, affordability controls, establishing rents and prices, affirmative marketing, income qualification, etc. All newly created affordable units, with limited exceptions, will comply with the affordability control period of 30 years for sale units or 40 years for rental units, as required by the Fair Housing Act and the Uniform Housing Affordability Control Rules.

The Borough has established the position of the Municipal Housing Liaison as required by the Fair Housing Act amendments. However, the Borough will likely rely on its affordable housing administrator to conduct

the administration and affirmative marketing of its affordable housing sites that will not be administered by the developers and for the rehabilitation and extension of expiring controls programs. It is expected that all developers will administer their own affordable housing units.

The Borough's affirmative marketing plan is designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to the affordable units located in the Borough. Additionally, the affirmative marketing plan is intended to target those potentially eligible persons who are least likely to apply for affordable units and who reside in the Borough's housing region (Region 3), consisting of Hunterdon, Middlesex and Somerset counties.

The affirmative marketing plans include regulations for qualification of income eligibility, price and rent restrictions, bedroom distribution, affordability control periods, and unit marketing in accordance with *N.J.A.C. 5:80-26.1 et seq.* This plan must be adhered to by all private, non-profit, and municipal developers of affordable housing units and must cover the period of deed restriction or affordability controls on each affordable unit. A copy of the affirmative market plan is provided in Appendix 12.

AFFORDABLE HOUSING TRUST FUND

Raritan has a development fee ordinance, which is included in Appendix 13 and was updated in 2019. The Borough has prepared a new Spending Plan, provided in Appendix 9, which discusses anticipated revenues, collection of revenues, and the use of revenues, and it has been prepared in accordance with currently applicable rules. It should be noted, however, that 5:99, the Fair Housing Act Rules, which set forth requirements related to spending plans, are not yet finalized. All collected revenues will be placed in the Borough's Affordable Housing Trust fund and will be dispensed for the use of eligible affordable housing activities including, but not limited to:

- Affordability assistance program; and
- Rehabilitation program; and
- Any other activity as specified in the approved spending plan.

The Borough is required to fund eligible programs in a Court-approved Housing Element and Fair Share Plan, as well as provide affordability assistance. At least 30% of collected development fees, excluding expenditures made since July 17, 2008, when affordability assistance became a statutory requirement in the Fair Housing Act, shall be used to provide affordability assistance to low- and moderate-income households in affordable units included in a municipal Fair Share Plan. At least one-third (1/3) of the affordability assistance must be expended on very-low income units. Additionally, no more than 20% of the revenues collected from development fees each year shall be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to prepare or implement a rehabilitation program, a new construction program, a housing element and fair share plan, and/or an affirmative marketing program. The spending plan prepared reflects these requirements, but once amendments to 5:99 are finalized, the Borough reserves the right to amend its spending plan related to affordability assistance requirements, which are proposed to change.

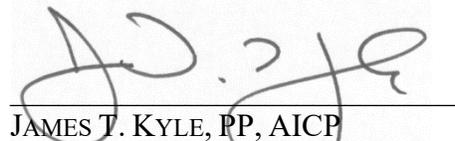
Appendix 1

2025 FOURTH ROUND HOUSING PLAN

HOUSING, DEMOGRAPHIC AND EMPLOYMENT ANALYSIS
BOROUGH OF RARITAN
SOMERSET COUNTY
NEW JERSEY

JUNE 12, 2025

PREPARED BY:



JAMES T. KYLE, PP, AICP
NEW JERSEY PROFESSIONAL PLANNER LICENSE 5667

KYLE MCMANUS ASSOCIATES

A SIGNED AND SEALED ORIGINAL IS ON FILE WITH THE BOROUGH CLERK



2 East Broad Street, Second Floor
Hopewell, NJ 08525
jkyle@kylemcmamus.com

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DEMOGRAPHIC ANALYSIS

In 1940, before the US entered the Second World War, 4,839 persons lived in Raritan (Table 1). Over the next few decades, the population of the borough grew steadily. A 6.0% rise in the population in the 1940s was followed by a jump of 19.6% in the 1950s and a 9.0% gain in the 1960s. The borough then endured a protracted period of population decline, with the number of residents falling over a succession of decades, beginning in the 1970s, when the population dropped by 8.4%. The trend continued into the next decade, with the community experiencing a net loss of residents of 5.4% in the 1980s. The number of residents stabilized in the 1990s, climbing by 9.3%, with a further population growth in the 2000s, with an increase of 8.6%. In the 2010s, the number of Raritan residents grew by the largest percentage since the 1950s, 13.9%, with a net increase of 954 residents. As of 2020, 7,835 persons lived in Raritan.

It is important to note that, while the total population data in Table 1 is drawn from the Decennial U.S. Census survey, all subsequent Census Bureau data was obtained from the 2019-2023 American Community Survey (ACS), a 5-year estimate of results from annual surveys that are averaged together.

Table 1: Population Trends (1940-2020)

Year	Raritan		Somerset County		New Jersey	
1940	4,839	--	74,390	--	4,160,165	--
1950	5,131	6.0%	99,052	33.2%	4,835,329	16.2%
1960	6,137	19.6%	143,913	45.3%	6,066,782	25.5%
1970	6,691	9.0%	198,372	37.8%	7,171,112	18.2%
1980	6,128	-8.4%	203,129	2.4%	7,365,011	2.7%
1990	5,798	-5.4%	240,279	18.3%	7,730,188	5.0%
2000	6,338	9.3%	297,490	23.8%	8,414,350	8.9%
2010	6,881	8.6%	323,444	8.7%	8,791,894	4.5%
2020	7,835	13.9%	345,361	6.8%	9,288,944	5.7%

Source: Census Bureau, Decennial Census; NJ Dept. of Labor and Workforce Development

More women live in Raritan than men. In all, 50.4% of residents are women and only 49.6% are men (Table 2). Overall, the median age of the population is 43.1 years of age. The largest age groups are those of 20 to 34 years of age and 35 to 54 years of age, which comprise 21.5% and 29.0% of the community, respectively. These cohorts include persons currently of prime child-bearing and/or parenting age. This is not the case in Raritan. In all, only 17.9% of residents are under the age of 20, a percentage lower than the share in many municipalities. Children under the age of 5 account for just 3.1% of the population while persons between 5 and 19 years of age account for 14.8%. Older persons make up a significant portion of the community as almost a third of the population is 55 years of age and older. Seniors, those 65 years of age and older, comprise 14.0% of the population, while persons 55 to 64 years of age account for 17.6%.

Table 2: Population by Age and Sex

Age Group	Total Population		Male		Female	
	Number	% of Population	Number	% of Population	Number	% of Population
Under 5 years old	255	3.1%	160	3.9%	95	2.3%
5 to 19 years of age	1,209	14.8%	478	11.8%	731	17.7%
20 to 34 years of age	1,759	21.5%	1,054	25.9%	705	17.1%
35 to 54 years of age	2,379	29.0%	1,087	26.7%	1,292	31.3%
55 to 64 years of age	1,444	17.6%	732	18.0%	712	17.3%
65+ years of age	1,146	14.0%	554	13.6%	592	14.3%
Total	8,192	100.0%	4,065	100.0%	4,127	100.0%
Median age	43.1		41.8		44.9	

Source: Census Bureau, 2019-2023 5-Year American Community Survey

The community is aging quickly, with the median age increasing in the last decade, rising from 37.8 to 43.1 years of age (Table 3). The oldest age groups in Raritan have especially expanded in size. Between 2013 and 2023, the 65-and-over population grew by 42.5%. At the same time, the number of persons 55 to 64 years of age soared by 75.5%. Conversely, the two youngest cohorts shrank in size. The population of persons 5 to 19 years of age dropped by 22.5% while the number of children under the age of 5 plunged by 38.0%. Meanwhile, the population of persons 20 to 34 years of age jumped by 60.1%, the second largest percentage increase of any cohort. For its part, the number of residents 35 to 54 years of age grew by a miniscule amount, inching up by 0.7%

Table 3: Population Change by Age, 2013 to 2023

Age Group	2013		2023		Change, 2013 to 2023	
	2013	%, Total Population	2023	%, Total Population	Total Change	% Change
Under 5 years old	411	5.8%	255	1.6%	-156	-38.0%
5 to 19 years of age	1,559	22.1%	1,209	7.5%	-350	-22.5%
20 to 34 years of age	1,099	15.6%	1,759	10.9%	660	60.1%
35 to 54 years of age	2,362	33.5%	2,379	14.7%	17	0.7%
55 to 64 years of age	823	11.7%	1,444	8.9%	621	75.5%
65+ years of age	804	11.4%	1,146	7.1%	342	42.5%
Total	7,058	--	8,192	--	1,134	16.1%
Median Age	37.8		43.1		5.3	

Source: 2009-2013, 2019-2023 5-Year American Community Survey

As of 2023, 3,209 households lived in Raritan. (Table 4). One- and two-person households make up 22.9% and 40.9% of total households, respectively. The percentage of two-person households is somewhat

above the percentage at the county and state level. Three- and four person households, though, account for a smaller percentage of households, 27.0%, relative to the wider county and state, 35.6% and 32.4%. Larger households, those that consist of five persons or more, constitute 9.1% of households, a figure that surpasses the comparable share for Somerset County, 8.6%, but falls short of the share for New Jersey as a whole, 10.2%. The median household size, 2.53 persons, is below the statewide median, 2.61 persons, as well as the median for Somerset County, 2.64 persons.

Table 4: Household Size

Household Size	Raritan		Somerset County		New Jersey	
	Total	%	Total	%	Total	%
1-person household	735	22.9%	30,722	23.7%	918,897	26.4%
2-person household	1,312	40.9%	41,494	32.1%	1,081,842	31.1%
3-person household	510	15.9%	24,261	18.7%	594,946	17.1%
4-person household	357	11.1%	21,861	16.9%	530,520	15.3%
5-person household	184	5.7%	6,907	5.3%	218,492	6.3%
6-person household	94	2.9%	2,674	2.1%	79,678	2.3%
7+-person household	17	0.5%	1,540	1.2%	53,980	1.6%
Total households	3,209	100.0%	129,459	100.0%	3,478,355	100.0%
Average Household Size	2.53		2.64		2.61	

Source: 2019-2023 5-Year American Community Survey

Families constitute approximately 62.7% of households in Raritan (Table 5). Family households are somewhat less common than in the rest of the county and state, where families comprise 71.0% of Somerset County households and 67.8% of households in the Garden State. In the borough, family households consist of 3.24 persons on average, somewhat higher than the respective county and state averages, 3.17 and 3.19 persons per household. The average household size for nonfamily households in Raritan is relatively high, 1.33 persons per household. In contrast, the average household size for nonfamily households is 1.22 persons in Somerset County and New Jersey overall.

Table 5: Family and Nonfamily Households

Household Type	Raritan	Somerset County	New Jersey
Total family households	62.7%	71.0%	67.8%
Total nonfamily households	37.3%	29.0%	32.2%
Average household size, family households	3.24	3.17	3.19
Average household size, nonfamily households	1.33	1.22	1.22

Source: 2019-2023 5-Year ACS

The educational attainment rates tabulated for Raritan are below those for Somerset County and New Jersey. Of all residents at least 25 years of age, 39.8% have at least a bachelor’s degree while 16.3% possess a graduate or professional degree (Table 6). By contrast, 57.4% of residents in Somerset County have a bachelor’s degree or higher while 26.3% have a graduate or professional degree. A sizable number of Raritan residents, 10.0%, do not have a high school diploma, compared to 6.2% for the overall county.

Table 6: Educational Attainment

Highest level of education	Raritan	Somerset County	New Jersey
Less than 9th grade	3.1%	3.1%	4.6%
9th to 12th grade, no diploma	6.9%	3.1%	4.7%
High school graduate (includes equivalency)	26.0%	18.0%	25.7%
Some college, no degree	14.3%	12.4%	15.3%
Associate's degree	10.0%	6.1%	6.7%
Bachelor's degree	23.4%	31.1%	25.8%
Graduate or professional degree	16.3%	26.3%	17.1%
High school graduate or higher	90.0%	93.8%	90.7%
Bachelor's degree or higher	39.8%	57.4%	42.9%

Source: 2019-2023 5-Year ACS

White persons who are not Hispanic make up slightly under half of Raritan residents, 49.1% (Table 7). This share is remarkably close to the comparable figures in the county and state. In Somerset County as a whole, non-Hispanic whites make up 50.6% of the population, which, in turn, is slightly less than the overall rate in the state, 51.9%. Whites who are Hispanic constitute 3.7% of residents. Overall, 52.8% of residents are white. The community has a large Hispanic population, which comprises 21.9% of residents, matching the percentage statewide, 21.9%. Black residents make up 3.9% of the population, a relatively low figure for New Jersey. Asian-Americans compose almost a fifth of the community, 19.3%, close to the countywide percentage and almost doubling the share in New Jersey as a whole, 9.8%. A sizable percentage of residents are of multiple races, 17.2%.

Table 7: Race and Ethnicity

Race and Ethnicity	Raritan	Somerset County	New Jersey
<i>Non-Hispanic</i>	78.1%	83.0%	78.1%
White	49.1%	50.6%	51.9%
Black	3.7%	9.3%	12.3%
Asian	19.3%	19.1%	9.8%
Other Race Alone	2.5%	0.9%	0.8%
Two or more Races	3.5%	3.1%	3.2%

<i>Hispanic (All Races)</i>	<i>21.9%</i>	<i>17.0%</i>	<i>21.9%</i>
Hispanic, White	3.7%	3.5%	5.0%
Hispanic, Black	0.2%	0.4%	0.7%
Hispanic, Other	4.4%	7.4%	8.9%
Hispanic, Two or More Races	13.7%	5.8%	7.4%
<i>Source: 2019-2023 5-Year ACS</i>			

SOCIOECONOMIC ANALYSIS

The median household income is \$103,699, just above the median in New Jersey, \$101,050, although appreciably lower than the median for Somerset County as a whole, \$135,960 (Table 8). The average household income in Raritan, \$141,830, is also close to the average in New Jersey, \$140,299. In all, 52.6% of Raritan households have an income of \$100,000 or higher. The borough does have a somewhat higher percentage of households with an income less than \$50,000 compared to Somerset County. That is, 18.7% of households in Raritan have an income of less than \$50,000 compared to 14.9% in Somerset County. As for those with the lowest incomes, 5.9% of households in the borough have an income less than \$25,000, less than in New Jersey overall, where 11.9% of households have an income of less than \$25,000.

Table 8: Household Income

Household Income	Raritan	Somerset County	New Jersey
Less than \$25,000	5.9%	7.5%	11.9%
\$25,000-\$50,000	12.8%	8.8%	13.3%
\$50,000-\$100,000	28.7%	19.8%	24.3%
\$100,000-\$200,000	34.3%	31.2%	29.7%
More than \$200,000	18.3%	32.7%	20.7%
Median Household Income	\$103,699	135,960	\$101,050
Mean Household Income	\$141,830	186,372	\$140,299
<i>Source: 2019-2023 5-Year ACS</i>			

Due to the sizable number of low-income households, the poverty rate in Raritan, 7.0%, is higher than in Somerset County as a whole (Table 9). The level of poverty is even higher for two vulnerable age groups, children and seniors. The child poverty rate is 11.4%, well above the percentage at the county level, 7.3%. The poverty rate for seniors is well above the county- and state-level figures, with 11.3% of seniors in Raritan living in poverty, compared to 6.1% in Somerset County and 9.5% in New Jersey.

Table 9: Poverty Rate

Indicator	Raritan	Somerset County	New Jersey
Poverty Rate, Overall	7.0%	5.5%	9.8%
Poverty Rate, Under 18 years old	11.4%	7.3%	13.3%
Poverty Rate, Seniors	11.3%	6.1%	9.5%

Source: 2019-2023 5-Year ACS

Over the past decade, the unemployment rate in Raritan has generally matched or exceeded the rate for the county while falling shy of New Jersey’s overall rate. As late as 2013, the borough’s unemployment rate stood at 6.3%, but unemployment declined steadily over the rate of the decade (Table 10). By 2019, only 3.1% of the labor force in Raritan were unemployed. Joblessness ballooned with the onset of the pandemic, when unemployment rate soared to 8.5%. The rate ticked downward in subsequent years, reaching 4.0% in 2022 while climbing slightly to 4.1% in 2023.

Table 10: Unemployment Rate

Year	Raritan	Somerset County	New Jersey
2013	6.3%	6.5%	8.4%
2014	5.4%	5.3%	6.7%
2015	4.5%	4.5%	5.7%
2016	4.3%	4.0%	4.9%
2017	3.7%	3.7%	4.5%
2018	3.3%	3.3%	4.0%
2019	3.1%	2.9%	3.5%
2020	8.5%	7.5%	9.4%
2021	5.9%	5.4%	6.7%
2022	4.0%	3.2%	3.9%
2023	4.1%	3.8%	4.4%

Source: NJ Dept. of Labor and Workforce Development

Employees working in management, business, science, and arts occupations constitute 40.1% of the workforce, below the share statewide, 46.9% (Table 11). In contrast, the share of residents who have service occupations, 21.7%, is above the share statewide, 14.8%. Approximately 20.3% of employed residents have sales and office jobs, close to the 20.0% statewide. The proportion of residents in natural resources, construction, and maintenance occupations, 6.9%, matches the state-level figure. Lastly, the number of Union residents employed in production, transportation, and moving jobs, 11.1%, is but a fraction below the New Jersey figure, 11.3%.

Table 51: Occupation

Occupation	Raritan	Somerset County	New Jersey
Management, business, science, and arts	40.1%	57.2%	46.9%
Service occupations	21.7%	11.4%	14.8%
Sales and office occupations	20.3%	17.7%	20.0%
Natural resources, construction, and maintenance occupations	6.9%	4.9%	6.9%
Production, transportation, and material moving	11.1%	8.8%	11.3%

Source: 2019-2023 5-Year ACS

Borough residents are employed in all the major industrial sectors, but are especially numerous in the professional, scientific, and management services sector. More Raritan residents work in this sector, 14.9% of the employed population, than in any other sector. (Table 12). Healthcare plays an integral role in Raritan’s economy, with 13.9% of employed residents working in the sector, above the share for Somerset County, 11.4%, and surpassing the percentage statewide, 13.3%. The retail sector also employs a higher-than-average share of workers, 8.7%, as does the arts, entertainment, recreation, and food services sector, 13.4%. An eighth of the employed population, 12.5%, works in the manufacturing sector, surpassing the percentage statewide.

Table 62: Industry

Industry	Raritan	Somerset County	New Jersey
Agriculture, forestry, fishing and hunting, and mining	0.2%	0.2%	0.3%
Construction	4.4%	4.5%	6.4%
Manufacturing	12.5%	16.4%	9.8%
Wholesale trade	4.0%	3.3%	3.4%
Retail trade	8.7%	7.3%	8.7%
Transportation and warehousing, and utilities	3.7%	4.6%	6.9%
Information	1.8%	4.0%	2.9%

Finance and insurance, and real estate and rental and leasing	6.1%	11.2%	10.3%
Professional, scientific, and management, and administrative and waste management services	14.9%	19.2%	15.4%
Educational services	7.9%	8.3%	8.9%
Health care and social assistance	13.9%	11.4%	13.3%
Arts, entertainment, and recreation, and accommodation and food services	13.4%	3.0%	4.8%
Other services except public administration	4.9%	3.0%	3.5%
Public administration	3.5%	3.4%	5.3%

Source: 2019-2023 5-Year ACS

Overall, the median commuter takes 21.8 minutes to get to work (Table 13). Slightly less than three in eight commuters, 37.2%, get to work in less than 15 minutes while, altogether, 51.9% get to work in under 20 minutes. This far surpasses the 32.2% who have such a commute in Somerset County. At the other end of the scale, 30.7% of commuters need at least a half hour to get to their workplace. In contrast, 47.3% of commuters in Somerset County and 46.0% in New Jersey have a commute of at least 30 minutes.

Table 13: Travel Time to Work

Travel Time	Raritan	Somerset County	New Jersey
Less than 10 minutes	17.5%	9.3%	9.9%
10 to 14 minutes	19.7%	10.2%	11.5%
15 to 19 minutes	14.7%	12.7%	13.1%
20 to 29 minutes	17.3%	20.6%	19.6%
30 to 44 minutes	20.6%	24.0%	21.9%
45 to 59 minutes	5.3%	9.9%	9.9%
60 or more minutes	4.8%	13.4%	14.2%
Mean travel time to work (minutes)	21.8	31.5	30.9

Source: 2019-2023 5-Year ACS

HOUSING ANALYSIS

A little over three-fifths of residents live in owner-occupied units, 61.1% in all (Table 14). Rental housing, though, plays a larger role in the borough's housing market compared to other Somerset County communities. In all, 39.3% of the population lives in renter-occupied housing, whereas in Somerset County as a whole, 25.5% of persons live in rentals.

Table 14: Tenure

Tenure	Raritan	Somerset County	New Jersey
Owner-Occupied	60.7%	74.5%	63.7%
Renter-Occupied	39.3%	25.5%	36.3%

Source: 2019-2023 5-Year ACS

According to the American Community Survey, only 1.5% of housing units in the borough are vacant (Table 15). The share of vacant units is low even for Somerset County, where only 2.5% of housing units are vacant. It is particularly low compared to the state as a whole, where 7.9% of housing units sit vacant.

Table 15: Occupancy Status

Occupancy Status	Raritan	Somerset County	New Jersey
Occupied	98.5%	97.5%	92.1%
Vacant	1.5%	2.5%	7.9%

Source: 2019-2023 5-Year ACS

Almost half of the vacant units in the borough are for rent, 45.8% (Table 16). More than half of the vacant homes in Raritan, 54.2%, are units used for recreational or other part-time purposes. This stands well in excess of the comparable share countywide, 10.1%.

Table 16: Vacancy Status

Vacancy Status	Raritan	Somerset County	New Jersey
For rent	45.8%	19.8%	16.0%
Rented, not occupied	0.0%	4.6%	2.7%
For sale only	0.0%	19.3%	6.4%
Sold, not occupied	0.0%	5.1%	4.1%
For seasonal, recreational, or occasional use	54.2%	10.1%	43.7%
For migrant workers	0.0%	0.0%	0.0%
Other vacant	0.0%	41.2%	27.1%

Source: 2019-2023 5-Year ACS

Single-family homes account for a majority of housing units in Raritan, or 57.1% (Table 17). This is less than the percentage in New Jersey overall, 62.7%. One-family detached residences make up 47.3% of the housing stock while one-family attached residences account for 9.8% of housing in the community. Two-family dwellings comprise 15.6% of the housing stock while three- and four-family buildings total 7.2%. Multifamily housing constitutes 27.4% of the housing units in the community. This far surpasses the share countywide, or 19.8%. Large apartment buildings with 50 units or more constitute the largest portion of the multifamily stock, or 9.7% of all housing units in Raritan. An additional 3.3% of units are located in buildings of between 20 and 49 units. A further 5.0% are in buildings with 10 to 19 units while 1.8% of units are in buildings of 5 to 9 units. The Census found that RVs, vans, and other vehicles constitute 0.2% of housing units.

Table 17: Units in Structure

Housing Type	Raritan	Somerset County	New Jersey
1, detached	47.3%	58.8%	52.7%
1, attached	9.8%	14.4%	10.0%
2	15.6%	4.6%	8.6%
3 or 4	7.2%	4.5%	6.1%
5 to 9	1.8%	5.0%	4.7%
10 to 19	5.0%	4.9%	4.9%
20 to 49	3.3%	2.6%	4.2%
50 or more	9.7%	4.9%	7.9%
Mobile home	0.0%	0.2%	0.9%
Boat, RV, van, etc.	0.2%	0.0%	0.0%

Source: 2019-2023 5-Year ACS

Single-family housing accounts for the vast majority of owner-occupied units while rental units are largely located in multifamily buildings. Altogether, one-family dwellings make up 90.7% of owner-occupied units, with 81.7% in detached residences and 9.0% in attached residences (Table 18). Two-family dwellings comprise 7.9% of owner-occupied units. Multifamily housing accounts for most of the other owner-occupied units, 0.8%, while vans, RVs, and other vehicles account for the remaining 0.5%.

In contrast, one-family homes constitute just less than a fifth of renter-occupied units, 19.6%, while two-, three-, and four-family dwellings account for 38.0% of rentals. Multifamily buildings constitute 42.4% of the rental stock. A significant number of rentals, 20.3%, are in apartment buildings with 50 or more units, with 7.3% in buildings with between 20 and 49 units. Over one in ten rental units, 10.9%, in buildings of between 10 and 19 units while buildings of 5 to 9 units provide 3.9% of rentals in total.

Table 18: Units in Structure by Tenure

Housing Type	Raritan		Somerset County		New Jersey	
	Owner-Occupied	Renter-Occupied	Owner-Occupied	Renter-Occupied	Owner-Occupied	Renter-Occupied
1, detached	81.7%	8.7%	74.6%	13.5%	77.1%	11.7%
1, attached	9.0%	10.9%	15.8%	10.8%	10.2%	8.4%
2	7.9%	24.2%	1.6%	13.4%	4.6%	15.5%
3 or 4	0.0%	13.8%	1.8%	12.7%	1.7%	13.8%
5 to 9	0.0%	3.9%	2.6%	11.9%	1.4%	10.6%
10 to 19	0.0%	10.9%	2.0%	13.0%	1.2%	11.4%
20 to 49	0.0%	7.3%	0.7%	8.2%	1.0%	9.7%
50 or more	0.8%	20.3%	0.8%	16.3%	1.8%	18.4%
Mobile home	0.0%	0.0%	0.2%	0.2%	1.1%	0.4%
Boat, RV, van, etc.	0.5%	0.0%	0.0%	0.0%	0.0%	0.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: 2019-2023 5-Year ACS

A considerable portion of the housing stock was constructed before 1940 (Table 19). To be precise, 25.8% of units are in buildings built prior to 1940, well above the percentage for Somerset County, 9.7%. The financial outlay needed to maintain buildings of this age can dissuade investment in residential properties. Older housing units are also more likely to lack essential facilities and meet the needs of its residents. Over a third of existing residences, 34.8%, were built between 1940 and 1980. Almost two in five housing units has been constructed in 1980 or later, 39.5% in all, including 3.2% that were constructed in the 1980s and 11.5% in the 1990s. Approximately a quarter of the housing stock, 24.8%, has been built in the twenty-first century, with 9.3% of units constructed in the 2000s, 11.2% in the 2010s, and 4.3% in 2020 or later.

Table 19: Year Structure Built

Year Structure Built	Raritan	Somerset County	New Jersey
Built 2020 or later	4.3%	0.6%	0.6%
Built 2010 to 2019	11.2%	5.7%	5.8%
Built 2000 to 2009	9.3%	9.8%	9.1%
Built 1990 to 1999	11.5%	17.0%	9.1%
Built 1980 to 1989	3.2%	20.0%	11.9%
Built 1970 to 1979	4.7%	9.3%	12.4%
Built 1960 to 1969	12.5%	12.7%	13.0%
Built 1950 to 1959	11.4%	10.4%	14.1%
Built 1940 to 1949	6.1%	4.8%	6.7%

Built 1939 or earlier	25.8%	9.7%	17.5%
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Source: 2019-2023 5-Year ACS

Two-bedroom homes are unusually common in Raritan, totaling 35.6% of all housing units in the borough (Table 20). One-bedroom homes make up an additional 12.2% of dwellings. The high share of one- and two-bedroom residences makes sense, given that many households consist of only one or two persons. Almost a third of housing units have three bedrooms, 31.8% in all, while 18.6% have four bedrooms. According to data from the American Community Survey, no homes in Raritan have more than four bedrooms.

Table 20: Number of Bedrooms, Housing Stock

Total Bedrooms	Raritan	Somerset County	New Jersey
No bedroom	1.7%	1.6%	3.0%
1 bedroom	12.2%	10.0%	14.2%
2 bedrooms	35.6%	26.2%	25.5%
3 bedrooms	31.8%	27.2%	31.8%
4 bedrooms	18.6%	26.7%	19.7%
5 or more bedrooms	0.0%	8.3%	5.9%

Source: 2019-2023 5-Year ACS

A small portion of the housing stock is in substandard condition. For instance, 1.0% of residences lack complete kitchen facilities, above the rate in both Somerset County and New Jersey. (Table 21). In addition, 0.3% of homes lack telephone service. That said, no housing units in Raritan lack complete plumbing facilities, a problem that plagues 0.3% of units statewide. Only 0.4% of households lack fuel to heat their home, about half the statewide percentage. The most common heating fuel is natural gas supplied by a utility, which heats 81.9% of homes, a figure that outpaces the share countywide, 79.5%. In terms of overcrowding, 2.1% of borough homes have more than one occupant per room.

Table 21: Housing Quality Indicators

Home Heating Fuel	Raritan	Somerset County	New Jersey
Utility gas	81.9%	79.5%	73.3%
Bottled, tank, or LP gas	2.1%	1.5%	2.5%
Electricity	12.0%	13.2%	15.6%
Fuel oil, kerosene, etc.	3.4%	4.7%	6.8%
Coal or coke	0.0%	0.0%	0.0%
Wood	0.0%	0.1%	0.3%

Solar energy	0.0%	0.2%	0.2%
Other fuel	0.3%	0.2%	0.5%
No fuel used	0.4%	0.5%	0.8%
Lacking facilities			
Lacking complete plumbing facilities	0.0%	0.2%	0.3%
Lacking complete kitchen facilities	1.0%	0.7%	0.8%
No telephone service available	0.3%	0.6%	0.9%
Occupants Per Room			
1.00 or less	97.9%	97.4%	96.3%
1.01 to 1.50	0.9%	1.7%	2.4%
1.51 or more	1.2%	0.8%	1.3%

Source: 2019-2023 5-Year ACS

Householders in Raritan are more likely to have moved in recently compared to Somerset County as a whole. This is perhaps not surprising, given that many residents live in rental housing. Approximately 11.6% of householders have moved to the borough between 2021 and 2023, while 27.2% of householders moved between 2018 and 2020 (Table 22). Moreover, 22.4% of householders moved into their units between 2010 and 2017. All told, 61.2% of householders moved into their home in 2010 or later. This well surpasses the percentage for Somerset County as a whole, where 56.2% of householders moved into their home since 2009, and exceeds the comparable figure statewide, 57.5%. A relatively small percentage, 13.0%, into their residence between 2000 and 2009. Just over a quarter of householders moved into their current residence before the turn of the century. In all, 16.9% of householders moved into their home during the 1990s, while 9.0% moved in before 1990.

Table 22: Year Moved In

Year Moved In	Raritan	Somerset County	New Jersey
Moved in 2021 or later	11.6%	8.1%	8.3%
Moved in 2018 to 2020	27.2%	19.6%	20.6%
Moved in 2010 to 2017	22.4%	28.5%	28.6%
Moved in 2000 to 2009	13.0%	19.9%	19.2%
Moved in 1990 to 1999	16.9%	13.2%	11.4%
Moved in 1989 and earlier	9.0%	10.8%	11.9%

Source: 2019-2023 5-Year ACS

HOUSING MARKET ANALYSIS

Approximately 64.2% of Raritan homeowners have a mortgage while 35.8% do not have a mortgage (Table 23). The percentage of homeowners in the borough without a mortgage is somewhat higher than the respective shares for the county and state. In Somerset County, 34.9% of owner-occupied homes are without a mortgage while in the Garden State as a whole, that figure is 35.6%.

Table 23: Mortgage Status

Mortgage Status	Raritan	Somerset County	New Jersey
With a mortgage	64.2%	65.1%	64.4%
Without a mortgage	35.8%	34.9%	35.6%

Source: 2019-2023 5-Year ACS

More than three-fifths of the homes in Raritan have a value between \$300,000 and \$499,999 (Table 24). The median home value in the community, \$449,200, falls within this range and is below the median values for Somerset County, \$523,900. It is, however, above the median home value in New Jersey, \$427,600. Approximately one in four homes has a value between \$500,000 and \$749,999. Just 3.0% of homes in Raritan are valued at \$750,000 or above. At the lower end of the scale, 10.3% of homes have a value of at least \$100,000 and less than \$300,000 while 0.7% of residences are valued under \$100,000.

Table 24: Home Values

Home Value	Raritan	Somerset County	New Jersey
Less than \$100,000	0.7%	1.6%	4.4%
\$100,000 to \$299,999	10.3%	12.4%	23.6%
\$300,000 to \$499,999	60.6%	33.2%	33.8%
\$500,000 to \$749,999	25.4%	28.8%	23.0%
\$750,000 to \$999,999	2.0%	13.7%	8.6%
\$1,000,000 or more	1.0%	10.3%	6.6%
Median home value	\$449,200	\$523,900	\$427,600

Source: 2019-2023 5-Year ACS

In the five years preceding the pandemic year of 2020, home prices generally hovered around \$360,000 if varying from year to year (Table 25). Since the pandemic, home sales have, for the most part, stayed relatively close to their pre-pandemic levels. The pandemic and mass adoption of work-from-home practices, though, have reshaped the housing market. In the last five years, home prices in Raritan have moved progressively higher, climbing by 43.4% from 2019 to 2024. As of 2024, the average price of a home sold in the community stood at \$528,131. Even so, this remains far short of the average price in Somerset County, \$655,539.

Table 25: Home Sales

Year	Raritan		Somerset County	
	Total Sales	Avg Sales Price	Total Sales	Avg Sales Price
2015	51	\$348,651	3,038	\$458,529
2016	59	\$354,178	1,655	\$455,314
2017	44	\$365,311	1,802	\$439,519
2018	46	\$358,261	1,859	\$460,296
2019	50	\$368,245	1,847	\$450,513
2020	50	\$334,430	1,673	\$447,563
2021	75	\$378,451	2,369	\$510,862
2022	67	\$423,118	2,157	\$562,662
2023	47	\$443,733	1,454	\$583,489
2024	42	\$528,131	1,206	\$655,539

Source: NJ Division of Taxation, NJ Treasury

Assessed values over the past decade have remained fairly stable. The average home assessment, which was \$319,706 in 2016, had marginally increased to \$322,665 by 2024 (Table 26). Average home assessments have risen by a somewhat higher percentage in Somerset County as a whole. Whereas, in 2016, the average Somerset County home had an assessed value of \$429,675, by 2024, it had climbed to \$549,852.

Table 26: Residential Tax Assessments

Year	Total Lots, Raritan	Average Assessment	Total Lots, Somerset County	Average Assessment
2016	1,903	\$319,706	103,132	\$429,675
2020	1,897	\$320,545	104,010	\$445,673
2024	1,900	\$322,665	103,850	\$549,852

Source: NJ Division of Taxation, NJ Treasury

Given the rise in home values, the cost of housing may become of increasingly serious concern in the years to come. Housing is generally considered to be affordable if the amount of rent, mortgage, and other essential costs consume less than 30% of a household’s income. If a household spends more than 30% of its income on housing, it is considered cost-burdened. ACS data show more than a third of Raritan households, 36.7%, spend 30% or more of their income on housing, above the percentage statewide, 35.7% (Table 27). An additional 23.3% of households spend between 20% and 29% of income on housing costs. As for households that can better afford housing, 39.2% of households spend less than 20% of their income on housing.

Table 27: Burden of Housing Costs, All Households

Housing Costs as % of Household Income	Raritan	Somerset County	New Jersey
Less than 20% of household income	39.2%	45.9%	39.3%
20 to 29% of household income	23.3%	23.0%	22.9%
30% or more of household income	36.7%	29.7%	35.7%
Zero or negative income	0.4%	0.6%	1.1%
No cash rent	0.3%	0.9%	1.1%

Source: 2019-2023 5-Year ACS

Homeowners are better able to cope with housing costs than renters. Nevertheless, an estimated 30.3% must set aside at least 30% of their income to pay for housing (Table 28). This is slightly higher than the comparable percentages for the county and state, 24.2% and 28.5%. Almost half of homeowners, 48.5%, spend less than 20% of their income on housing while 20.5% allocate between 20% and 29% of their income towards the cost of housing.

Table 28: Burden of Housing Costs, Owner-Occupied Housing

Housing Costs as % of Household Income	Raritan	Somerset County	New Jersey
Less than 20% of household income	48.5%	53.4%	48.1%
20 to 29% of household income	20.5%	22.0%	22.7%
30% or more of household income	30.3%	24.2%	28.5%
Zero or negative income	0.7%	0.5%	0.6%

Source: 2019-2023 5-Year ACS

In terms of monthly costs, 26.5% of households with a mortgage pay \$3,000 or more on housing, about half the percentage for Somerset County as a whole, 53.7% (Table 29). Another 60.9% of households with a mortgage spend between \$2,000 and \$2,999 on housing costs every month. To put it another way, almost three in four Raritan households spend at least \$2,000 on housing costs every month. Again, this is eclipsed by percentage countywide, with 87.4% of Somerset County homeowners have housing costs of at least \$2,000 per month. Overall, the median household in Raritan spends \$2,610 every month on housing costs, compared to \$3,124 in Somerset County.

Table 29: Monthly Costs, Homeowners with a Mortgage

Monthly housing costs	Raritan	Somerset County	New Jersey
Less than \$500	0.0%	0.3%	0.4%

\$500 to \$999	0.0%	0.9%	1.8%
\$1,000 to \$1,499	2.8%	3.8%	6.6%
\$1,500 to \$1,999	9.7%	8.1%	13.7%
\$2,000 to 2,499	30.8%	16.2%	17.7%
\$2,500 to \$2,999	30.1%	17.0%	17.0%
\$3,000 or more	26.5%	53.7%	42.7%
Median monthly housing cost	\$2,610	\$3,124	\$2,787

Source: 2019-2023 5-Year ACS

Monthly housing costs are necessarily lower for those households without a mortgage. Even so, these households still bear some housing-related costs, with expenditures going towards taxes, insurance payments, utilities, and other fees. In Raritan, 79.8% of homeowners without a mortgage have monthly costs of \$1,000 or more, with a median monthly cost of \$1,398 (Table 30). This is consistent with Somerset County as a whole, where 80.3% of such households have monthly costs of \$1,000 or more, and where the median monthly housing costs for homes without a mortgage is \$1,367. As for the remainder of households, 11.6% of homeowners without a mortgage in Raritan expend between \$800 and \$999 on housing-related costs every month, while 2.1% expend between \$400 and \$599, and 6.5% spend less than \$400 on a monthly basis.

Table 30: Monthly Costs, Homeowners without a Mortgage

Monthly housing costs	Raritan	Somerset County	New Jersey
Less than \$250	5.2%	1.2%	1.9%
\$250 to \$399	1.3%	1.1%	2.6%
\$400 to \$599	1.3%	2.8%	5.0%
\$600 to \$799	0.8%	4.4%	8.8%
\$800 to \$999	11.6%	10.2%	14.6%
\$1,000 or more	79.8%	80.3%	67.1%
Median monthly housing costs	\$1,393	\$1,367	\$1,205

Source: 2019-2023 5-Year ACS

Housing costs put an even greater strain on renters in New Jersey, where 48.3% of renting households are cost-burdened (Table 31). In Raritan, 44.1% of renting households in Raritan are cost-burdened, A further 26.6% of households spend between 20% and 29% of their income on housing costs while 28.6% of renting households spend less than 20% of their income on housing costs. Renters in the borough under slightly less financial strain than in other municipalities in Somerset County, where 45.7% of households in renter-occupied housing are cost-burdened.

Table 31: Burden of Housing Costs, Renter-Occupied Housing

Housing Costs as % of Household Income	Raritan	Somerset County	New Jersey
Less than 20% of household income	28.6%	24.2%	23.8%
20 to 29% of household income	26.6%	25.7%	23.1%
30% or more of household income	44.1%	45.7%	48.3%
Zero or negative income	0.0%	0.9%	1.9%
No cash rent	0.7%	3.5%	2.9%

Source: 2019-2023 5-Year ACS

The median gross rent in Raritan, \$1,927, is relatively high compared to the rest of Somerset County, where the median rent is \$1,702 (Table 32). The borough has a higher percentage of rental units with a rent of \$3,000 or more, 9.0%, than either the county or the state, 5.1% and 7.6%, respectively. Another 17.7% of renting households have a rent between \$2,500 and \$2,999 while 19.3% spend between \$2,000 and \$2,499 on gross rent. To put this in perspective, 46.0% of households that rent housing in Raritan have a gross rent of at least \$2,000, far more than the 30.1% in Somerset County as a whole. Another 26.8% of households that a rent between \$1,500 and \$1,999. Only 27.1% of households in renter-occupied housing have a rent of less than \$1,500, compared to 36.5% of such households countywide.

Table 32: Gross Rent

Gross Rent	Raritan	Somerset County	New Jersey
Less than \$500	0.0%	4.3%	6.3%
\$500 to \$999	4.4%	7.0%	8.7%
\$1,000 to \$1,499	22.7%	25.2%	26.3%
\$1,500 to \$1,999	26.8%	33.5%	28.5%
\$2,000 to \$2,499	19.3%	19.1%	15.9%
\$2,500 to \$2,999	17.7%	5.9%	6.7%
\$3,000 or more	9.0%	5.1%	7.6%
Median rent	\$1,927	\$1,702	\$1,653

Source: 2019-2023 5-Year ACS

DEVELOPMENT TRENDS

In the last 20 years, Borough staffers have approved building permits on average for the construction of 40 housing units annually (Table 33). According to permitting data, the rate at which construction has occurred has slowed substantially in the last decade, with building permits approved for an average of 4 housing units per year. It is possible, however, that the DCA Development Trends database is mistakenly

missing multifamily units that were permitted in the last ten years, given that the department's certificates of occupancy data shows that a sizable number of multifamily units were certified in Raritan in 2021.

Table 33: Total Housing Permits Issued Per Year, 2004-2023

Year	Raritan	Somerset County	New Jersey
2004	1	1,448	39,238
2005	245	1,193	39,688
2006	4	746	32,048
2007	1	768	25,948
2008	7	520	16,338
2009	2	312	11,145
2010	0	575	11,885
2011	0	469	11,882
2012	327	1,060	15,270
2013	167	1,061	18,795
2014	12	689	22,896
2015	0	848	19,503
2016	18	839	24,170
2017	4	564	25,961
2018	0	1,196	26,048
2019	2	757	30,770
2020	1	1,624	26,680
2021	4	1,186	30,044
2022	0	739	31,792
2023	1	545	21,682
10-Year Average	4	899	25,955
20-Year Average	40	857	24,089

Source: NJ Dept. of Community Affairs

Altogether, 796 housing units have been permitted in Raritan since 2004 while 17,139 units have been permitted countywide over that span (Table 34). Multifamily development is responsible for most of the units permitted in the last 20 years, 685 units in all. On average, 34.3 multifamily units have been permitted per year in the last two decades. Raritan officials have also approved building permits for 111 one- and two-family residences over the last twenty years. This equates to an average of 5.6 units permitted annually over that time, while, over the last ten years, an average of 4.2 one- and two-family units have been permitted annually. It should be noted that the borough has not permitted any mixed-use housing units over that time.

Table 34: Total Housing Permits Issued by Type, 2004-2023

Year	Raritan			Somerset County			New Jersey		
	1-2 Units	Multifamily	Mixed-Use	1-2 Units	Multifamily	Mixed-Use	1-2 Units	Multifamily	Mixed-Use
2004	1	0	0	833	612	3	27,103	11,383	752
2005	5	240	0	724	469	0	26,715	12,687	286
2006	4	0	0	537	207	2	20,090	11,760	198
2007	1	0	0	519	248	1	14,235	11,553	160
2008	7	0	0	382	138	0	8,960	7,102	276
2009	2	0	0	310	1	1	6,776	4,309	60
2010	0	0	0	393	181	1	6,934	4,733	218
2011	0	0	0	329	138	2	6,236	5,184	462
2012	2	325	0	361	699	0	6,700	8,527	43
2013	47	120	0	575	486	0	9,666	8,998	131
2014	12	0	0	518	171	0	10,678	11,909	309
2015	0	0	0	377	471	0	9,470	9,989	44
2016	18	0	0	348	490	1	8,885	15,217	68
2017	4	0	0	302	262	0	9,201	16,146	614
2018	0	0	0	263	878	55	9,026	16,811	211
2019	2	0	0	264	491	2	8,954	21,762	54
2020	1	0	0	252	1,372	0	8,673	17,950	57
2021	4	0	0	230	955	1	10,479	19,471	94
2022	0	0	0	225	514	0	9,163	21,913	716
2023	1	0	0	234	310	1	9,552	11,538	592
10-Year Average	4.2	0.0	0.0	301	591	6	9,408	16,271	276
20-Year Average	5.6	34.3	0.0	399	455	4	11,375	12,447	267

Source: NJ Dept. of Community Affairs

Certificates of occupancy data from NJ DCA suggests that the permitting data publicly available for Raritan could be incomplete, at least for the most recent years recorded (Table 35). Namely, 276 multifamily units were certified in Raritan in 2021, according to data from the State of New Jersey. Owing to this disparity, any conclusions about recent homebuilding trends in the borough should come with a caveat. As with building permits, certificates of occupancy were given more frequently for multifamily housing than they were for one- and two-family units. On average, 6 one- and two-family units were certified every year in the last ten years while 52 multifamily units were certified per year over the same period.

Table 35: Certificates of Occupancy, 2014-2023

Year	Raritan			Somerset County			New Jersey		
	1-2 Units	Multifamily	Mixed-Use	1-2 Units	Multifamily	Mixed-Use	1-2 Units	Multifamily	Mixed-Use
2014	39	242	0	555	267	0	8,158	5,042	55
2015	0	0	0	406	81	1	8,308	7,010	72
2016	0	0	0	323	89	0	7,912	7,073	38
2017	17	0	0	264	221	1	7,511	8,955	259
2018	4	0	0	300	303	0	7,164	9,861	293
2019	1	0	0	174	297	0	5,309	11,097	389
2020	1	0	0	181	179	0	5,716	9,755	54
2021	1	276	0	131	846	0	4,818	12,801	24
2022	1	0	0	156	972	0	5,167	10,545	66
2023	0	0	0	213	760	0	6,983	11,568	17
10-Year Average	6	52	0	270	402	0	6,705	9,371	127

Source: NJ Dept. of Community Affairs

Since 2004, the Borough has approved the demolition of 58 housing units (Table 36). The demolition permits were almost entirely for one- and two-family homes. On average, demolition permits were approved at a rate of 2.9 units per year. The rate at which demolition permits have been issued has sped up somewhat in the most recent ten-year period, when demolition permits were approved for 4.6 homes on average per year.

Table 36: Demolition Permits, 2004-2023

Year	1-2 Family	Multifamily	Mixed-Use	Total
2004	4	0	0	4
2005	0	0	0	0
2006	0	0	0	0
2007	0	0	2	2
2008	2	0	0	2
2009	2	0	0	2
2010	0	0	0	0
2011	1	0	0	1
2012	1	0	0	1
2013	0	0	0	0
2014	0	0	0	0

2015	0	0	0	0
2016	0	0	0	0
2017	9	0	0	9
2018	20	0	0	20
2019	2	0	0	2
2020	2	0	0	2
2021	1	0	0	1
2022	0	0	0	0
2023	12	0	0	12
Total	56	0	2	58
10-Year Average	4.6	0	0	4.6
20-Year Average	2.8	0	0.1	2.9

Source: NJ Dept of Community Affairs

Adjusting for demolition, the municipality has permitted a net increase of 738 units between 2004 and 2023 (Table 37). Over the last two decades, the municipality has permitted an average of 36.9 housing units annually on net. By housing type, the Borough has permitted 34.25 multifamily units every year since 2004 and 2.75 one- and two-family units per year on net. There has been a very small net loss of mixed-use units, with two mixed-units demolished since 2004.

Table 37: Net Housing Permits, 2004-2023

Year	1-2 Family	Multifamily	Mixed-Use	Total
2004	-3	0	0	-3
2005	5	240	0	245
2006	4	0	0	4
2007	1	0	-2	-1
2008	5	0	0	5
2009	0	0	0	0
2010	0	0	0	0
2011	-1	0	0	-1
2012	1	325	0	326
2013	47	120	0	167
2014	12	0	0	12
2015	0	0	0	0
2016	18	0	0	18

2017	-5	0	0	-5
2018	-20	0	0	-20
2019	0	0	0	0
2020	-1	0	0	-1
2021	3	0	0	3
2022	0	0	0	0
2023	-11	0	0	-11
Total	55	685	-2	738
10-Year Average	-0.4	0	0	-0.4
20-Year Average	2.75	34.25	-0.1	36.9

Source: NJ Dept of Community Affairs

Raritan has seen a steady stream of office construction has occurred in Raritan since 2004. On average, Borough staffers have permitted the construction of 9,910 square feet of office space on average per year (Table 38). An appreciable amount of retail construction has also taken place during that time. Since 2004, Raritan has permitted the construction of 7,598 square feet of retail space on average every year. It should be noted, however, that permitting for retail space has been clustered in only a handful of years, particularly in 2018, when 148,554 square feet of retail space was permitted. Retail space has only permitted in 2 of the last 20 years. At the same time, a steady stream of construction has occurred for other nonresidential uses has taken place. All told, an average of 4,614 square feet of other nonresidential uses have been permitted annually in the last two decades.

Table 38: Building Permits Nonresidential Construction, 2004-2023

Year	Raritan			Somerset County		
	Office	Retail	Other	Office	Retail	Other
2004	2,073	0	0	647,652	99,695	2,169,739
2005	0	0	10,000	303,063	116,544	1,951,309
2006	9,365	0	557	346,014	166,282	1,346,625
2007	18,425	0	0	379,414	328,940	1,704,508
2008	0	3,403	2,400	75,945	220,785	870,325
2009	0	0	2,304	678,023	0	750,031
2010	136	0	2,800	118,352	0	909,406
2011	0	0	550	124,379	61,538	590,521
2012	0	0	6,689	205,831	2,100	1,547,750
2013	7,061	0	2,578	135,950	228,833	823,943

2014	0	0	6,402	272,570	17,752	831,125
2015	4,608	0	0	310,313	85,105	1,592,042
2016	0	0	12,661	379,274	100,931	1,543,813
2017	16,668	0	1	217,717	166,032	1,308,863
2018	131,656	148,554	1,440	221,573	234,110	2,501,102
2019	5,300	0	20,000	368,896	45,457	2,374,635
2020	0	0	0	159,224	26,880	3,648,102
2021	0	0	0	91,213	19,633	3,537,738
2022	1,200	0	7,827	116,607	11,149	2,185,490
2023	1,700	0	16,074	20,372	11,807	2,135,900
20-Year Average	9,910	7,598	4,614	258,619	97,179	1,716,148

Source: NJ Dept. of Community Affairs

PLANNING PROJECTIONS

Somerset County is served by the North Jersey Transportation Planning Authority (NJTPA), one of New Jersey’s three metropolitan planning organizations. NJTPA calculates population and employment projections to anticipate the long-range planning needs of the North Jersey portion of the New York metropolitan area.

The agency forecasts that Raritan and Somerset County will have lower population and household growth than the rest of NJTPA coverage area (Table 39). Specifically, total households in Raritan are projected to increase at an annualized rate of 0.33% for households while total population is projected to rise at just 0.24% annually. The growth rates projected would result in a net increase of 328 households and 652 residents by 2050. The agency anticipates similar household and population growth for Somerset County whose population is forecast to grow by 32,882 persons and 16,371 households by 2050. This represents an annualized growth rate of 0.37% for households and 0.27% for population. The growth rates for the county and borough fall short of those projected for NJTPA’s jurisdiction as a whole. The population of the NJTPA region is anticipated to grow by 0.42%, with the number of households expected to climb by 0.46%.

The agency expects total employment in Raritan to rise by 0.17% annually. The employment growth forecast for Somerset County is significantly greater, with a projected annual rate of 0.38%, while the total workers in the NJTPA region is expected to increase by 0.42% annually by 2050.

Table 39: Long-term Population, Household and Employment Forecasts

	Raritan	Somerset County	NJTPA
2015 Population	7,322	330,604	6,688,013
2050 Population	7,974	363,486	7,743,120
Annualized % Population Change 2015-2050	0.24%	0.27%	0.42%
2015 Household	2,691	117,583	2,444,799
2050 Household	3,019	133,954	2,868,943
Annualized % Household Change 2015-2050	0.33%	0.37%	0.46%
2015 Employment	9,023	185,400	2,910,458
2050 Employment	9,584	211,386	3,375,651
Annualized % Employment Change 2015-2050	0.17%	0.38%	0.42%

Source: NJTPA

Appendix 2



RARITAN CROSSING REDEVELOPMENT PLAN
BOROUGH OF RARITAN, NEW JERSEY

PREPARED FOR THE BOROUGH OF RARITAN BY
VAN CLEEF ENGINEERING ASSOCIATES, LLC

June 2022

Raritan Crossing Redevelopment Plan
Borough of Raritan, New Jersey

June 6, 2022

Prepared for:
Borough of Raritan

Prepared by:
Van Cleef Engineering Associates, LLC.

755 Memorial Parkway, Suite 110
Phillipsburg, NJ 08865

The original of this report was signed in accordance with N.J.S.A. 13:41-1.2



Stanley Schrek, PE, AIA, PP, CME LEED-AP
New Jersey Professional Planner License #3213

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1. Introduction

A. BASIS FOR THE PLAN

This Redevelopment Plan has been prepared for an area located in the eastern portion of the town which encompasses lands at the intersection of the southbound side of Route 206 and Somerset Street (County Route 626), as described further below.

On March 23, 2021, the Borough of Raritan's Mayor and Council passed Resolution 2021-03-060 providing for a preliminary investigation to be made to determine whether Block 116.01 Lots 25, 26.01, 27 and 27.01 and Block 112 Lot 3 qualify as an "area in need of redevelopment" in accordance with the criteria specified in the New Jersey Local Redevelopment and Housing Law (LRHL) at N.J.S.A. 40A:12A-5. The Planning Board subsequently directed its consulting planner Van Cleef Engineering Associates to conduct this study. The consultants submitted their report entitled Area in Need of Redevelopment Study, Block 116.01 Lots 25, 26.01, 27 and 27.01 and Block 112 Lot 3, Borough of Raritan, New Jersey, dated May 21, 2021, to the Planning Board. A public hearing was then held by the Planning Board to determine whether the area should be designated in need of redevelopment pursuant to the LRHL. On September 22, 2021, the Planning Board adopted a resolution finding the area to be in need of redevelopment.

The Borough of Raritan Mayor and Council approved the Planning Board's determination and declared the area in need of redevelopment pursuant to N.J.S.A. 40A:12A-6. The Mayor and Council subsequently directed Van Cleef Engineering Associates to prepare a redevelopment plan for the area in question pursuant to the LRHL at N.J.S.A. 40A: 12A-7, which provides that no redevelopment projects shall be undertaken or carried out except in accordance with a redevelopment plan adopted by ordinance of the municipal governing body upon its finding that the specifically delineated project area is located in an area in need of redevelopment or an area in need of rehabilitation, or in both, as appropriate.

Taken together, all of the properties described above constitute the "Plan Area" for the purposes of this Plan. This Redevelopment Plan provides the development regulations and other standards to guide the redevelopment of the Plan Area.

B. PURPOSE

This Redevelopment Plan sets forth standards for the construction of buildings and other improvements in the Plan Area. The purpose of this Redevelopment Plan is to replace existing and vacant commercial property, specifically the three-story commercial building which housed, Retro Fitness on Block 116.2 lot 27. The streetscape along Glaser Ave. and the parking lot in front of Retro Fitness, will be improved by the addition of pedestrian-friendly design meant to take advantage of the proximity of the Plan Area to the Borough's NJ Transit rail station which is a little less than 0.5 miles from the Plan Area.



Figure 1 - Plan Area within the Borough / Zoning

C. NOTES ON PLAN TERMINOLOGY

Throughout this Redevelopment Plan, a conscious distinction is made in the regulations between “shall” and “should.”

- o “Shall” means that a redeveloper is required to comply with the specific regulation, without any deviations.
- o “Should” means that a redeveloper is encouraged to comply but is not required to do so.

D. DEFINITIONS

The definitions set forth in the Borough of Raritan Land Use and Development Ordinance shall apply to this Redevelopment Plan. If a term used in this Redevelopment Plan is not defined in the Borough of Raritan Land Use and Development Ordinance, the definition in the Municipal Land Use Law or the Local Redevelopment and Housing Law shall apply.

2. Context

The Plan Area is located in the eastern section of the Borough of Raritan and consists of five (5) lots on two (2) tax blocks consisting of approximately 3.47 acres. It is located between Glaser Ave. and State Route 206. The parcels making up the Plan Area are known as the lots described in the table below.

Block	Lot	Owner	Address	Area (ac)
116.01	25	Raritan Crossing LLC	Busky Lane	0.35
116.01	26.01	Raritan Crossing LLC	Busky Lane	0.28
116.01	27	Raritan Crossing LLC	5 Route 206	2.21
116.01	27.01	Raritan Crossing LLC	11 Route 206	0.31
112	3	Raritan Crossing LLC	90 E. Somerset Street	0.29
			TOTAL	3.47

Source: www.njactb.org - <http://tax1.co.monmouth.nj.us/cgi-bin/inf.cgi> - Search on owner name

The Plan Area's location within the Borough is shown on Figure 1 and its boundaries are shown on Figure 2.

Land uses in the Plan Area and vicinity are characterized by a mix of uses, including residential, commercial, office, and institutional (B-3, R-3, R-4, and B-2 districts). More specifically, the largest property in the Plan Area is lot 27. It is a parcel owned by the Raritan Crossing, LLC. This parcel currently in use as a multi-building retail center including a three story flex space, which at one time included a taekwondo studio, Dollar Tree, RetroFitness, Hunterdon Medical Center and Urgent Care and a vacant space. Two parking lots (Lots 25 and 26.01) total approximately 0.8 acres. Together, Lots 25, 26.01 and 27 are the subject of this Redevelopment Plan and the conversion of these commercial / surface parking uses into residential uses.

The parking lots in the Plan Area are somewhat difficult to maneuver as there are several access points into the site from Route 206 and in some cases are used by drivers to avoid traffic lights at the intersection at the intersection of Route 206 and Somerset Street. The topography is such that there are limited sight distances, especially from the north of the area to the south. Some of these conditions will be remedied with the redevelopment of the property.



Figure 2 - Redevelopment Plan Area

3. Goals of the Redevelopment Plan and Relationship to Local Objectives

A. REDEVELOPMENT PLAN GOALS AND OBJECTIVES

The specific goals and objectives of the Redevelopment Plan are as follows:

- 1) Enact such elements and controls that will allow for the redevelopment of lands within the Plan Area consistent with the purpose of this Redevelopment Plan.
- 2) Provide for appropriate land uses that will promote economic development and growth opportunities and serve the needs of the community.
- 3) Provide for an increase in the economic base of the Plan Area and the entire Borough by re-developing underutilized and non-productive properties currently occupied by commercial properties with new housing.
- 4) Capitalize on the existing strengths of the Plan Area, including its location proximate to Downtown Raritan, the Raritan River, Duke Farms, NJ Transit Rail Station and Route 206.
- 5) Establish Redevelopment Plan elements and controls that allow for development consistent with Smart Growth principles.
- 6) Integrate development into the surrounding neighborhood by encouraging aesthetically appropriate building and site design that complements existing residential and commercial development and improves the pedestrian environment and public space for residents of the community.
- 7) Coordinate redevelopment efforts for the entire Plan Area to minimize disruption of the adjacent community during construction activities.

B. RELATIONSHIP TO MASTER PLAN AND LOCAL GOALS AND OBJECTIVES

1) Borough Master Plan

The Borough of Raritan's most recent Master Plan was adopted in 2003 and has been periodically updated since then. In 2017 the Borough adopted the Master Plan Reexamination Report and more recently the town adopted the Sustainable Economic Development Plan (SEDP) for the Downtown in 2021.

The 2017 Master Plan Reexamination Report discusses potential redevelopment areas in the Borough. While this area is not specifically mentioned, the report acknowledges the importance of the Raritan River as an asset to the town and one that will be attractive to future residential uses in the area. The previous zoning changes to Riverfront Commercial and Riverfront Greenway were created to promote the vision for Orlando Drive to be a destination for visitors and a reimagined neighborhood for residents. Support from nearby Duke Farms and the town's business district, including the highway retail and service shops

provides guaranteed connections that will make Orlando Drive and the riverfront more accessible to residents and visitors.

The SEDP does not make specific reference to the Plan Area, the B-3 commercial Shopping Center or PDRD zone as they relate to the Plan Area. However, the SEDP notes key issues facing the Borough, some of which, as described below, are relevant to the Plan Area.

Land use goals and objectives (from the 2003 Master Plan):

1. Provide a balanced land use pattern that preserves residential neighborhoods, strengthens the vitality of commercial districts, enhances remaining industrial areas, increases parks and open space, protects environmentally sensitive natural features, accommodates community facilities, and facilitates local/regional circulation.
2. Preserve and enhance the residential character of the Borough by protecting established neighborhoods, maintaining a balance of housing choices, providing for compatible infill housing, and planning for appropriate residential development in targeted redevelopment areas where land uses are in transition.
3. Encourage appropriate redevelopment in transitional focus areas that will return underutilized land to productive use, improve quality of life, enhance community character, create new employment opportunities, and strengthen the municipal tax base.
4. Continue the revitalization of the Central Business District as a mixed-use destination and support other commercial districts through selective redevelopment, compatible infill development infrastructure improvements, updated zoning, public-private partnerships, and increased regional cooperation.
5. Provide increased parks, recreation and open space opportunities that will improve local quality of life, preserve established suburban character, protect existing natural resources and contribute to sustainable development.
6. Encourage the retention of existing industrial uses wherever feasible with an emphasis on industrial clusters found in the region such as pharmaceuticals, bio-medical research and life sciences.

2) Regional Center Strategic Plan

In addition, Raritan is part of the Somerset County Regional Center, the first multi-jurisdictional region to receive "center designation" from the New Jersey State Planning Commission. The Regional Center encompasses the entire Borough of Raritan, the entire Borough of Somerville and the portion of Bridgewater Township that is located adjacent to Raritan and Somerville. The Somerset County Regional Center Strategic Plan from 2006 provides recommendations and implementation strategies for the Center.

This Redevelopment Plan is consistent with the above goals and recommendations of the 2003 Borough Master Plan, the 2017 Master Plan Reexamination Report, the 2021 SEDP, and the 2006 Regional Center

Strategic Plan. The successful implementation of this Plan will advance the above goals and objectives by creating tax ratables on properties that are currently vacant and/or underutilized through the provision of new housing opportunities within the Plan Area and by promoting transit-oriented smart growth proximate to the Borough of Raritan New Jersey Transit train station.

C. RELATIONSHIP TO ZONING ORDINANCE

This Redevelopment Plan shall be considered an overlay to all provisions of the Borough of Raritan Land Use and Development Ordinance regulating development in the Plan Area. In any situation where zoning issues are not specifically addressed herein, the Raritan Land Use and Development Ordinance shall be applicable. Final adoption of this Plan by the Mayor and Council shall be considered an amendment of the Borough of Raritan Zoning Map.

The Plan Area is located in the B-3 Commercial Shopping Center and is nearby to both Residential (R-4) and Planned Development Residential districts (PDRD). For the purposes of this project, the residential apartment building, the Redevelopment plan will provide overlay zoning similar to that of the PDRD Overlay zone ([§207-113](#)) and the zoning created for the Block 81 redevelopment plan, approved in 2016. The plan area will maintain the underlying, B-3 zoning should the owner decide to redevelop / rehabilitate Block 116.01 Lot 27.01 and Block 112 Lot 3, within the Plan Area, in the future.

4. Use and Bulk Regulations

A. LAND USES

- 1) Permitted principal uses:
 - a. Uses currently permitted in the B-3 Zone per §207-116A. Permitted Principal Uses
 - b. Multifamily dwellings, including townhouses, stacked flats, and apartments.
 - c. Public or private parks, playgrounds, recreation buildings and facilities.
- 2) Additional regulations for multifamily dwellings:
 - a. Dwelling units shall be limited to one-bedroom and two-bedroom units, except that three-bedroom units shall be permitted as required by any applicable state laws, rules or regulations governing affordable housing.
 - b. No more than 70 percent of dwelling units shall be two-bedroom units and at least 30 percent shall be one-bedroom units. This regulation applies to market rate units only. All required affordable units shall comply with applicable Uniform Housing Affordability Controls.
 - c. The minimum unit size for market rate dwelling units shall be 750 square feet for one-bedroom units and 900 square feet for two-bedroom units. Two-bedroom market-rate units shall average at least 1,000 square feet in size.
 - d. A central entrance lobby shall be provided for any building containing multifamily residential units other than townhouses.
- 3) Permitted accessory uses:
 - a. Off-street parking, including structured parking for the exclusive use of the residents and their guests.
 - b. Off-street loading.
 - c. Electric Vehicle Supply / Service Equipment (EVSE) and Make-Ready parking spaces Pursuant to P.L. 2021, c.171
 - d. Management office not to exceed 1,000 square feet.
 - e. Customary accessory uses for the benefit of the residents, such as fitness rooms, community rooms and laundry rooms, located within the residential building, not to be freestanding and not to exceed 3,000 square feet.
 - f. Signs.
 - i. Signs permitted in § 207-97.
 - ii. A freestanding sign not to exceed 30 square feet and a height of six feet measured from the ground line, located a minimum of 25 feet from the property line and limited to one per any street frontage. Such sign may be internally illuminated with non-glare lights or illuminated by shielded floodlights or spotlights. Alternatively, a building mounted sign not to exceed 30 square feet shall be permitted on the highway facing façade as well as on one side façade.
 - iii. Building identification signs, not to exceed 10 square feet each, and limited to one per building face for faces fronting on either a street or parking lot.

- iv. Way finding signage shall be permitted on site as part of a comprehensive signage package to be approved by the planning board.
- g. Customary accessory structures approved as part of the site plan for development, including fences, walls, light fixtures, sound barriers and other similar structures.

B. BULK REGULATIONS

- 1) Maximum lot coverage: 85%.
- 2) Building setbacks:
 - a. From Route 206: minimum 50 feet;
 - b. To rear and side tract boundaries: to be determined and established by the Planning Board within site plan review and approval, but to be, at a minimum, no closer than 10 feet.
- 3) Parking setbacks:
 - a. From any building: to be determined by the Planning Board during site plan review and approval, but to be, at a minimum, no closer than five feet.
 - b. To rear and side tract boundaries: to be determined and established by the Planning Board within site plan review and approval, but to be, at a minimum, no closer than five feet.
- 4) Contribution or implementation of off-tract streetscape improvements consistent with the Borough's adopted Somerset Street Economic Development Plan, with the intention that adjoining streets to Somerset Street which have a rational nexus to the subject property are to have compatible streetscape improvements with frontages and street trees and extensive landscaping. The extent and requirements of contribution and implementation shall be determined by the Planning Board.
- 5) Dwelling unit and site features. See also Section 5 of this Redevelopment Plan for additional Building and Site Features.
 - a. All structures with four or more floors are to be served by elevators.
 - b. All dwelling units must be handicapped accessible.
 - c. Provisions for private recreation facilities.
- 6) Building arrangements. In a grouping of more than one residentially occupied building on a tract, the following distances shall be maintained between structures: to be determined and established by the Planning Board within site plan review and approval.
- 7) Landscaping. See § 207-67 and Section 5E of this Redevelopment Plan. Any buffer requirements where development abuts existing residential properties or zones to help mitigate negative impact associated with variations in density and use shall be determined by the Planning Board at the time of site plan review.
- 8) Trash disposal. The owner of the property shall be responsible for making arrangements for pickup and disposal of trash for any development within this site, including the cost of same. The schedule of pickup and disposal, as well as the method, shall be subject to approval of the Board of Health and/or Sanitation Department of the Borough of Raritan.
- 9) Any site plan review shall include a fiscal impact analysis of the new development proposed. Any provision for a Payment In Lieu Of Taxes (PILOT) sought for this development shall be considered in any fiscal impact analysis.
- 10) Traffic circulation.
 - a. Primary vehicular access to any site is to be provided from Orlando Drive and Route 206 and also must include pedestrian access to both Glaser Avenue and Orlando Drive. All entrances

and exits to the site shall be at locations approved by the Board to ensure maximum traffic and pedestrian safety.

b. Direct ingress to or egress from the site shall be prohibited within 150 feet of any street intersection. Secondary access points shall be permitted with signage limiting through traffic.

11) Maximum building height: four stories over one level of parking or 60 feet above grade, whichever is greater; the total number of stories in a building and the vertical distance measured from the average elevation of the finished lot grade at the front of the building to the highest point of the roof adjacent to the street wall for flat roofs (does not include parapets), to the declivity of mansard roofs, and to the mean height between eaves and ridges for gable or hip or gambrel or pent roofs. The front of a building shall be that portion of the structure nearest a public street.

C. AFFORDABLE HOUSING

Per the Borough's Mandatory Set-Aside Ordinance (Section 207-90.3) this project is required to provide 15% affordable Low, Very Low and Moderate Income units. Compliance with the ordinance and with UHAC on the bedroom mix and income mix is also required, as stated in Section 4.A.(2)b above.

The proposed 75 units calculates to 12 affordable units: of which six (6) must be low income, six (6) must be moderate income, and within those 12, two (2) units must be very low income. Within that calculation, two (2) must be one bedroom, three (3) must be three bedrooms and seven (7) must be two bedrooms.

5. Building and Site Design

A. BALCONIES, OVERHANGS, FLAT CANOPIES, AND BAY WINDOWS

Balconies, overhangs, flat canopies and bay windows are permitted on the second floor or higher on all residential facades. In addition, “Juliet” or French balconies (shallow balconies connected to French doors, typically of wrought iron) are permitted on the first floor in locations a minimum of three feet above the adjoining ground level and shall not project from building façades more than two feet. Balconies shall not project beyond the property line. Balconies should be visually permeable at the front, with metal, wood or similar railings.

B. BICYCLE FACILITIES



Indoor bicycle storage areas shall be provided for building residents. Outdoor bicycle parking shall be provided to accommodate visitors.

C. BUILDING MASSING AND ARTICULATION

1) Vertical Massing

- a. Building façades shall be broken up so that they appear as a series of distinct bays so as to prevent long, flat façades. The distinguishing features of such bays should include dimensional changes, not just flat surface changes such as texture or pattern. Bays should establish a varied articulation in their design and dimensions along one building façade; a monotonous repetition of the same bay design along a wide façade is discouraged.
- b. Bay definition should extend through all levels of the building, except where horizontal massing changes in the façade plane are provided to break up the bulk of the building.

2) Horizontal Massing

- a. The base of the building shall be highlighted architecturally and differentiated from upper floors in order to visually ground the building. This should include varied fenestration, varied materials, taller floor heights on the lowest level, horizontal banding, detailing, and varied textures or patterns.

- b. The middle levels of the building shall be distinguished from the base and top by horizontal belt courses or cornices; or by changes in material, façade detailing or fenestration pattern and proportion.
- c. Either the entire top floor or the roofline of the building should be differentiated from the lower floors by means of fenestration size and pattern, contrasting materials, differing floor heights, stepped back floors, and/or provision of a parapet wall, balustrade or deep cornice.

D. BUILDING MATERIALS



All buildings shall be constructed of high-quality materials. Preferred primary materials for all building façades are: stone; masonry; brick; wood; stucco (except EIFS is not allowed); Hardie panels or similar fiber cement siding; Trespa ventilated façade systems; Meteon panels and similar high-pressure compact laminate/cladding panels; precast and cast stone, manufactured stone and masonry; glass; and cast iron, steel, aluminum and other types of metal. No more than three different primary materials should be used on building façades. Within the primary materials, variations in colors, textures and pattern may be employed to further break up the bulk or mass of the building.

Materials should be extended around corners and extensions in order to avoid a “pasted-on” appearance. All building façades adjacent to or visible from a public street or railroad, walkway or open space should exhibit the same degree of architectural detailing as the building’s primary façade.

Any mechanical equipment above the roofline shall be screened or painted.

E. LANDSCAPING



Landscaping shall be utilized to complement and accent buildings, at points such as, but not limited to, site driveways and building entries. Landscaping shall be provided in parking areas. All areas not covered by buildings, roadways, parking areas, or pedestrian walkways shall be landscaped with natural materials. Landscape plantings shall incorporate indigenous vegetation and may introduce accent features such as ornamental grasses.

Where street trees are not currently provided, they shall be planted at no less than 30 feet on center. Exceptions to the 30-foot spaces are allowed for curb cuts to parking areas, building entrances and utility facilities located within the sidewalk area.

F. LIGHTING



Adequate lighting shall be provided for all parking areas and pedestrian walkways. Lighting shall be designed to provide for safe movement of pedestrians and vehicles and provide security lighting to illuminate all building entry points and other areas as required by the Planning Board. All outdoor lighting shall be downcast and illuminate only the intended areas.

G. OFF-STREET PARKING AND LOADING

Parking shall be provided in accordance with RSIS standards and may be reduced to no less than the following:

- 1) One and eight-tenths spaces per one-bedroom unit.
- 2) Two spaces per two-bedroom unit.
- 3) Off-street parking shall be permitted to be located within the required front and rear yard setbacks.
- 4) Off-street parking may be provided within buildings and parking structures as well as in surface parking lots. Surface parking lots shall be screened from view from the street by landscaping and/or decorative walls. Surface parking shall have landscaped islands so as to break up long aisles and to provide shade.
- 5) One or more loading spaces shall be provided for buildings containing multifamily dwellings. Such space(s) shall be adequate to accommodate moving and delivery trucks. Easements and/ or portions of parking provided with time restrictions shall be permitted to meet the loading requirement.

H. SUSTAINABLE DESIGN

Building and site design in the Plan Area shall seek to minimize environmental damage, strain on municipal utilities and impact on adjacent uses. Broadly speaking, green building design goals include reduced energy and water use; use of sustainable, renewable, non-toxic and locally-produced materials; improved indoor air quality; and environmentally-conscious site planning.

Development should aim to meet the United States Green Building Council's Leadership in Energy and Environmental Design (LEED) requirements for green building design or similar certification programs. These requirements include, but are not limited to, green building design goals that promote reduced water use; use of sustainable, renewable, non-toxic and locally-produced materials; improved indoor air quality; and environmentally conscious site planning. Formal certification is encouraged but not required.

I. UTILITIES

All new utility distribution lines and utility service connections from such lines to buildings in the Plan Area shall be located underground. To the extent possible, existing utility lines should also be relocated underground. Locations for utility lines and easements shall be established at the time of Planning Board Site Plan Review and Approval. Utility lines and locations may be relocated pursuant to individual utility company requirements at any time.

J. WINDOWS AND DOORS

- 1) Windows/window openings and doors shall occupy at least 35 percent of the first floor facades.
- 2) On upper floors, windows should be vertically-proportioned. Windows may be grouped in twos or threes to create larger areas of glazing, but windows shall be separated by vertical structural

members. Upper floor windows should have multiple panes. Windows/window openings shall occupy at least 25 percent of the facades of upper floors.

6. Redevelopment Actions

The Redevelopment Plan provides for a number of actions in support of the overall Plan goals and objectives, as follows:

A. OUTLINE OF PROPOSED ACTIONS

Construction of new structures and other improvements will take place as proposed in this Redevelopment Plan. Other actions that may need to be undertaken to implement the Redevelopment Plan may include the clearance of dilapidated, deteriorated, obsolete, or underutilized structures or uses; installation of utility infrastructure necessary to service and support new development; and creation or vacation of easements as may be necessary for redevelopment.

B. PROPERTIES TO BE ACQUIRED

The Plan Area was designated as a non-condemnation redevelopment area pursuant to State law therefore no properties are required to be acquired. The owner of the parcels is the designated redeveloper.

C. RELOCATION

Uses within the existing building are going to be relocated either to the adjacent strip center or another property.

D. EASEMENTS

No building shall be constructed over a public easement in the Plan Area without prior written approval of the Engineer of the Borough of Raritan. One cross-access easements exists on the adjacent property at Block 116.02 Lot 11.01 known as the Raritan Mall. Best efforts shall be made to retain this easement in order to provide access from Orlando Drive to the redevelopment site.

E. REDEVELOPER'S AGREEMENT

The Redeveloper shall enter into an agreement with the Borough no later than 90 days of a memorialized Planning Board resolution of final site plan approval. The Redeveloper's Agreement shall be in a form satisfactory to the Borough Attorney.

F. OTHER ACTIONS

In addition to the demolition and new construction described above, several other actions may be taken to further the goals of this Plan. These actions may include, but shall not be limited to:

- Consolidation of tax lots into one or more tax lot(s).
- Provisions for public infrastructure necessary to service and support new development.
- Environmental remediation.
- Vacation of public utility easements as may be necessary for redevelopment.

7. Plan Consistency Review

A. RELATIONSHIP TO MASTER PLANS OF ADJACENT MUNICIPALITIES

The Borough of Raritan is bordered by three Somerset County municipalities: the Township of Bridgewater, the Township of Hillsborough and the Borough of Somerville. However, none of these communities directly abuts the Plan Area. Further, the Redevelopment Plan provides for the redevelopment of a previously developed site in an area already served by infrastructure. Therefore, the Redevelopment Plan would not have any impact on adjacent municipalities.

B. RELATIONSHIP TO THE COUNTY MASTER PLAN

Somerset County's most recent full master plan was prepared in 1987. Updates to certain elements have been prepared more recently, including the Circulation Plan in 2012; the County Investment Framework in 2014; the Comprehensive Economic Development Strategy in 2014; and the Somerset County Trends and Indicators Report in 2014 (adopted as a "background element" of the Somerset County Master Plan). In 2016 an update to the Housing Element of the Somerset County Master Plan was prepared and in 2020 the County adopted a Walk-Bike-Hike Framework to show existing and potential future connections for bicycling and walking throughout the County. The Raritan River Greenway, just south of the Plan Area, is a major focus of the framework document which recommends creating connections to the linear park wherever possible.

The County Investment Framework Map (included in the County Investment Framework Element) denotes the Raritan Mall, which abuts the Plan Area to the south, as "Priority Growth Investment Areas" (PGIA), or areas where "primary economic growth and community development strategies that enhance quality of life and economic competitiveness are preferred; and where appropriate growth-inducing investments are encouraged." In addition, "They are prime locations for the vibrant mixed-use, live-work environments within walking distance of transit and green space, and that many employers, workers and households desire."

Relevant Goals from the County Master Planning efforts include:

- Integrate transportation, land use and site design: target transportation enhancements and develop land use policies that improve existing town centers, promote mixed use development, permit increased density at public transit facilities, and limit sprawl development.
- Support economic activity in town centers and business corridors: support growth in existing and proposed town centers, business districts and downtown business districts. Integrated transportation and land use planning should encourage revitalizing older town centers and business districts.
- Reduce traffic congestion: maximize the efficiency of the existing transportation system to gain capacity, including promoting alternate modes, such as walking, biking, public transit, and car/vanpooling should be explored.

The overall goals and objectives of this Redevelopment Plan support and are consistent with the goals of the updated elements of the Somerset County Master Plan.

C. RELATIONSHIP TO THE STATE DEVELOPMENT AND REDEVELOPMENT PLAN

The New Jersey State Development and Redevelopment Plan (SDRP) was originally adopted in 1992. The purpose of the SDRP according to the State Planning Act at N.J.S.A. 52:18A-200(f) is to:

“Coordinate planning activities and establish Statewide planning objectives in the following areas: land use, housing, economic development, transportation, natural resource conservation, agriculture and farmland retention, recreation, urban and suburban redevelopment, historic preservation, public facilities and services, and intergovernmental coordination.”

A revised version of the plan was adopted by the State Planning Commission in 2001. While required by the State Planning Act to be revised and re-adopted every three years, the SDRP has only been re-adopted once during the almost-30 years since its original adoption. A new State Strategic Plan (SSP) has been proposed as the revision to the 2001 SDRP but has not been adopted as of 2021.

This Redevelopment Plan is thoroughly consistent with the SDRP and the draft SSP, as it epitomizes the smart growth principles set forth in both documents. In particular, the Redevelopment Plan promotes the reuse of developed property in an area well served by infrastructure, it is located in close proximity of the Borough’s downtown and a short distance from the Borough of Raritan NJ Transit Rail Station. This Redevelopment Plan therefore furthers the goals, strategies and policies of the SDRP and the proposed SSP.

8. General Provisions

A. SITE PLAN AND SUBDIVISION REVIEW

Any subdivision or re-subdivision of land within the Plan Area and any construction, reconstruction or rehabilitation shall require the prior approval of the Borough of Raritan Planning Board and shall be in accordance with the requirements of the Redevelopment Plan and the subdivision and/or site plan requirements set forth in the Borough's Land Use and Development Ordinance. Where a provision of the Redevelopment Plan conflicts with a provision of the Borough of Raritan Land Use and Development Ordinance, the Redevelopment Plan shall control.

No construction or alteration to existing or proposed construction shall take place until a site plan reflecting such additional or revised construction has been submitted to, and approved by, the Planning Board. This pertains to revisions or additions prior to, during and after completion of the improvements.

B. ADVERSE INFLUENCES

No use or reuse shall be permitted which, when conducted under proper and adequate conditions and safeguards, will produce corrosive, toxic or noxious fumes, glare, electromagnetic disturbance, radiation, smoke, cinders, odors, dust or waste, undue noise or vibration, or other objectionable features so as to be detrimental to the public health, safety or general welfare.

C. NON-DISCRIMINATION PROVISIONS

No covenant, agreement, lease, conveyance, or other instrument shall be affected or executed by the Governing Body of the Borough of Raritan or by a developer or any of his or her successors or assignees, whereby land within the Plan Area is restricted by the by the Governing Body of the Borough of Raritan, or the developer, upon the basis of race, creed, color, ancestry, sex, national origin, family status, disability, or sexual preference in the sale, lease, use or occupancy thereof. Appropriate covenants, running with the land forever, will prohibit such restrictions and shall be included in the disposition instruments. There shall be no restrictions of occupancy or use of any part of the Plan Area on the basis of race, creed, color, ancestry, sex, national origin, family status, disability, or sexual preference.

D. DURATION OF THE PLAN

The provisions of this Redevelopment Plan specifying the redevelopment of the Plan Area and the requirements and restrictions with respect thereto shall be in effect for a period of not more than thirty-five (35) years from the execution of a financial agreement and as more particularly set forth in said financial agreement.

E. DEVIATION REQUESTS

The Planning Board may grant variances allowing deviations from the regulations contained within this Redevelopment Plan where, by reason of exceptional narrowness, shallowness or shape of a specific piece of property, or by reason of exceptional topographic conditions, pre-existing structures or physical features uniquely affecting a specific piece of property, the strict application of any area, yard, bulk or design objective or regulation adopted pursuant to this Redevelopment Plan, would result in peculiar practical difficulties to, or exceptional and undue hardship upon, the developer of such property. The Planning Board may also grant such relief in an application relating to a specific piece of property where the purposes of this Redevelopment Plan would be advanced by a deviation from the strict requirements of this Plan and the benefits of the deviation would outweigh any detriments. No relief may be granted under the terms of this Section unless such deviation or relief can be granted without substantial detriment to the public good and without substantial impairment of the intent and purpose of the Redevelopment Plan. An application for a deviation from the requirements of this Redevelopment Plan shall provide public notice of such application in accord with the requirements of public notice as set forth in N.J.S.A. 40:55D-12a and b.

Notwithstanding the above, any changes to the uses permitted in the Plan Area or any change requiring a “d” variance in accordance with N.J.S.A. 40:55D-70 shall be permitted only by means of an amendment of the Redevelopment Plan by the Borough Governing Body, and only upon a finding that such deviation be would be consistent with and the furtherance of the goals and objectives of this Plan.

9. Other Provisions

In accordance with N.J.S.A. 40A:12A-1 et seq., known as The Local Redevelopment and Housing Law, the following statements are made:

- The Redevelopment Plan herein has delineated a definite relationship to local objectives as to appropriate land uses, density of population and improved traffic and public transportation, public utilities, recreation and community facilities, and other public improvements. The Plan has laid out various programs and strategies needed to be implemented in order to carry out the objectives of this Plan.
- The Redevelopment Plan lays out the proposed land uses and building requirements for the Plan Area.
- No displacement and/or relocation of businesses and residents in the Plan Area is anticipated on the part of the Borough of Raritan.
- As indicated in Chapter 7, this Redevelopment Plan is substantially consistent with the Master Plan of the Borough of Raritan. The Plan also complies with the goals and objectives of the New Jersey State Development and Redevelopment Plan and the draft State Strategic Plan.
- As of the date of the adoption of the resolution finding the area to be in need of redevelopment, there were no housing units affordable to low and moderate income households, as defined pursuant to section 4 of P.L.1985, c.222 (C.52:27D-304), that are to be removed as a result of implementation of the redevelopment plan. Since there were no such affordable dwelling units, the requirement of the Local Redevelopment and Housing Law to construct replacement affordable housing units is not applicable.
- This Redevelopment Plan shall supersede all provisions of the Borough of Raritan Land Use and Development Ordinance regulating development in the area addressed by this Redevelopment Plan, except where specifically mentioned within the text of this Redevelopment Plan. In all situations where zoning issues are not specifically addressed herein, the Raritan
- Land Use and Development Ordinance shall, however, remain in effect. Final adoption of this Plan by the Governing Body of the Borough of Raritan shall be considered an amendment of the Borough of Raritan Zoning Map.
- If any section, paragraph, division, subdivision, clause or provision of this Redevelopment Plan shall be adjudged by the courts to be invalid, such adjudication shall only apply to the section, paragraph, division, subdivision, clause or provision so judged, and the remainder of this Redevelopment Plan shall be deemed valid and effective.

10. Procedure for Amending the Approved Plan

This Redevelopment Plan may be amended from time to time upon compliance with the requirements of state law. Any party requesting a future amendment shall submit such request to the Borough Governing Body. The Governing Body and/or Planning Board may require the party requesting the amendment prepare a study of the impact of such amendments, which study shall be prepared by a professional planner licensed in the state of New Jersey, together with such other professionals licensed in the state of New Jersey (e.g., traffic engineer) as may be appropriate. In addition, the party requesting the amendment shall establish an escrow account with the Borough adequate to allow the Borough and/or Planning Board to use the services of a professional planner and other necessary professionals licensed in the state of New Jersey to identify, review and/or prepare further amendments that might be needed, together with any and all necessary documentation related thereto.

Appendix A:
Conceptual Site Plan, Renderings,
and Proposed Floor Plans

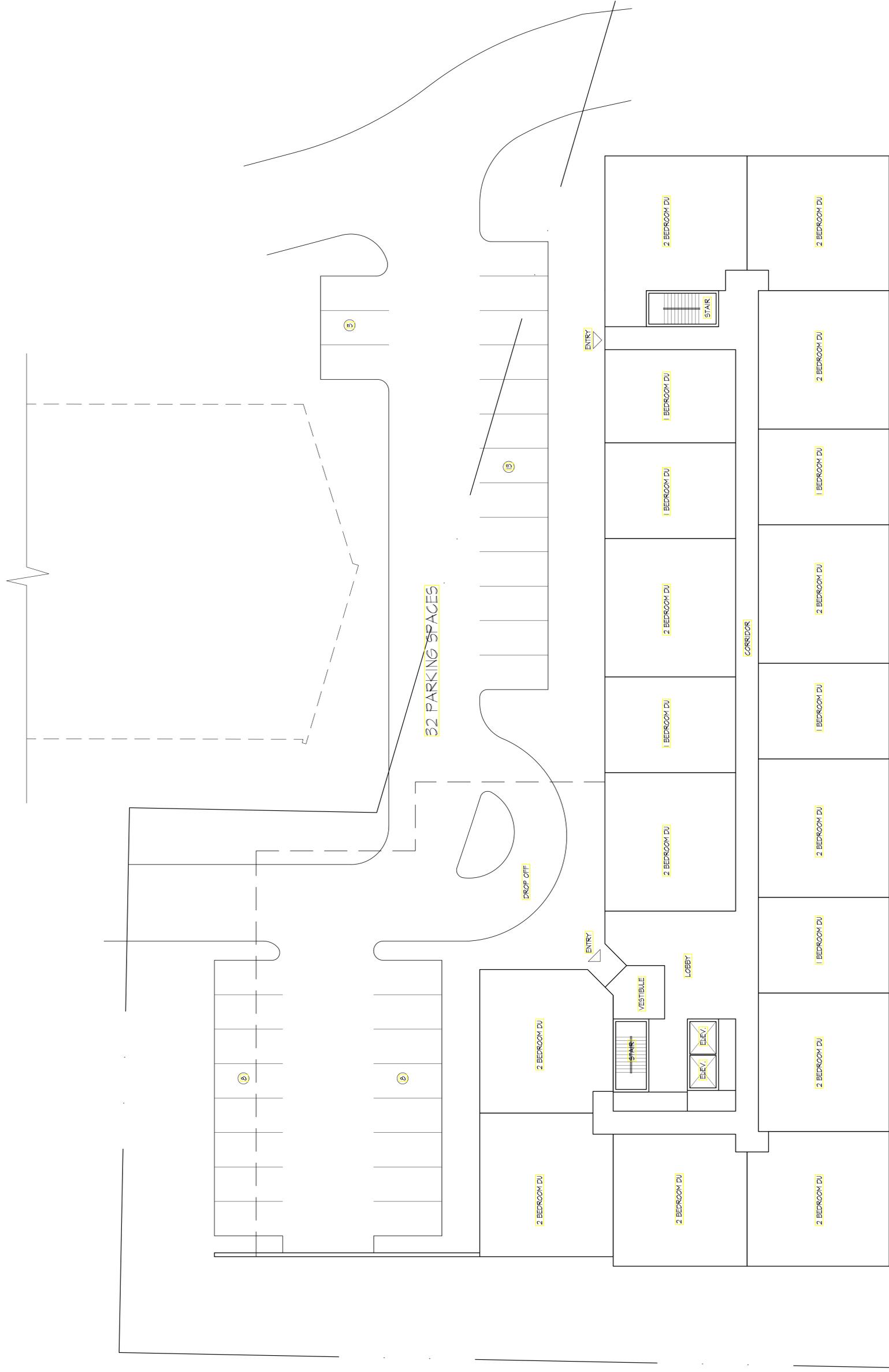
GRANETZ PLAZA

GLASER AVE.

ROUTE 206

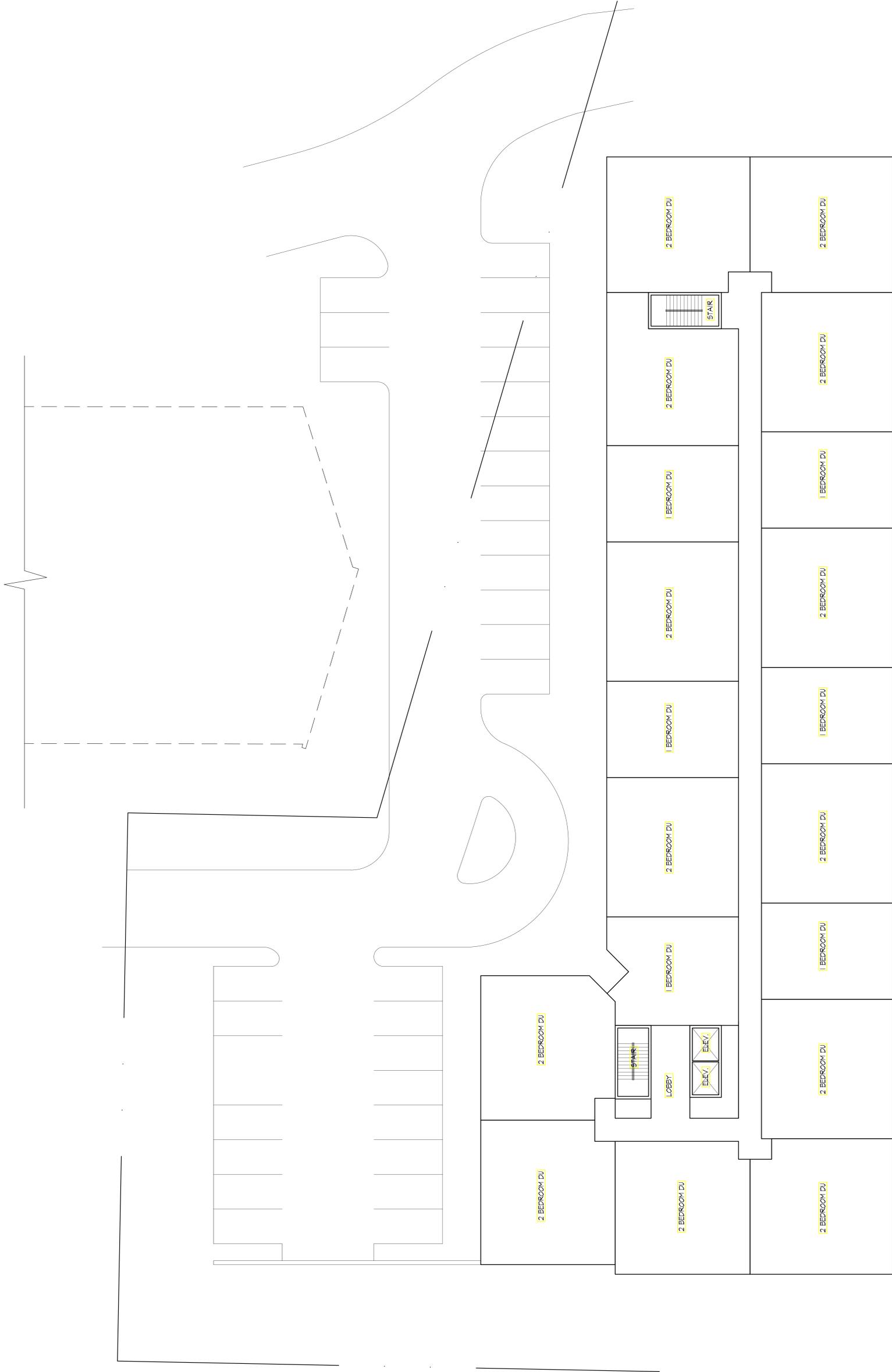
FIRE LANE





RESIDENTIAL LEVEL

- 18 DU (THIS LEVEL)
- 24 TOTAL 1 BEDROOM DU
- 51 TOTAL 2 BEDROOM DU
- 75 TOTAL DU
- 157 TOTAL PARKING SPACES



RESIDENTIAL LEVELS 2-4

9 DU PER FLOOR (57 DU)

Appendix 3

TILLMAN STREET REDEVELOPMENT PLAN

BOROUGH OF RARITAN, NEW JERSEY
BLOCK 53, LOTS 1 & 2

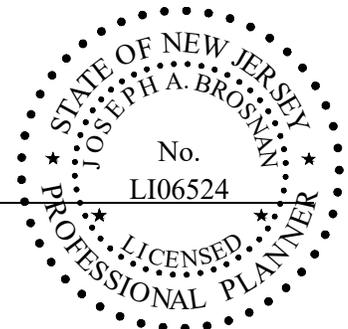
PREPARED FOR THE BOROUGH OF RARITAN BY
VAN CLEEF ENGINEERING ASSOCIATES, LLC
MARCH 15 2024



Joseph A. Brosnan, PE, PP, CME

Joseph A. Brosnan

NJ PE Lic # 24GE05727800 / NJ PP Lic # 33LI00652400



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APPENDICES

- Appendix A Resolutions
- Appendix B Conceptual Site Layout

I. Introduction

A. *What is a Redevelopment Plan*

Redevelopment plans are a comprehensive program utilized by municipalities in order to generate further development and redevelopment of specific identified areas. These plans can address parcels in the range of small-scale restorations to large scale urban, suburban, and rural areas where lands that are in a substandard condition or are no longer considered to be of use in their current state. The use of generating redevelopment plans for identified areas is a major component of smart growth since they promote development in areas that had previously been developed in the past. This is critical in keeping infrastructure away from undeveloped environmental lands and preserves resources. Redevelopment plans are generated to not only construct new structures or improve existing structures and conditions, but to convey to residents of a community that there are efforts in place to improve their quality of life and environment. Redevelopment plans use legal and financial tools to ensure that the plan is executed properly and in accordance with New Jersey state requirements.

Per the Local Redevelopment and Housing Law, as part of the New Jersey Revised Statutes §40A:12A-3: *"Redevelopment plan" means a plan adopted by the governing body of a municipality for the redevelopment or rehabilitation of all or any part of a redevelopment area, or an area in need of rehabilitation, which plan shall be sufficiently complete to indicate its relationship to definite municipal objectives as to appropriate land uses, public transportation and utilities, recreational and municipal facilities, and other public improvements; and to indicate proposed land uses and building requirements in the redevelopment area or area in need of rehabilitation, or both.*

The redevelopment plan outlines the goals of the redevelopment project and its relationship to local land use objectives. This outlines the entire purpose of the plan and the overall objective of the completed redevelopment project. In addition, the redevelopment plan describes the land use goals and objectives of the redevelopment plan. This is performed by demonstrating a comparison between the land use goals and objectives outlined in the municipality's master plan. In addition, the master plan for the county is examined to ensure the land use objectives are being met at the municipal and county level. The master plan outlines the long-term framework for future land use development within the municipality, and at the county level. Therefore, the redevelopment plan being in compliance with these plans is imperative for future development, and the preservation of the values of the community stakeholders.

Zoning adjustments will almost certainly be required for the area designated in need of redevelopment. The Redevelopment plan will be utilized to address this by creating a schedule of bulk requirements and specialized permitted land uses that will be applied to the area that the plan has been approved for. With this flexibility, more developers will become willing to invest in the property without having to seek variances to be granted permission to develop a previously non-permitted use.

Once the redevelopment plan is adopted, the rules and guidelines contained therein become enforceable for the subject site. This includes building and site design requirements for the proposed redevelopment project and all of the site improvements that will take place within the parcel. Site design characteristics examined can include but are not limited too; lighting, impervious coverage, landscape plans, bicycle facilities, building materials, and utilities. Providing this information creates a schedule and a vision for what will be developed on the site, and what final product can be anticipated.

There are two major styles of redevelopment plans. In one case, the developer may already own the parcels that have been designed for redevelopment. In this circumstance, the redevelopment plan is constructed in a manner that is both realistic and mutually beneficial to the municipality and the developer to better serve the needs of both. In other cases where a redeveloper has not yet been selected, the redevelopment plan remains largely conceptual, laying groundwork for redeveloper action. The redevelopment plan states the proposed actions for the developer, the relocation of any uses on the existing building or property, easements, and the redevelopers agreement.

B. Project Location

This Redevelopment Plan has been prepared for two parcels along Tillman Street, located in the center of the Borough of Raritan. The subjected parcels are located between Quick Avenue and First Avenue and contain approximately 1.93 acres, (originally identified as 1.317 acres). The properties are bound by the Central Railroad of New Jersey (CONRAIL) right-of-way to the south, First Avenue to the east, Tillman Street to the north, and Quick Avenue to the west.

C. Project History

On May 17, 2022, the Borough of Raritan’s Mayor and Council passed Resolution 2020-05-084 providing for a preliminary investigation to be made to determine whether Block 53, Lots 1 and 2 qualify as an “area in need of redevelopment” in accordance with the criteria specified the New Jersey Local Redevelopment and Housing Law (LRHL) at N.J.S.A 40A:12A-5. The Planning Board subsequently directed the Borough Planner Van Cleef Engineering Associates to conduct this study. Van Cleef Engineering Associates submitted their report entitled Preliminary Investigation: Block 53 Lots 1 and 2 Area in Need of Redevelopment, dated August 22, 2022, to the Planning Board. A public hearing was held by the Planning Board to determine whether the area should be designated in need of redevelopment pursuant to LRHL. On February 22, 2023, the Planning Board reviewed the report and prepared a resolution finding the area in need of redevelopment.

The Borough of Raritan Mayor and Council approved the Planning Board’s determination and designated the area in need of redevelopment pursuant to N.J.S.A. 40A:12A-6. The Mayor and Council subsequently directed Van Cleef Engineering Associates to prepare a redevelopment plan for the area in question pursuant to the LRHL at N.J.S.A. 40A: 12A-7, which provides that no redevelopment projects shall be undertaken or carried out except in accordance with a redevelopment plan adopted by ordinance of the municipal governing body upon its finding that the specifically delineated project area in located in an area in need of redevelopment or an area in need of rehabilitation, or in both, as appropriate. Documentation in support of the project history to date is located in Appendix A.

Taken together, all of the properties described above constitute the “Plan Area” for the purposes of this Plan. This Redevelopment Plan, which has been constructed in accordance with the resolutions as noted in Appendix A, provides the development regulations and other standards to guide the redevelopment of the Plan Area.

This Redevelopment Plan shall be considered to supersede all the provisions of the Borough of Raritan Land Use and Development Ordinance regulating development in the Plan Area. In any situation where zoning issues are not specifically addressed herein, the Raritan Land Use and Development Ordinance shall be applicable. Final adoption of this Plan by the Mayor and Council shall be considered an amendment of the Borough of Raritan Zoning Map.

D. Legal Basis

Pursuant to the Local Redevelopment and Housing Law, §40a:12A-7.a, any redevelopment project undertaken by a municipality must contain certain information. The *direct citations are copied below, italicized in light grey with the redevelopment plan’s compliance bolded in black:*

*(1) Its relationship to definite local objectives as to appropriate land uses, density of population, and improved traffic and public transportation, public utilities, recreational and community facilities and other public improvements. (See Section **III.A** below)*

*(2) Proposed land uses and building requirements in the project area. (See Section **III** below which outlines everything pertaining to the proposed site conditions of the subject area)*

(3) Adequate provision for the temporary and permanent relocation, as necessary, of residents in the project area, including an estimate of the extent to which decent, safe and sanitary dwelling units affordable to displaced residents will be available to them in the existing local housing market. (The existing site has no residents that require relocation.)

*(4) An identification of any property within the redevelopment area which is proposed to be acquired in accordance with the redevelopment plan. (See Section **II.A** below – there are no areas to be acquired by as part of this redevelopment plan.)*

*(5) Any significant relationship of the redevelopment plan to: (a) the master plans of contiguous municipalities; (b) the master plan of the county in which the municipality is located; and, (c) the State Development and Redevelopment Plan adopted. (See Section **III.C** below)*

II. Existing Conditions

A. General Site Layout

This Redevelopment Plan has been prepared for two parcels along Tillman Street, located in the center of the Borough of Raritan. These parcels are known as block 53, lots 1 and 2 respectively. These parcels are a part of the Medium-High-Density Residential District (R4). The subjected parcels are located between Quick Avenue and First Avenue and contain approximately 1.93 acres (originally identified as 1.317 acres). The properties are bound by the Central Railroad of New Jersey (CONRAIL) right-of-way to the south, First Avenue to the east, Tillman Street to the north, and Quick Avenue to the west. Located on the same block is an existing dog park. This parcel will not be included in the redevelopment plan and will remain in its existing conditions.

First Avenue is located to the east of Tillman Street and dips below grade underneath the CONRAIL right of way. As a result of this, a retaining wall

Table 1 – Plan Area Information				
Block	Lot	Owner	Address	Area (ac.)
53	1	ABCO Realty LLC	21 Tillman Street	1.6
53	2	Margret De Stefano	75 First Avenue	.33

occupies the eastern side and continues to occupy the border of Block 53 lot 2. Lot 2 is currently occupied by residential uses. The lot contains a primary residence located in the corner of Tillman Street and First Avenue. The front yard of the residence is orientated towards Tillman Street with a side entry that contains a sidewalk path exiting onto First Avenue. There is a detached garage on the property as well that fronts Tillman Street. The structure is overgrown, with large trees that extend to double the height of the existing utility poles. Vegetation on the property crowds the sidewalk on First Avenue creating an obstructed, unsafe walking path. The vegetations extent obscures the structure from view on First Avenue. The sidewalk does not extend from first Avenue to Tillman Street, ending at the intersection. The front of the property is occupied by younger,

small trees, as well as a sidewalk that extends from the roadway and garage to a concrete porch. Beyond the residential structure is a large open space consisting of a dog park.

Block 53, lot 1 is the remaining portion for the proposed redevelopment plan and is located adjacent to Block 53, Lot 2. The lot is currently in used for industrial storage. The available space is occupied by trucks and construction equipment. There are currently oil drums and equipment stored openly on-site with various forklifts, boats and work trucks parked along the perimeter. The site also features a small office or storage building, a shed, and storage containers. The storage building is in relatively poor condition. The ground of the site is covered by broken pavement and gravel. The site has trees surrounding the perimeters that are primarily located on the outside of a security fence that outlines the perimeter of the property. The security chain link fence that encircles the property reaches from the dog park to the rail-road right-of-way, and the rights-of-way for Quick Avenue and Tillman Street. The current use of this lot is not currently permitted in its current zone.

B. Existing Permitted Uses

The study area of Blocks 53, Lots 1 and 2 is located in the Medium-High density residential Zoning district which has the following associated uses pursuant to §207-108 of the Borough of Raritan Land Use Ordinance:

Table 2 – Existing Permitted Use Regulations	
Principle Uses	
<ul style="list-style-type: none"> ○ Single-family residences. ○ Place of worship, parish houses and covenants, and cemeteries. ○ Public parks, playgrounds and recreational areas owned or operated by the Borough. ○ Public and private schools, except nursery schools as defined in this chapter. 	
Accessory Uses	
<ul style="list-style-type: none"> ○ Private garages. ○ Private swimming pools for residential use in accordance with the Borough of Raritan Swimming Pool Ordinance and the Uniform Construction Code. 	
Conditional Uses	
○ Home occupation.	○ Places of worship.
○ Public utilities facilities.	○ Public and private schools.

C. Existing Bulk Schedule

The bulk regulations for the subject parcel previously required, per §207-104 of the Borough of Raritan Land Use and Development Ordinance are as follows:

Block 53 Lot 1 & 2			
Description	Required	Existing Lot 1	Existing Lot 2
Min. Lot Size (SF) (Interior)	7,500	69,912	N/A
Min. Lot Size (SF) (Corner)	9,000	N/A	14,316
Min. Lot Width (FT) (Interior)	75	160	N/A
Min. Lot Width (FT) (Corner)	85	N/A	45
Building Setback: Front (Tillman Street) (FT)	40	100	16
Building Setback: Front (1st Avenue) (FT)	25	N/A	20
Building Setback: Rear (FT)	35	38	20
Building Setback: Side Yard (FT) (One)	8	224	230
Building Setback: Side Yard (FT) (Both)	20	425	230
Building Setback: Exterior Side Yard (FT)	25	N/A	N/A
Accessory Setback (FT) (Front)	25	N/A	24
Accessory Setback (FT) (Rear)	5	N/A	8
Accessory Setback (FT) (Side)	5	N/A	29
Maximum Building Height (FT)	35	20	35
Max. Impervious Cover (%)	30	88	25

III. Proposed Redevelopment Plan

A. Redevelopment Plan Goals and Objectives

The specific goals and objectives of the Redevelopment Plan are as follows:

1. Enact such elements and controls that will allow for the redevelopment of lands within the Plan Area consistent with the purpose of this Redevelopment Plan.
2. Provide for appropriate land uses that will promote economic development and growth opportunities and serve the needs of the community.
3. Capitalize on the existing strengths of the Plan Area, including its location proximate to Downtown Raritan, the Raritan River, Duke Farms, NJ Transit Rail Station and Route 206.
4. Establish Redevelopment Plan elements and controls that allow for development consistent with Smart Growth principles.
5. Integrate development into the surrounding neighborhood by encouraging aesthetically appropriate building and site design that complements existing residential development and improves the pedestrian environment and public space for residents of the community.
6. Coordinate redevelopment efforts for the entire Plan Area to minimize disruption of the adjacent community during construction activities.
7. Develop affordable housing units in compliance with the New Jersey Housing and Fair Share Plan.

B. Definitions and Terminology

The definitions set forth in the Borough of Raritan Land Use and Development Ordinance shall apply to this Redevelopment Plan, with the following exceptions listed below. If a term used in this Redevelopment Plan is not defined in the Borough of Raritan Land Use and Development Ordinance, the definition in the Municipal Land Use Law or the Local Redevelopment and Housing Law shall apply.

Residential Complex

A building, or assortment of buildings intended for residential use with shared amenities (interior or exterior) and parking facilities.

C. Relationship to Other Plans

The Borough of Raritan's most recent Master Plan was adopted in 2003 and has been periodically updated since then. In 2017 the Borough adopted the Master Plan Reexamination Report and more recently the Borough adopted the Sustainable Economic Development Plan (SEDP) for the Downtown in 2021.

The 2017 Master Plan Reexamination Report discusses potential redevelopment areas in the Borough. The Tillman Street area is not mentioned in this plan. However, the land use goals for the borough are stated in totality and reflect the overall goals of redevelopment planning in the borough. The Master Plan also acknowledges the importance of Raritan's close proximity to downtown Somerville. This close proximity looms as a large factor for increased housing and development to provide convenient living proximity and access to the downtown Somerville area.

The land use goals for the borough are re-stated below in their totality and reflect the overall goals of redevelopment planning in the Borough. The Master Plan also acknowledges the importance of Raritan's close proximity to downtown Somerville.

Land use Goals and Objectives (2003 Master Plan)

1. *Provide a balanced land use pattern that preserves residential neighborhoods, strengthens the vitality of commercial districts, enhances remaining industrial areas, increases parks and open space, protects environmentally sensitive natural features, accommodates community facilities, and facilitates local/regional circulation.*
2. *Preserve and enhance the residential character of the Borough by protecting established neighborhoods, maintaining a balance of housing choices, providing for compatible infill housing, and planning for appropriate residential development in targeted redevelopment areas where land uses are in transition.*
3. *Encourage appropriate redevelopment in transitional focus areas that will return underutilized land to productive use, improve quality of life, enhance community character, create new employment opportunities, and strengthen the municipal tax base.*
4. *Continue the revitalization of the Central Business District as a mixed-use destination and support other commercial districts through selective redevelopment, compatible infill development infrastructure improvements, updated zoning, public-private partnerships, and increased regional cooperation.*
5. *Provide increased parks, recreation and open space opportunities that will improve local quality of life, preserve established suburban character, protect existing natural resources, and contribute to sustainable development.*
6. *Encourage the retention of existing industrial uses wherever feasible with an emphasis on industrial clusters found in the region such as pharmaceuticals, bio-medical research, and life sciences.*
7. *Develop affordable housing units in compliance with the New Jersey Housing and fair Share Plan.*

Regional Center Strategic Plan:

In addition, Raritan is part of the Somerset County Regional Center, the first multi-jurisdictional region to receive “center designation” from the New Jersey State Planning Commission. The Regional Center encompasses the entire Borough of Raritan, the entire Borough of Somerville and the portion of Bridgewater Township that is located adjacent to Raritan and Somerville. The Somerset County Regional Center Strategic Plan from 2006 provides recommendations and implementation strategies for the Center.

This Redevelopment Plan is consistent with the above goals and recommendations of the 2003 Borough Master Plan, the 2017 Master Plan Reexamination Report, the 2021 SEDP, and the 2006 Regional Center Raritan Crossing Redevelopment Plan – February 2022 10 Strategic Plan. The successful implementation of this Plan will advance the above goals and objectives by creating tax ratables on properties that are currently vacant and/or underutilized through the provision of new housing opportunities within the Plan Area and by promoting transit-oriented smart growth proximate to the Borough of Raritan New Jersey Transit train station.

D. Relationships to Zoning Ordinance

This Redevelopment Plan shall be considered an overlay to all provisions of the Borough of Raritan Land Use and Development Ordinance regulating development in the Plan Area. In any situation where zoning issues are not specifically addressed herein, the Raritan Land Use and Development Ordinance shall be applicable. Final adoption of this Plan by the Mayor and Council shall be considered an amendment of the Borough of Raritan Zoning Map.

E. Land Uses

The primary intent of the Plan Area is for a residential complex containing a mix of affordable and market rate housing units. The residential complex shall include amenities that may be public or private, address parking requirements pursuant to N.J.A.C. 5:21 Residential Site Improvement Standards and connect to the existing neighborhood in a logical manner.

F. Lot 116.01, Lot 11.01 Bulk Schedule

Block 53 Lot 1 & 2	
Description	Required
Min. Lot Size (SF) (Corner)	50,000
Min. Lot Width (FT) (Corner)	100
Setback Line: Tillman Street (FT)	30
Setback Line: 1 st Avenue (FT)	50
Accessory Setback: (FT)	5
Parking Setback: Building (FT)	5
Max. Impervious Cover (%)	75%
Max. Bldg. Height	2 Stories 30 FT
Unit Density (Units/AC)	20

For a conceptual site layout conforming to the above regulations, see Appendix B for a conceptual sketch.

G. 3-6 Affordable Housing

The Borough of Raritan adopted a Fair Share Plan that was prepared in February of 2022 which includes a Housing Plan. Part of this Fair Share and Housing Plan was a requirement that was adopted to the Land Use and Development Regulations as per Ord. No. 2022-06. This inclusion is known as the Borough’s Mandatory Affordable Housing Set-Aside Ordinance (§207-90.3). All housing included as part of this project must comply with that ordinance, which at the time of this Redevelopment Plan requires provision of at least 15% of the housing stock be affordable housing units.

H. 3-7 Stormwater Management

Regardless of designation as a “Major Development” pursuant to N.J.A.C. 7:8 or not, a stormwater management report will be required during the site plan application process.

Such a stormwater management report should identify basic hydrologic information about the site, including but not limited to soil testing and infiltrative capacity – unless explicit rationale to the contrary is approved by the Planning Board. Proposed conditions, such as the flow of stormwater through inlets, should provide adequate analysis that the development is providing improvement from the existing conditions.

Development is strongly encouraged to adopt green infrastructure and low-impact-design as part of the proposed construction.

For projects that result in a “Major Development” designation – strict adherence to the regulations listed in N.J.A.C. 7:8-5 shall be required.

I. 3-8 Architectural Regulations

All buildings shall be constructed of high-quality materials. Preferred primary materials for all building façades are stone; masonry; brick; wood; stucco (except EIFS is not allowed); Hardie panels or similar fiber cement siding; Trespaventilated façade systems; Meteon panels and similar high-pressure compact laminate/cladding panels; precast and cast stone, manufactured stone, and masonry; glass; and cast iron, steel, aluminum, and other types of metal. No more than three different primary materials should be used on building facades. Within the primary materials, variations in colors, textures and pattern may be employed to further break up the bulk or mass of the building. Materials should be extended around corners and extensions in order to avoid a “pasted-on” appearance. All building façades adjacent to or visible from a public street or railroad, walkway or open space should exhibit the same degree of architectural detailing as the building’s primary façade. Any mechanical equipment above the roofline shall be screened or painted.

J. 3-9 Lighting

Adequate lighting shall be provided for all parking areas and pedestrian walkways. Lighting shall be designed to provide for safe movement of pedestrians and vehicles and provide security lighting to illuminate all building entry points and other areas as required by the Planning Board. All outdoor lighting shall be downcast and illuminate only the intended areas.

K. 3-10 Parking

Parking shall be provided in accordance with RSIS standards and may be reduced to no less than the following:

- 1) One and one-half spaces per one-bedroom unit.
- 2) Two spaces per two-bedroom unit.
- 3) Off-street parking shall be permitted to be located within the required front and rear yard setbacks.
- 4) Off-street parking may be provided within buildings and parking structures as well as in surface parking lots. Surface parking lots shall be screened from view from the street by landscaping and/or decorative walls. Surface parking shall have landscaped islands so as to break up long aisles and to provide shade.
- 5) One or more loading spaces shall be provided for buildings containing multifamily dwellings. Such space(s) shall be adequate to accommodate moving and delivery trucks. Easements and/ or portions of parking provided with time restrictions shall be permitted to meet the loading requirement.

L. 3-11 SUSTAINABLE DESIGN

Building and site design in the Plan Area shall seek to minimize environmental damage, strain on municipal utilities and impact on adjacent uses. Broadly speaking, green building design goals include reduced energy and water use; use of sustainable, renewable, non-toxic, and locally produced materials; improved indoor air quality; and environmentally conscious site planning. Development should aim to meet the United States Green Building Council's Leadership in Energy and Environmental Design (LEED) requirements for green building design or similar certification programs. These requirements include, but are not limited to, green building design goals that promote reduced water use; use of sustainable, renewable, non-toxic and locally produced materials; improved indoor air quality; and environmentally conscious site planning. Formal certification is encouraged but not required.

M. 3-12 UTILITIES

All new utility distribution lines and utility service connections from such lines to buildings in the Plan Area shall be located underground. To the extent possible, existing utility lines should also be relocated underground. Locations for utility lines and easements shall be established at the time of Planning Board Site Plan Review and Approval. Utility lines and locations may be relocated pursuant to individual utility company requirements at any time.

N. 3-13 Additional Actions

In addition to the demolition and new construction described above, several other actions may be taken to further the goals of this Plan. These actions may include, but shall not be limited to:

- Provisions for public infrastructure necessary to service and support new development, which may include the reconstruction of sanitary sewer within the Plan Area.
- Environmental remediation and investigation of the existing on-site landfill prior to any construction activities that may be impacted by unstable subsurface conditions.
- Vacation or relocation of public utility easements as may be necessary for redevelopment.

Any provision not explicitly regulated above shall be governed by the existing master plan and land use plan element, respectively.

IV. Additional Procedural Information

A. 4-1 Deviations Requests

The Planning Board may grant variances allowing deviations from the regulations contained within this Redevelopment Plan where, by reason of exceptional narrowness, shallowness or shape of a specific piece of property, or by reason of exceptional topographic conditions, pre-existing structures or physical features uniquely affecting a specific piece of property, the strict application of any area, yard, bulk or design objective or regulation adopted pursuant to this Redevelopment Plan, would result in peculiar practical difficulties to, or exceptional and undue hardship upon, the developer of such property. The Planning Board may also grant such relief in an application relating to a specific piece of property where the purposes of this Redevelopment Plan would be advanced by a deviation from the strict requirements of this Plan and the benefits of the deviation would outweigh any detriments. No relief may be granted under the terms of this Section unless such deviation or relief can be granted without substantial detriment to the public good and without substantial impairment of the intent and purpose of the Redevelopment Plan. An application for a deviation from the requirements of this Redevelopment Plan shall

provide public notice of such application in accord with the requirements of public notice as set forth in N.J.S.A. 40:55D-12a and b.

Notwithstanding the above, any changes to the uses permitted in the Plan Area or any change requiring a “d” variance in accordance with N.J.S.A. 40:55D-70 shall be permitted only by means of an amendment of the Redevelopment Plan by the Borough Governing Body, and only upon a finding that such deviation would be consistent with and the furtherance of the goals and objectives of this Plan.

B. 4-2 Procedure for Amending the Approved Plan

This Redevelopment Plan may be amended from time to time upon compliance with the requirements of state law. Any party requesting a future amendment shall submit such request to the Borough Governing Body. The Governing Body and/or Planning Board may require the party requesting the amendment prepare a study of the impact of such amendments, which study shall be prepared by a professional planner licensed in the state of New Jersey, together with such other professionals licensed in the state of New Jersey (e.g., traffic engineer) as may be appropriate. In addition, the party requesting the amendment shall establish an escrow account with the Borough adequate to allow the Borough and/or Planning Board to use the services of a professional planner and other necessary professionals licensed in the state of New Jersey to identify, review and/or prepare further amendments that might be needed, together with any and all necessary documentation related thereto.

C. Non-Severability Clause

If any section, paragraph, division, subdivision, clause, or provision of this Redevelopment Plan shall be adjudged by the courts to be invalid, such adjudication shall only apply to the section, paragraph, division, subdivision, clause, or provision so judged, and the remainder of this Redevelopment Plan shall be deemed valid and effective.

APPENDIX A
Resolutions

BOROUGH OF RARITAN
RESOLUTION NO. 2022-05-084

**RESOLUTION AUTHORIZING THE BOROUGH OF RARITAN
PLANNING BOARD TO UNDERTAKE A PRELIMINARY
INVESTIGATION FOR THE REDEVELOPMENT OF
APPROXIMATELY 1.317 ACRES OF LAND KNOWN AS BLOCK
53, LOTS 1 AND 2 AS SHOWN ON THE BOROUGH OF RARITAN
TAX MAP**

WHEREAS, the Local Redevelopment and Housing Law, *N.J.S.A. 40A:12A-1 et seq.* provides a mechanism to empower and assist local governments in efforts to promote programs of redevelopment; and

WHEREAS, the Local Redevelopment and Housing Law sets forth specific procedures for establishing an area in need of redevelopment; and

WHEREAS, pursuant to *N.J.S.A. 40A:12A-6*, prior to the Borough Council making a determination as to whether a particular study area qualifies as an area in need of redevelopment, the Borough Council must authorize the Raritan Borough Planning Board, by Resolution, to undertake a preliminary investigation to determine whether the subject area meets the criteria of an area in need of redevelopment as set forth in *N.J.S.A. 40A:12A-5*; and

WHEREAS, the New Jersey Legislature amended the Local Redevelopment and Housing Law on September 6, 2013 to expand and clarify various provisions of same; and

WHEREAS, as required by the amendment to *N.J.S.A. 40A:12A-6*, the Legislature has directed that the Resolution authorizing the Planning Board to undertake a preliminary investigation state whether the redevelopment area determination shall authorize the Borough to use all those powers provided by the Legislature for use in a redevelopment area other than the use of eminent domain ("Non-Condensation Redevelopment Area") or whether the redevelopment area determination shall authorize the municipality to use all those powers provided by the Legislature for use in a redevelopment area, including the power of eminent domain ("Condensation Redevelopment Area"); and

WHEREAS, the redevelopment area determination shall authorize the Borough of Raritan to use all of the powers provided by the Legislature for use in a redevelopment area including the use of eminent domain, thus designating it a Condensation Redevelopment Area; and

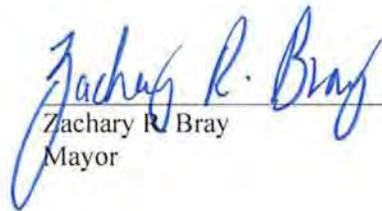
WHEREAS, the Borough of Raritan wishes to direct the Raritan Borough Planning Board to undertake a preliminary investigation to determine whether the proposed study area of approximately 1.317 acres known as Block 53, Lots 1 and 2 as shown on the Raritan Borough Tax Map qualifies as an area in need of redevelopment pursuant to *N.J.S.A. 40A:12A-5*.

NOW, THEREFORE, BE IT RESOLVED by the Borough Council of the Borough of Raritan, in the County of Somerset and State of New Jersey, that the Raritan Borough Planning Board is hereby directed to conduct the necessary preliminary investigation, including the holding of a public hearing, to determine whether the study area identified above is or is not an area in need of redevelopment under the criteria set forth in *N.J.S.A. 40A:12A-1 et seq.*; and

BE IT FURTHER RESOLVED that the Planning Board shall submit its findings and recommendations to the Borough Council in the form of a Resolution with supporting documentation.

ATTEST:


Eric M. Colvin
Borough Clerk/Administrator


Zachary R. Bray
Mayor

I HEREBY CERTIFY that the foregoing Resolution was Adopted by the Borough Council of the Borough of Raritan, County of Somerset, State of New Jersey at a Regular Meeting held in the Council Chambers of the Municipal Building, 22 First Street, Raritan, NJ 08869, on May 17, 2022.


Eric M. Colvin
Borough Clerk/Administrator

MOTION	SECOND	MEMBER	YEA	NAY	ABSTAIN	ABSENT
		Carra				✓
		Fritzinger	✓			
✓		Giraldi	✓			
	✓	Hutzler	✓			
		Melitsky				✓
		Orozco				✓

RESOLUTION PB 23-06

RESOLUTION OF THE PLANNING BOARD OF THE BOROUGH OF RARITAN UPON A PRELIMINARY INVESTIGATION TO DETERMINE WHETHER OR NOT BLOCK 53, LOTS 1 AND 2, IN THE BOROUGH MEET THE QUALIFICATIONS FOR AN AREA IN NEED OF REDEVELOPMENT

WHEREAS, pursuant to New Jersey Local Housing and Redevelopment Law (“LHRL”), N.J.S.A. 40A:12A-6, the governing body of the Borough of Raritan, Somerset County, New Jersey, has directed the Borough of Raritan Planning Board to conduct a preliminary investigation to determine whether or not a certain property, designated hereinafter, meets the qualifications for determination of an area in need of redevelopment; and

WHEREAS, said property was identified pursuant to N.J.S.A. 40A:12-5 by the Borough Council as Block 53, Lots 1 and 2, as shown on the Borough’s Official Tax Map (the “Study Area”); and

WHEREAS, pursuant to the requirements of said Act, the Board did determine to hold a public hearing for determination as to whether or not the Study Area is an area in need of redevelopment with the right of condemnation; and

WHEREAS, there was commissioned a preliminary report prepared by Van Cleef Engineering Associates, and particularly Stanley Schrek, PE/PP, of said firm, who prepared the report dated August 22, 2022; and

WHEREAS, proper notification was served on the owners of said property, which comprised the Study Area, and public notices pursuant to the requirements of said Act were published in the official newspaper of the Borough; and

WHEREAS, a public hearing on said determination was held before the Planning Board on January 25, 2023, at which time the Board accepted the aforementioned report, as well as took testimony from Stanley Schrek and Joseph Brosnan, PE, of Van Cleef Engineering Associates, and heard any comments or questions posed by the public; and

WHEREAS, as a result of said document and presentations, the Board does make the following findings of fact:

1. The subject property is located along Tillman Street between Quick Avenue and First Avenue, and contains approximately 1.317 acres. The property is adjacent to the Raritan Dog Park and is bound by the Central Railroad right-of-way to the south, First Avenue to the east, and Tillman to the north. Quick Avenue is to the west.
2. The adjacent uses are almost exclusively residential to the west, north and east, with the exception of the Dog Park immediately to the southeast. The First Avenue tennis courts are across the street.
3. Lot 2 is primarily comprised of residential uses with one primary residential structure at the corner of Tillman Street and First Avenue, and

a garage that fronts on Tillman Street. The residential structure is overgrown with large trees almost double the height of the adjacent utility poles, and vegetation almost completely obscures the structure from view along First Avenue. The vegetation also inhibits free flow of the adjacent sidewalk. Beyond the limits of the residential structure and the garage there is largely open space of unoccupied land.

4. Lot 1 is used for industrial storage with trucks and construction equipment occupying most of the available space. There is also the presence of oil drums and equipment stored openly onsite with various forklifts and work trucks parked along the perimeter. The site is secured with a barbed wired chain link fence which abuts the Dog Park, which fence is in violation of Borough ordinances. The industrial use is not a permitted use in the zoning district and are more indicative of the uses on the other side of the railroad right-of-way, which is an industrial zone. It is presumed that this use is a non-conforming use.

WHEREAS, the property was reviewed to consider whether or not it meets any of the statutory criteria for an "area in need of redevelopment" designation; and

WHEREAS, it was determined, at the recommendation of the planner in his report that the property meets criteria a, d, and h of the aforementioned LHRL, of the N.J.S.A. 40A:12A-5, for the following reasons:

a-Criterion The designated property meets the a criterion in that, particularly Lot 2 contains structures which are severely lacking in light due to surrounding vegetation and site geometry. Additionally, substandard building practices persist on Lot 1 with the existing barbed wire fencing to be in violation of Borough ordinances.

d-Criterion Because the site is in a state of general disrepair, in that the industrial portions are substandard and in violation of Borough ordinances, combined with the overgrown portions of Lot 2, reduces the safety of pedestrians utilizing the Raritan Dog Park, and is out of place with the rest of the community. In consideration of the fact that the industrial use is a non-permitted use, the study area does not exhibit continuity with the neighboring region.

h-Criterion The site meets the h-criterion, which if redeveloped would be consistent with smart growth planning principles which will include taking advantage of existing nearby community assets such as the Raritan Dog Park and the tennis courts, and fostering walkable neighborhoods by continuing the sidewalk and making accommodations for the grade changes from First Avenue through Tillman Street. The future redevelopment would also include

updated stormwater management consistent with the latest NJDEP practices, electric vehicle charging stations and/or additional shared parking facilities for the Borough of Raritan; and

WHEREAS, it is the recommendation of the Planner that Block 53, Lots 1 and 2 meet the criteria of the LRHL, consisting of criteria a, d, and h.

NOW, THEREFORE, BE IT RESOLVED that the Planning Board of the Borough of Raritan hereby determines that Block 53, Lots 1 and 2 meet at least three of the criterion for determining that the property comprises an area in need of redevelopment as set forth above as a "Condemnation Redevelopment Area."

BE IT FURTHER RESOLVED that a copy of this Resolution be forwarded to the Borough Council of the Borough of Raritan.

WITNESSETH, this Resolution was duly adopted by the Planning Board of the Borough of Raritan at its meeting of February 23, 2023.

CERTIFICATION

I, Nancy Probst for the Planning Board of the Borough of Raritan, do hereby certify that the foregoing is a true copy of a resolution duly adopted at their February 23, 2023 meeting.

Nancy Probst

Dated:

BOROUGH OF RARITAN
RESOLUTION NO. 2024-03-056

**AUTHORIZING THE DRAFTING OF DESIGNATING
RESOLUTIONS & CORRESPONDING ORDINANCES – BLOCK 53,
LOTS 1 & 2 AND BLOCK 116.01, LOT 11.01**

WHEREAS, the New Jersey Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the “LRHL”) authorizes municipalities to determine whether certain parcels of land within the municipality constitute an “area in need of redevelopment” as described in Section 5 of the Redevelopment Law; and

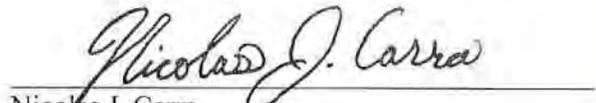
WHEREAS, the areas identified as Block 53, Lots 1 & 2 and Block 53, Lot 11.01 have been recognized by the Raritan Borough Planning Board via a preliminary investigation to meet the criteria set forth in Section 5 of the LRHL; and

NOW, THEREFORE, BE IT RESOLVED by the Borough Council of the Borough of Raritan, County of Somerset, State of New Jersey that the Borough’s Redevelopment Attorney is hereby authorized to draft designating resolutions for both properties identified herein, as well as ordinances regarding redevelopment plans for same.

BE IT FURTHER RESOLVED that the Borough Engineer is authorized to prepare the corresponding redevelopment plans.

ATTEST:


Eric M. Colvin
Borough Clerk/Administrator


Nicolas J. Carra
Mayor

I HEREBY CERTIFY that the foregoing Resolution was Adopted by the Borough Council of the Borough of Raritan, County of Somerset, State of New Jersey at a Regular Meeting held in the Council Chambers of the Municipal Building, 22 First Street, Raritan, NJ 08869, on March 5, 2024.


Eric M. Colvin
Borough Clerk/Administrator

MOTION	SECOND	MEMBER	YEA	NAY	ABSTAIN	ABSENT
		Agrawal				✓
		Armahizer	✓			
		Fritzinger	✓			
		Melitsky	✓			
✓		Patente	✓			
	✓	Tozzi	✓			

APPENDIX B
Conceptual Site Layout

Appendix 4

Home Improvement Program

Policies and Procedures Manual

Borough of Raritan

New Jersey

Created October 4, 2018



Prepared by:

CGP&H

Community Grants, Planning & Housing

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101 Interchange Plaza, Suite 301

Cranbury, NJ 08512

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Home Improvement Program

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Home Improvement Program

Policies & Procedures Manual

I. INTRODUCTION

The purpose of this document is to establish policies, guidelines and procedures which will govern the Home Improvement Program (HIP). The HIP was created by the Borough to assist properties occupied by very low, low and moderate-income households to correct all existing interior and exterior health, safety and code violations in conformity with the standards of the New Jersey State Housing Code, N.J.A.C. 5:28 and the Rehabilitation Subcode, N.J.A.C. 5:23-6. The HIP is guided by N.J.A.C. 5:93-5.2 and is subject to all laws, regulations, ordinances, and codes of the New Jersey Department of Community Affairs (DCA) and the Borough of Raritan¹. The Borough of Raritan has contracted with Community Grants, Planning & Housing LLC (CGP&H), a private consulting firm specializing in the implementation of publicly-funded housing rehabilitation programs, to manage and administer the HIP. The program's funding source will be municipal housing trust funds, supplemented with Borough appropriation as needed. If the funding source changes, the manual will be updated to reflect the change as well as changes to regulation requirements, if any.

A. Fair Housing and Equal Housing Opportunities

It is unlawful to discriminate against any person making application to participate in the rehabilitation program or rent a unit with regard to race, creed, color, national origin, ancestry, age, marital status, affectional or sexual orientation, familial status, disability, nationality, sex, gender identity or expression or source of lawful income used for mortgage or rental payments.



¹ The HIP is guided by N.J.A.C. 5:93 except for the length of affordability controls for both owner- and renter-occupied (10 years, not six (6) years) and except for the required average hard cost expenditure (\$10,000, not \$8,000).

For more information on discrimination or if anyone feels they are a victim of discrimination, please contact the New Jersey Division on Civil Rights at 1-866-405-3050 or <http://www.state.nj.us/lps/dcr/index.html>.

Fair Housing and Equal Housing Opportunities apply to both owner and tenant applications.

II. ELIGIBLE PARTICIPANTS

A. Program Area

The HIP is a Borough wide program currently aimed at scattered site housing rehabilitation of housing occupied by very low, low and moderate-income households throughout the Borough of Raritan.

B. Categories of Participants

Both owner-occupied and renter-occupied housing units are eligible to receive funding for rehabilitation provided that the occupants of the units are determined to be income eligible, the units are determined to be substandard and for primary residency only. Owners of rental properties do not have to be income eligible households. If a structure contains two or more units and an owner, who is not income eligible, occupies one unit, funding may be provided for the rehabilitation of the rest of the units if income-eligible households occupy those units. Rents must be affordable to low- or moderate-income households.

C. Income Limits

Household income is defined as the combined annual income of all family members over 18 years of age including wages, Social Security, disability insurance, unemployment insurance, pensions, dividend/interest income, alimony, etc. Each unit's total household income must fall within or below the State's moderate-income limits based on family size.

Since the 2015 NJ Supreme decision declaring COAH nonfunctioning, it is now left to the local court vicinages to approve income, sales and rental increases using similar methodologies that were employed by COAH.

The income limits and applicable methodology are in Appendix B, and the plan for properly amending median incomes and rental increases every year going forward until or unless COAH or another state entity becomes functional again is also included in Appendix B at the end of this manual. The Program Administrator will ensure that the annual chart in Appendix B is updated whenever updates become available.

If at any time, COAH (or a successor administrative agency duly empowered by an amendment to the Fair Housing Act) begins to issue updated annual income limits and rules for increasing sales prices and rent levels each year, said updated income limits and rules for increasing sales prices and rent levels each year may be used instead of the methodology set forth herein.

D. Application Selection

The program will process new applicants added to the waiting list/applicant pool on a first-come, first served basis, to qualified applicants. Priority will be given to homeowners with less than \$200,000 in liquid assets. Assets in federally recognized retirement accounts do not apply to the liquid asset limit. The goal is to have a minimum of 50% of the properties assisted comprising of low income households. The HIP will establish the waiting list from the program marketing efforts identified in Section IX of this manual.

Emergency Processing Order

Properties with safety and/or health hazards, confirmed/certified as an emergency by the municipal Construction Official or Health Department, can by-pass the first-come, first served process however they must meet all the other program requirements including bringing the unit up to code.

The Program Administrator shall determine that an emergency situation exists based on the following:

- A. The repair problem is an immediate and serious threat to the health and safety of the building's residents
- B. The problem has been inspected and the threat verified by the appropriate local building inspector and/or health official

Please note that the loan agreement will state that if the homeowner takes the emergency funds to abate the safety/health hazards and then subsequently decides to voluntarily remove themselves from participation in the Borough's Home Improvement Program to complete the non-emergency substandard code violation components of their project, essentially negating any opportunity for the municipality to gain credit for a fully rehabilitated home for this unit, those public funds used for the emergency may be immediately due and payable back to the Borough.

To address this potential, any Homeowner receiving emergency funds will also be required to execute a statement indicating that the Borough will place a lien on the property assisted for the Borough to recapture the emergency funds, to be repaid with interest, based on the monthly average mortgage loan commitment rates at the time of closing in the event of noncompliance.

III. ELIGIBLE ACTIVITIES

A. Eligible Improvements

The purpose of the program is to bring substandard housing up to code. In order to qualify for participation in the program, the condition of each home must be certifiable as being "substandard" as defined in N.J.A.C. 5:93-1.3.

In other words, at least one of the following major systems must be in need of replacement or substantial repair:

- Roof
- Plumbing (including wells)
- Heating
- Electrical
- Sanitary plumbing (including septic systems)
- Load bearing structural systems
- Lead paint remediation
- Weatherization (building insulation for attic, exterior walls and crawl space, siding to improve energy efficiency, replacement storm windows and storm doors and replacement windows and doors)

The related work may include, but not be limited to the following:

- Interior trim work,
- Interior and/or exterior doors
- Interior and/or exterior hardware
- Window treatment
- Interior stair repair
- Exterior step repair or replacement
- Porch repair
- Wall surface repair
- Painting
- Exterior rain carrying system repair

B. Ineligible Improvements

Work not eligible for program funding includes but is not limited to luxury improvements (improvements which are upgrades and/or strictly cosmetic), carpets, additions, conversions (basement, garage, porch, attic, etc.), repairs to structures separate from the living units (detached garage, shed, barn, etc.), furnishings, pools, landscaping, solar panels and generators. If determined unsafe, stoves may be replaced. The replacement or repair of other appliances is prohibited.

Rehabilitation work performed by property owners shall not be funded under this program.

C. Rehabilitation Standards

Funds are to be used for work and repairs required to make the unit standard and abate all interior and exterior violations of the New Jersey State Housing Code, N.J.A.C. 5:28 and the Rehabilitation Subcode, N.J.A.C. 5:23-6, any applicable local maintenance code or ordinance (of which the more restrictive requirements will apply), conserve energy and remove health and/or safety hazards; and any other work or repairs, including finishing and painting, which are directly related to the above listed objectives. For projects that require construction permits, the rehabilitated unit shall be considered complete at the date of final approval pursuant to the Uniform Construction Code.

Municipal rehabilitation investment for hard costs shall average at least \$10,000 per unit, and include the rehabilitation of at least one major system, as previously defined under eligible improvements.

D. Certifications of Substandard/Standard

The Program Building Inspector will inspect the property to determine which systems, if any, are substandard in accordance with sub-section A above and issue a Certification of Substandard. Upon program construction completion, all code deficiencies noted in the inspection report must be corrected and rehabilitated units must be in compliance with the standards proscribed in sub-section C above upon issuance of a municipal certificate of completion/approval.

IV. FUNDING TERMS FOR OWNER OCCUPIED AND INVESTOR OWNED UNITS

Funding will be provided on the following terms:

A. Terms and Conditions for Owner Occupied Units

Table 1 Owner-Occupied Single Family Home Terms & Conditions

Owner-Occupied Single Family Unit Terms and Conditions of Loan	
Minimum Loan Amount	The municipality may rehabilitate substandard units that require less than \$10,000 of work, provided the municipal rehabilitation activity shall average at least \$10,000 per unit.
Maximum Loan Amount	\$20,000 per unit
Interest Rate	0% (No monthly payments)
Payment Terms:	100% forgivable if homeowner maintains occupancy and title during the 10-year period. Original Principal is due if house is sold and/or title/occupancy changes years 1 through 10 except for <i>Exceptions to Loan Repayment Terms</i> section below.
Mechanism for Securing Loan	Mortgage and Mortgage Note recorded against property

If the owner decides to sell the property, transfer title, or if the owner should die before the terms of the lien expire, the owner, heirs, executors or legal representatives must repay 100% of the original loan per the schedule above upon a title change. Rental of house is allowable under certain conditions subject to approval by the Administrative Agent.

Exceptions to Loan Repayment Terms above during the lien period:

1. If the loan transfers due to inheritance by a Class A beneficiary who will take occupancy upon death of Program mortgagee/Borrower and assume the lien (income eligibility not a requirement); or if by inheritance by a qualified income eligible non-Class A beneficiary, or
2. If the house is sold at an affordable price pursuant to UHAC to someone who can be qualified as income eligible, takes occupancy and agrees to assume the program lien, or

3. If the house is sold at an affordable price pursuant to UHAC to an investor who assumes the lien and also signs a deed restriction for the remaining duration of the affordability period to rent the dwelling at the affordability controls restricted rental rate and according to the affirmative marketing requirements for re-rentals. When this occurs, the Borough’s Administrative Agent will be responsible for monitoring compliance over that unit.

B. Terms and Conditions on Owner-Occupied Multi-Family Rental Units

Table 2 Owner-Occupied Multi-Family Home Terms & Conditions

Owner-Occupied Multi-Family Including Tenant Unit(s) Terms and Conditions of Loan	
Minimum Loan Amount	Per N.J.A.C. 5:93-5.2, the municipality may rehabilitate substandard units that require less than \$8,000 of work, provided the municipal rehabilitation activity shall average at least \$10,000 per unit.
Maximum Loan Amount	\$17,000 per unit
Interest Rate	0% (No monthly payments)
Payment Terms	100% forgivable if homeowner maintains occupancy and title during the 10 year period. Original Principal is due if not in compliance with affordability controls. Rental restrictions transfer with property. See Restrictions below.
Mechanism for Securing Loan	Mortgage, Mortgage Note and Deed Restriction recorded on property

Assisted unit(s) must be occupied by, and affordable to a household(s) that is(are) certified as very low, low or moderate income as per DCA very low, low and moderate-income Limits.

The owner will execute a Mortgage, Mortgage Note, and Deed Restriction, the latter which guarantees the continued availability of the rental unit to very low, low or moderate-income households for the terms of the ten-year deed restricted affordability period. The affordability terms for the rental units do not expire even if the owner sells the property, transfers title to the property, or dies within the ten-year program deed restricted affordability period.

Moreover, if Program funds were expended on the owner-occupied unit, and the homeowner sells, transfers title, dies or is not in compliance during the ten-year deed restricted affordability period, unless ownership is transferred to another very low, low or moderate-income homeowner, any Program funds expended on work done on the owner’s individual unit along with a pro-rata

portion of the shared improvements must be fully repaid to the Borough and used to rehabilitate another housing unit.

Additionally, for rental units in a multi-family owner-occupied home:

For tenant units, the maximum permitted rent is pursuant to UHAC and subject to annual adjustment. If a unit is vacant upon initial rental subsequent to rehabilitation, or if a renter-occupied unit is re-rented prior to the end of controls on affordability, the Deed Restriction shall require the unit to be rented to a very low, low- or moderate- income household at an affordable rental price and will be affirmatively marketed by the Borough designated Administrative Agent, in accordance with the Borough of Raritan's Affordable Housing Affirmative Marketing Plan. Landlords are responsible to pay income certification fees and affirmative marketing cost for re-rentals.

For information regarding future rental increases: Please refer to Section VIII C of this manual.

C. Terms and Conditions on Investor-Owned Multi-Family Rental Units

Table 3 Investor-Owned Terms & Conditions

Investor-Owned Multi-Family Unit Terms and Conditions of Loan	
Minimum Loan Amount	Per N.J.A.C. 5:93-5.2, the municipality may rehabilitate substandard units that require less than \$8,000 of work, provided the municipal rehabilitation activity shall average at least \$10,000 per unit.
Maximum Loan Amount	\$17,000 per rental unit
Interest Rate	0% (No monthly payments)
Payment Terms	Owner pays 25% of rehab cost at construction agreement signing. 75% balance forgiven if in compliance with rental restrictions. Rental restrictions transfer with property. See restrictions below.
Mechanism for Securing Loan	Mortgage, Mortgage Note and Deed Restriction recorded against property

The ten-year affordability controls against the property will be recorded in a Deed Restriction. The property owner agrees to abide by the rental affordability controls for the life of the Deed Restriction. Additionally, the following conditions apply:

The assisted housing unit(s) is(are) occupied by and affordable to a household that is certified as a very low, low or moderate-income household as per DCA's very low, low and moderate Income Limits and as designated by unit in the Deed Restriction. The maximum permitted rent is determined by the Borough's Administrative Agent and is pursuant to UHAC and subject to annual adjustment.

Throughout the ten year affordability controls, if a rental unit is vacant upon initial rental subsequent to rehabilitation, or if a renter-occupied unit is re-rented prior to the end of controls on affordability, the Deed Restriction shall require the unit to be rented to a very low, low- or moderate- income household(as designated by unit in the Deed Restriction) at an affordable price and will be affirmatively marketed in accordance with the Borough of Raritan Affordable Housing Affirmative Marketing Plan by the Boroughs' current Administrative Agent at the rates and terms defined within that Agreement. Landlords are responsible to pay income certification fees and affirmative marketing costs for re-rentals.

The owner will execute a Deed Restriction which will guarantee the continued availability of the unit to income eligible households for the terms of the ten-year lien affordability period.

Throughout the ten-year deed restrictive period, the affordability terms do not expire even if the owner sells the property, transfers title to the property, dies, or rents

D. Special Needs Waivers for Higher Cost Rehabilitation Projects

In cases of housing rehabilitation costs exceeding the program cap:

- The Program will get confirmation of whether or not the homeowner can contribute personal funding.
- If needed, the Program will attempt to partner with other possible funding sources such as the Low Income Home Energy Assistance Program (LIHEAP).
- The Program reserves the right to make an exception and allow the expenditure of up to an additional \$5,000 per unit to address code violations. The Borough will consider other situations for special needs waivers. Individual files will be reviewed on a case-by-case basis. Upon Program and Borough approval, a Special Needs Funding Limit Waiver may be issued.

E. Use of Recaptured Program Funds

All recaptured funds will be deposited into a Raritan Borough affordable housing trust fund in accordance with N.J.A.C. 5:93-8.15

V. IMPLEMENTATION PROCESS

A. Application/Interview

For each prospective applicant, this process starts with a homeowner either submitting an online preliminary application or the Case Manager pre-qualifies the interested homeowner by phone, whichever is the homeowner's preference. The information is entered in the program applicant pool/waiting list. If the homeowner passes the preliminary criteria review, program information, guidelines, and an application package will be mailed or emailed to the applicant when their name is reached in the program's waiting list. Each prospective applicant is to complete the application and return it to the Case Manager, along with the required verification documents. Upon receipt of the completed application package, a case file will be opened for the applicant and a case file number will be assigned to the unit. The Case Manager will be available via a direct phone line to assist applicants during this and all other phases of the process. Additionally, as needed, a Case Manager will be available for face to face prescheduled appointments. Once a case is assigned a number, the cases are processed in the order of receipt of completed applications.

B. Eligibility Certification

To be eligible for assistance, households in each unit to be assisted must be determined to be income eligible. All adult members, 18 years of age and older, of both the owner household and tenant household (if any) must be fully certified as income-eligible before any assistance will be provided by the Program. The HIP will income qualify applicant, and when applicable tenant, households in accordance with N.J.A.C. 5:93-9 and the Uniform Housing Affordability Controls (UHAC) at N.J.A.C. 5:80-16.1 et seq., except for the asset test.

The following is a list of various types of wages, payments, rebates and credits. Those that are considered as part of the household's income are listed under Income. Those that are not considered as part of the household's income are listed under Not Income.

C. What is Considered Income

The following income sources are considered income and will be included in the income eligibility determination:

- Wages, salaries, tips, commissions
- Alimony
- Regularly scheduled overtime
- Pensions
- Social security

- Unemployment compensation TANF (Temporary Assistance For Needy Families)
- Verified regular child support
- Disability
- Net income from business or real estate
- Interest income from assets such as savings, certificates of deposit, money market accounts, mutual funds, stocks, bonds
- Imputed interest (using a current average annual rate of two percent) from non-income producing assets, such as equity in real estate. Rent from real estate is considered income, after deduction of any mortgage payments, real estate taxes, property owner's insurance.
- Rent from real estate is considered income
- Any other forms of regular income reported to the Internal Revenue Service

D. What is Not Considered Income

The following income sources are not considered income and will not be included in the income eligibility determination:

- Rebates or credits received under low-income energy assistance programs
- Food stamps
- Payments received for foster care
- Relocation assistance benefits
- Income of live-in attendants
- Scholarships
- Student loans
- Personal property such as automobiles
- Lump-sum additions to assets such as inheritances, lottery winnings, gifts, insurance settlements
- Part-time income of dependents enrolled as full-time students
- Court ordered payments for alimony or child support paid to another household shall be deducted from gross annual income

E. How to Verify Income

To calculate income, the current gross income of the applicant is used to project that income over the next 12 months. Income verification documentation should include, but is not limited to the following for each and every member of a household who is 18 years of age or older:

1. Four current consecutive pay stubs, including bonuses, overtime or tips, or a letter from the employer stating the present annual income figure or if self-employed, a current Certified Profit & Loss Statement and Balance Sheet.
2. A signed copy of regular IRS Form 1040 (Tax computation form), 1040A or 1040EZ (as applicable) and state income tax returns filed for the last three years prior to the date of interview or notarized tax waiver letter for respective tax year(s)- A Form 1040 Tax Summary for the past three tax years can be requested from the local Internal Revenue Service Center or by calling 1-800-829-1040.
3. If applicable, a letter or appropriate reporting form verifying monthly benefits such as:
 - Social Security or SSI – Current award letter or computer printout letter
 - Unemployment – verification of Unemployment Benefits
 - Welfare -TANF current award letter
 - Disability - Worker’s compensation letter or
 - Pension income (monthly or annually) – a pension letter
4. A letter or appropriate reporting form verifying any other sources of income claimed by the applicant, such as alimony or child support – copy of court order or recent original letters from the court (includes separation agreement or divorce papers) or education scholarship/stipends – current award letter;
5. Reports from the last two consecutive months that verify income from assets to be submitted by banks or other financial institutions managing savings and checking accounts (bank statements and passbooks), trust funds, money market accounts, certificate of deposit, stocks or bonds (In brokerage accounts – most recent statements and/or in certificate form – photocopy of certificates), whole life insurance. Examples include copies of all interest and dividend statements for savings accounts, interest and non-interest bearing checking accounts, and investments;
6. Evidence or reports of income from directly held assets, such as real estate or businesses owned by any household member 18 years and older.

7. Interest in a corporation or partnership – Federal tax returns for each of the preceding three tax years.
8. Current reports of assets – Market Value Appraisal or Realtor Comparative Market Analysis and Bank/Mortgage Co. Statement indicating Current Mortgage Balance. For rental property attach copies of all leases.

F. Additional Income Verification Procedures

1. Student Income

Only full-time income of full-time students is included in the income calculation. A full-time student is a member of the household reported to the IRS as a dependent who is enrolled in a degree seeking program for 12 or more credit hours per semester; and part-time income is income earned on less than a 35-hour workweek.

2. Income from Real Estate

If real estate owned by an applicant for affordable housing is a rental property, the rent is considered income. After deduction of any mortgage payments, real estate taxes, property owner insurance and reasonable property management expenses as reported to the Internal Revenue Service, the remaining amount shall be counted as income.

If an applicant owns real estate with mortgage debt, which is not to be used as rental housing, the Program Case Manager should determine the imputed interest from the value of the property. The Program Case Manager should deduct outstanding mortgage debt from the documented market value established by a market value appraisal. Based on current money market rates, interest will be imputed on the determined value of the real estate.

G. Other Eligibility Requirements

Applicant to submit the following in the application package:

- Copy of current homeowner's insurance declarations page (not the policy or receipt).
- Proof of flood insurance, if property is located in a flood zone;
- Copy of recorded deed to the property to be assisted;
- If you are a widow or widower, copy of Death Certificate should be included;
- Copy of your most current property tax assessment;
- Receipt for property taxes;
- Signed Eligibility Release form;
- Proof that all mortgage payments are current; and
- Copy of any and all other liens recorded against the property.

- Personal identification (a copy of any of the following: Driver's License, Passport, Birth Certificate, Social Security Card, Adoption Papers, Alien Registration Card, etc.)

H. Requirements of Property Taxes Paid Current

All applicants' property tax account must be paid current. The Program reserves the right to make an exception to the requirement of paid up property tax account. Individual files will be reviewed on a case-by-case basis. Upon approval by the appropriate municipal officials and the Program, a Special Needs Eligibility Requirements Waiver may be issued.

I. Sufficient Equity and Carrying Cost

Additionally, to be determined eligible, there must be sufficient equity in the home to cover the program lien. In other words, the market value of the house must be greater than the total of the existing liens and anticipated program lien combined. The Borough may consider a Special Needs Waiver approved by the municipality on a case-by-case basis for limited equity, but not for negative equity. Additionally, the applicant's income shall be sufficient to meet the carrying costs of the unit or the homeowner is to demonstrate how the unit's carrying costs are funded. This will be reviewed on a case-by-case basis.

J. House Conditions:

All areas of the house must be readily accessible, uncluttered, and clean. This is in anticipation of the program inspector and contractors needs of proper and sanitary access for inspections and construction work progress.

If there are any repairs or renovations currently being undertaken on the home by others or the homeowner, or done within the last few years that require or required municipal permits, the work must be completed and the permits closed out prior to the homeowner applying to the Program.

K. Eligibility Scenarios of Multi-Family Structures

Several possibilities exist concerning the determination of eligibility in a multi-family structure.

Scenario 1. The Program Administrator determines that the owner is income eligible and the renters in each unit are income eligible. In this case, all of the units are eligible for rehabilitation.

Scenario 2. The Program Administrator determines that the owner is income eligible, but the renters are not. In this case, only the landlord's unit is eligible for rehabilitation. If a home improvement is undertaken which affects all the units in the house (e.g., replacement of a roof), the HIP will only cover a prorated percentage of the cost. For example, in a two-family home with units of approximately equal size, only 50% of the cost of roof replacement will be covered. Where

units differ by more than 10% in size, the proration should be based on percentage of square footage within each unit compared to the total interior square footage of all other units in the structure. Shared common areas should not be counted in the denominator for the pro rata calculation.

Scenario 3. The Program Administrator determines that the owner is not income eligible, but the renters are. In this case, the rental units are eligible for rehab, but the owner's is not. If a rehab activity is undertaken which affects all of the units in the house (e.g., replacement of roof), the HIP will only cover a prorated percentage of the cost. For example, in a four-family home, only 75% of the cost of roof replacement would be covered. Where units differ in size, the proration is based on percentage of square footage.

If any of the conditions above apply to a particular applicant's case, CGP&H sends a letter that explicitly identifies which of the units is eligible for rehabilitation, as well as specifies any applicable percentage of the hard costs of rehabilitation between the program and the homeowner. The homeowner's monetary contribution is to be paid prior to the start of construction at the preconstruction conference in the form of a money order or certified check made payable to the contractor. The payment is held by the program until the work is satisfactorily completed, at which time the program will release the payment to the contractor.

L. Eligibility Certification

After the Program Administrator has determined that the household is income eligible and meets all other eligible requirements, the Program Manager will complete and sign the Eligibility Certification. This certification is valid for six months starting from date of eligibility certification. A Construction Agreement must be signed within this time period. If not, the Program Administrator must reevaluate the household's eligibility.

After the household is certified as income eligible, the Homeowner/Program Agreement will be executed between the owner and the program.

M. Housing Inspection/Substandard Certification/Work Write Up/Cost Estimate

The Program Inspector will perform a comprehensive inspection to determine what work items are necessary to bring the home up to code, as identified in section III C. Photos will be taken at the comprehensive inspection to document existing conditions. As a result of the comprehensive inspection, the Program Inspector will prepare a work write-up and cost estimate. All repairs needed to bring the home up to code will be identified. To the extent that the budget may permit, home weatherization will also be included. This work write-up will include a breakdown of each work item by category and by location in the house. The work write-up will contain information as to the scope of work and specifics on materials such as type, quantity and cost. A

total cost estimate will be calculated for each housing unit. In the event that not all items can be accomplished due to program funding caps, the Program Inspector will establish a priority repair system which addresses the code violations before the non-code violations. The HIP's policy is to create Work Write-Ups and Cost Estimates that fall within the HIP funding caps. In unusual hardship cases and when the cost to correct all code violations exceeds the program funding limit, the HIP will seek the homeowner's monetary contribution. If the homeowner is unable to contribute funds or obtain funds from another funding source, the HIP will request additional funds from the Borough of Raritan.

For houses built prior to 1978, refer to Section VII Lead Base Paint (LBP).

N. Contractor Selection

The homeowner, with the approval of the Program Inspector, will select the contractor. The Case Manager will provide the homeowner with a copy of the work write up and the Program contractor list. The homeowner will complete the Work Write-Up Review Form indicating review and approval of the work write-up and advising of any contractors currently on the Program contractor list that the homeowner does not wish to have notified of the availability of the bid package. If the homeowner wishes to solicit a bid from a contractor not currently on the Program contractor list, the homeowner will provide the contractor's name, address and telephone number on the Work Write-Up Review Form. Any contractors that have not been previously qualified are eligible to participate but must submit their qualifications as well as their bid in the bid package.

The Case Manager will notify at least three (3) currently active contractors that a bid package for the property is available. Each contractor must contact the Case Manager to obtain a full bid package and the contractor must submit a bid to the Case Manager by the submission deadline (usually within three (3) weeks of the date of the bid notification letter). All submitted bids will be opened and recorded by the Program Administrator at a meeting open to all interested parties.

The submitted bids will be reviewed by the homeowner and the Program Inspector. Generally, the lowest responsible bid from a qualified contractor will be chosen. If the homeowner selects a higher bid, he/she must pay the difference between the chosen and the lowest responsible bid.

O. Pre-Construction Conference/Contract Signing

The Program Inspector will conduct a pre-construction conference with the homeowner and contractor. Prior to the pre-construction conference the homeowner will be provided with copies of the loan documents and the Construction Agreement and the contractor will be provided with a copy of the Construction Agreement for review. At the time of the pre-construction conference,

the scope of work will once again be reviewed. The homeowner and contractor responsibilities will also be reviewed, as well as the program's construction procedures and program limitations. The homeowner and contractor will each sign the Construction Agreement and receive copies. The homeowner will sign and receive copies of the Mortgage and Mortgage Note in the amount of the HIP subsidy. For rental properties, the property owner will also sign the Deed Restriction (COAH form Appendix E-3).

If the homeowner is providing any funds for the rehabilitation of his/her home, those funds must be provided at the time of the pre-construction conference in the form of a certified check or money order made payable to the contractor. The check will be held by the Program and will be applied towards the contractor's first progress payment.

The contractor will be provided with information regarding the Lead-Based Paint Poisoning Prevention Act (4a.USC 483 1 (b)). The homeowner will be advised of the hazards of lead base paint in houses built prior to 1978 and provided with the EPA booklet Renovate Right. Both contractor and homeowner will each sign the respective Certifications. Additionally, for houses built prior to 1978, Section VII Lead Base Paint (LBP) applies.

Following the Pre-Construction meeting, the Case Manager will provide the Borough with a copy of the first three pages of the Construction Agreement which includes an itemized price list of the work.

It is the contractor's responsibility to ensure all required permits are applied for prior to the start of construction and, if applicable, at the time of any change orders.

The construction permitting process is handled by the municipality's Construction office.

P. Initiate Borough Voucher

The Borough will provide the Case Manager with a blanket purchase order to create two purchase orders for each case for the Contractor to sign at the pre-construction conference at time of contract signing. The Contractor's signed purchase orders will be held by the Case Manager until construction progress is sufficient to submit to the municipality.

The Borough voucher will be separated into two potential payments. The Program staff will match the payment request up with the Borough voucher issued at the Pre-Construction meeting and adjust the payment amount as per the inspection results. Ultimately upon construction completion, the payments will equal the full voucher amount plus or minus any change orders.

Q. Progress Inspections

The Program Inspector will make the necessary inspections of the progress of property improvements. Inspections are necessary to ensure that the ongoing improvements coincide with the scope of work outlined in the work write-up. It is the contractor's responsibility to notify the Program Inspector when a minimum of 40% of the total contract work is completed. The Program Inspector will schedule the inspection with the homeowner, at which time the Program Inspector will also obtain verbal confirmation from the homeowner that the work is ready for inspection.

If work passes the satisfactory progress inspection, the Case Manager will follow the procedures spelled out in Section V subsection T *Payment Structure and Process* to process a contractor's progress payment request.

The Program Inspector will notify the contractor and the homeowner in writing of any work deficiencies discovered during the progress inspection. Work deficiencies must be corrected prior to the contractor's request for the next inspection.

For houses built prior to 1978, a work item marked EPA RRP Rule cannot be paid for until the contractor provides a post renovation report to the program. Refer to Section VII Lead Base Paint (LBP) for the EPA regulation.

R. Change Orders

If it is determined during rehabilitation that a change from the original work write-up is required, a Program Change Order Authorization form must be completed and approved by the Homeowner, the Contractor, the Program and the Borough. The Case Manager will forward the executed change order to the Borough for approval. The contractor will be notified by the Case Manager of the results, and no change order work should be undertaken by the contractor until he has received a copy of the fully executed Change Order Authorization or the contractor risks non-payment for the change order work.

S. Final Inspection

Prior to requesting a final inspection, it is the contractor's responsibility to:

- Properly close out all the permits and to provide proof of closed out permits to the Case Manager via the municipal Certificate of Approval;
- Deliver to the homeowner a complete release of all liens arising out of the Construction Agreement, a receipt in full covering all labor, materials and equipment for which a lien could be filed or a bond satisfactory to the owner indemnifying owner against any lien; and;

- Provide the homeowner with all applicable warranties for items installed and work completed during the course of the rehabilitation.

Once the contractor has provided the Case Manager with all required job closeout forms, the contractor will be responsible to request the program's final inspection. The Program Inspector will schedule the final inspection with the homeowner, at which time the Program Inspector will also obtain verbal confirmation from the homeowner that the rehabilitation work has been completed and is ready for inspection. The Program Inspector will then conduct a final inspection to certify that the required property improvements are complete. The homeowner will be present during the final inspection and the contractor will be present if there are issues to resolve.

Only 100% completed line items will be inspected and considered for payment. If the work passes satisfactory final inspection, the Case Manager will follow the procedures spelled out in Section V subsection T. *Payment Structure and Process* to process the contractor's final payment request.

For houses built prior to 1978, a work item marked EPA RRP Rule cannot be paid for until the contractor provides a post renovation report to the program. Refer to Section VII Lead Base Paint (LBP) for the EPA regulation.

If the Program Inspector identifies any work deficiencies during the final inspection, the Program Inspector will notify the contractor and the homeowner of the deficiencies in writing and the value of said deficiencies will be deducted from the final payment request. Work deficiencies discovered during the final inspection will require the Program Inspector to conduct a subsequent inspection upon contractor's correction of deficiencies. The Rehabilitation Program reserves the right to hold the contractor responsible to pay the cost of any additional inspections beyond the final inspection at a rate of \$350 per inspection for prematurely requesting the final inspection with the work not 100% completely done in a workman-like manner. Additional inspections are those in excess of the one progress inspection and the final inspection which are needed to inspect corrected deficiencies. The contractor must issue the failed final inspection penalty payment directly to CGP&H via a check prior to the program inspector scheduling and repeating the final inspection process. CGP&H will notify the municipality each time a penalty is levied.

The Program lien period will commence upon satisfactory completion of the final inspection. Photographs will be taken of the rehabilitated housing unit by the Program Inspector at the time of the satisfactory final inspection.

T. Payment Structure and Process

The Borough will issue all payments, which will be made according to the following schedule:

One progress payment (representing a minimum of 40% of total contract work completed) will be paid. Upon completion of one hundred percent (100%) of the rehabilitation work, the contractor is eligible for final payment of the contract price.

Upon a satisfactory program inspection, and confirmation from the Case Manager that all Contractor's documents have been submitted according to program procedures, the Case Manager will submit to the Borough:

- Program's Request for Payment form with Owner's and Program's written approval
- The Borough voucher signed by the contractor and adjusted to match the current payment amount
- Copy of change order, if one occurred
- Copy of Contractor's business registration and W-9 (only needed for Contractor's first program job)

The Borough retains the right to make payments to the contractor without homeowner approval should the homeowner become unavailable to sign the Program contractor payment form due to illness or absence. In such instance, the Program shall make reasonable attempts to contact the homeowner. If such efforts are not successful within a two-week period from the final inspection date, the Program shall advise the Borough, provide documentation of efforts to obtain homeowner approval, and may authorize contractor payment without homeowner sign-off, to not hold up payment rightfully due to the Contractor.

The Case Manager is to submit the contractor payment request to the applicable municipal staff and, if acceptable, the payment request will be placed on the upcoming Bill Night agenda. The Borough will forward to the Case Manager a copy of the executed payment to the Contractor for case file records.

Upon job completion, the combined Borough payments will total the Construction Agreement, including all applicable change order(s) if any, and minus Owner contribution, if any. The combined Borough payments will also match the final Borough Voucher amount. Progress and final payments will be made payable to the Contractor.

U. Standard Certification

A Certificate of Approval issued by the municipal construction official at the time the contractor closes out the rehabilitation construction permits, will confirm the scope of rehabilitation work

has been completed and that the housing unit is now up to code standard. The contractor is to provide the Certificate of Approval to the Case Manager when requesting the final inspection. The Case Manager will ensure that a copy of the Certificate of Approval is placed in the case file.

V. Record Mortgage Documentation

At construction completion, the Case Manager will forward the executed mortgage to the Borough's Attorney for recording. The Borough will immediately file the mortgage with the County Clerk. For rental properties, the Deed Restriction will also be recorded.

W. File Closing

The Case Manager will close the homeowner's file after the final payment is made and the mortgage, and when applicable, Deed Restriction is/are returned from the County with recorded date, book and page. A program letter will be sent to the homeowner, thanking him/her for participating in the Program.

X. Requests for Subordination or Program Loan Payoff

Raritan may agree to subordination of its lien if the mortgage company supplies an appraisal showing that the new loan plus the balance(s) on all unpaid loans (including the value of the rehabilitation assistance) does not exceed ninety-five (95%) of the appraised value of the unit. If the homeowner is simply refinancing their primary mortgage to a lower interest rate and not "cashing out" any equity, Raritan will subordinate up to 100% of the appraised value.

The fee to process subordination and program loan payoff requests will be paid by the homeowner directly to CGP&H at a rate of \$175 per request.

VI. CONTRACTOR REQUIREMENTS AND RECRUITMENT

A. Marketing

The Program will coordinate with the Borough to advertise the availability of construction work on the Borough's website and display a contractor outreach poster and handouts in the municipal building, including the local construction office. Additionally, CGP&H will reach out to home improvement contractors registered with Consumer Affairs who are geographically near or in Raritan. If determined needed, additional outreach will be conducted in the local newspapers and through the posting of community notices. As necessary, the Program will advertise the availability of construction work by posting information at local building supply dealers. All interested contractors will have the opportunity to apply for inclusion on the Program contractor list, which will be made available for the homeowner's use in selecting rehabilitation contractors. The contractor outreach material will also be posted on CGP&H's website.

B. Contractor Qualifications

To qualify, contractors must meet the following minimum requirements:

- Contractors must carry at least \$1,000,000 in general liability insurance. The Contractor shall carry full workmen's compensation coverage including Employer's Liability limits of at least \$500,000 and statutory state coverage for all his/her employees and those of his/her subcontractors engaged in program rehab work. The Contractor must provide the Case Manager with a certificate of insurance naming the Program as Certificate Holder, and naming the Municipality and CGP&H as additional insureds at time of program job award; and
- At least three favorable references on the successful completion of similar work; and
- A reference of permit compliance from a municipal inspector (building inspector, code official, etc.); and
- The Contractor's State Business Registration Certificate; and
- Current Consumer Affairs Home Improvement Contractor license; and
- Applicable lead certifications for contractors working on houses built prior to 1978. As identified in the scope of work, the contractor must comply with the EPA Renovation, Repair and Painting (RRP) Rule regarding certification; and
- If claiming prior experience with local, state or federally funding housing rehabilitation programs, a record of satisfactory performance in a neighborhood rehabilitation program or other federal/state programs; and
- Appropriate licenses; e.g. plumbing, electrical.

Contractors must also complete a Contractor Qualification Form. The contractor's qualifications will be reviewed and the references cited will be checked by the Program Inspector before the contractor is awarded a job.

VII. Lead Based Paint (LBP):

For houses built prior to 1978, contractors must comply with the Environmental Protection Agency Renovation, Repair and Painting Rules (40 CFR Part 745) when any work item is marked with (EPA-RRP Rule) in the work specifications. The requirements are spelled out in the General Conditions of the work specifications.

VIII. Rental Procedures:

Rental units are subject to the Uniform Housing Affordability Controls (UHAC) at N.J.A.C.5-80:26.1 et. seq. once the rental units are rehabilitated. In addition to the mortgage and mortgage note, the controls on affordability shall be in the form of a deed restriction.

- If a unit is vacant, upon initial rental subsequent to rehabilitation, or if a renter-occupied unit is re-rented prior to the end of controls on affordability, the deed restriction shall require the unit be rented to an income eligible household at an affordable rent and affirmatively marketed pursuant to UHAC.
- If a unit is renter-occupied, upon completion of the rehabilitation, the maximum rate of rent shall be the lesser of the current rent or the maximum permitted rent pursuant to UHAC.
- Rental Increases: See section VIII C, below.

The municipality's Administrative Agent will administer the rental affordability controls during the 10 year affordability period for each rental property assisted. Landlords are responsible to pay income certification fees for re-rentals.

A. Determining Initial Affordable Rents

The initial maximum affordable rent for a rehabilitated unit is determined by the program staff based on several NJ rules and regulations. The Administrative Agent will make every attempt to price initial rents to average fifty-two percent (52%) of the median income for the household size appropriate to the sized unit within each individual project (N.J.A.C. 5:80-26.3 (d)). Thirty percent (30%) (N.J.A.C. 5:80-26-12 (a)) of that figure is considered the "maximum base rent." Subtracted from the maximum base rent is the cost of all tenant-paid utilities as defined and calculated by the HUD Utilities Allowance figures (updated annually). The remainder becomes the maximum initial rent for that unit. The Home Improvement Program staff can provide potential applicants/landlords with a reasonable estimate of what the maximum base rent will be on their rental unit if they elect to participate in the program.

B. Pricing by Household Size

Initial rents are based on targeted "model" household sizes for each size home as determined by the number of bedrooms. Initial rents must adhere to the following rules. These rents are based on COAH's Annual Regional Income Limits Chart at the time of occupancy:

Table 5 Investor-Owned Terms & Conditions

Size of Unit	Household Size Used to Determined Max Rent
Studio/Efficiency	1
1 Bedroom	1.5
2 Bedrooms	3
3 Bedrooms	4.5
4 Bedrooms	6

- A studio shall be affordable to a one-person household;
- A one-bedroom unit shall be affordable to a one- and one-half person household;
- A two-bedroom unit shall be affordable to a three-person household;
- A three-bedroom unit shall be affordable to a four- and one-half person household; and
- A four-bedroom unit shall be affordable to a six-person household.

The above rules are only to be used for setting initial rents.

C. Determining Rent Increases

Rents in rehabilitated units may increase annually based on the standards in Appendix B, entitled "Current Income Limits & Rental Increase Procedures" and only upon written notification from the Administrative Agent.

In addition, the Borough's Administrative Agent must be used by the Landlord to ensure that all appropriate affirmative marketing and all other affordable housing compliance procedures are followed and will continually oversee compliance for these affordable rental units throughout their restrictive term.

These increases must be filed with and approved by the Administrative Agent. Property managers or landlords who have charged less than the permissible increase may use the maximum allowable rent with the next tenant with permission of the Administrative Agent. Rents may not be increased more than once a year, may not be increased by more than one COAH-approved increment at a time, and may not be increased at the time of new occupancy if this occurs less than one year from the last rental. No additional fees may be added to the approved rent without the express written approval of the Administrative Agent.

IX. MARKETING STRATEGY

In coordination with the Borough, the Program Administrator will employ a variety of proven strategies to advertise the program within Raritan to establish the program's applicant pool/waiting list. The marketing strategy/plan possibilities include but are not limited to:

- Creation and distribution of program homeowner outreach posters, flyers and handouts
- Place program outreach material on the Borough's website
- Place program outreach material on CGP&H's website
- Municipal E-newsletter and paper newsletter (if available)
- Appending announcements and/or flyers to other municipal mailings as they become available (tax, etc) or direct mailing, if approved by the municipality
- Municipal email blasts and Twitter communication (if available)
- Program marketing will be distributed to local community organizations and major employers including religious organizations, civic groups, senior group, ethnic organizations, etc.
- Free local cable TV advertising (when available)
- Periodic Press releases
- Program group presentations to community organizations or at the Borough Municipal Building to prospective homeowners and even to local contractors
- Paid newspaper advertisements (last resort) when deemed necessary and appropriate
- The order of method used will be analyzed to implement the most effective combination of strategies. Extensive marketing efforts are essential for all successful housing rehabilitation programs to meet their productivity objectives.

Available rental units assisted via the HIP will be affirmatively marketed in accordance with the Borough of Raritan Affordable Housing Affirmative Marketing Plan.

X. MAINTENANCE OF RECORDS AND CLIENT FILES

A. Programmatic Recording

The Program files will include:

- The policies and procedures manual, which will also be updated when applicable.
- An applicant pool will be maintained by the program staff to track intake of the people interested in the program and the corresponding outgoing application invites.
- A rehabilitation log will be maintained by the program staff that depicts the status of all applications in progress.

B. Participant Record Keeping

The Program will be responsible for ensuring that individual files for each unit are established, maintained and then submitted to the municipality upon completion. Each completed file will contain a minimum of the following:

- Checklist
- Application form
- Tenant Application form (Rental Units Only) including rental lease
- Proof of ownership
- Income verification (for all households)
- Proof of currency of property tax and water/sewer accounts
- Proof of homeowner extended coverage/hazard insurance (Declaration Page)
- Proof that the municipal lien plus the total of other liens does not exceed the market value of the unit.
- Certification of Eligible Household or Notice of Ineligible Household (whichever is applicable)
- Homeowner/Program Agreement
- Certificate of Substandard
- Work Specifications/Cost Estimate aka Work Write-Up

- Bid Notice
- Contractor bids
- Bid Tabulation
- Construction Agreement
- Mortgage and Mortgage Note, and for rental properties, Deed Restriction
- Notice of Right of Rescission
- Homeowner Confirmation of Receipt of EPA Lead Information Pamphlet
- Contractor Confirmation of Receipt of Lead Paint Notice
- Copies of all required permits
- Change orders, if any
- Work progress and final inspection reports
- Copies of contractor payment documentation
- Photographs (Before and After)
- Close-out documents
- Certification of Approval

C. Reporting to DCA

For each unit the following information must be retained to be reported annually:

- Street Address
- Block/Lot/Unit Number
- Owner/Renter
- Income: Very Low/Low/Mod
- Final Inspection Date
- Funds expended on Hard Costs
- Funds Recaptured

- Major Systems Repaired
- Unit Below Code & Raised to Code
- Effective date of affordability controls
- Length of Affordability Controls (yrs)
- Date Affordability Controls removed
- Reason for removal of Affordability Controls

The Program Administrator is responsible for entering each completed unit's data into the State's online CTM system.

D. Financial Recordkeeping

Financial recordkeeping through the State's online CTM system is the responsibility of the Municipal Housing Liaison.

XI. HOUSING ADVISORY COMMITTEE AND APPEALS PROCESS

In homeowner/contractor disputes, as well as disputes with regard to staff decisions, a Housing Advisory Committee formed by the Borough will act as a mediator to resolve the differences. Homeowners involved in a dispute will be instructed to submit their concerns in writing. The homeowner may request a hearing conducted by the Housing Advisory Committee. All Housing Advisory Committee decisions are final.

If the reason for the mediation is due to the homeowner's refusal to pay the contractor and work has been done to work specification and to the satisfaction of the Program, it may authorize payment to the contractor directly. However, the Program will make a reasonable attempt to resolve the differences before taking this step.

Additionally, the Housing Advisory Committee may decide on cases that are not clearly determined via the Policy and Procedures Manual, requiring either a change to the Manual, a waiver approval or waiver denial. During this process, when discussing case specifics with and among Committee members, the confidentiality of the individual homeowner will be protected by use of case numbers rather than names.

XII. CONCLUSION

If the procedures described in this manual are followed, the Borough of Raritan’s Home Improvement Program should operate smoothly and effectively. Where it is found that a new procedure will eliminate a recurring problem, that procedure may be incorporated into the program operation. In addition, this manual may be periodically revised to reflect changes in local, state and federal policies and regulations relative to the Home Improvement Program.

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APPENDIX A - LIST OF PROGRAM FORMS

- Application Transmittal Letter
- Program Information Handout
- Application for Assistance- Homeowner
- Application for Assistance- Landlord (Investor)
- Application for Assistance- Tenant
- Eligibility Release Form
- Checklist
- Special Needs Waiver (Eligibility Requirements)
- Special Needs Waiver (Exceed Program Limit)
- Certification of Eligible Household
- Eligibility Determination Form
- Notification of Eligibility
- Notification of Ineligibility
- Homeowner/Program Agreement
- Certificate of Substandard
- Certificate of Substandard – Emergency Situation
- Letter: forward work write-up and contractor list to homeowner
- Work write-up review form
- Request for Rehabilitation Bid
- Affidavit of Contractor
- Subcontractor Bid Sheet
- Bid Tabulation/Contractor Selection
- Construction Agreement
- Mortgage
- Mortgage Note – single family, multi family, investor versions
- Notice of Right of Rescission
- COAH Deed Restriction (when applicable)
- Homeowner Confirmation of Receipt of EPA Lead Information Pamphlet
- Contractor Confirmation of Receipt of Lead Paint Notice
- Notice to Proceed
- Contractor's Request for Final Inspection
- Change Order Authorization
- Certificate and Release
- Closeout Statement

APPENDIX B – CALCULATING ANNUAL INCREASE PROCEDURES

Methodology for Calculating Regional Income Limits and Rental Increase:

Income limits for all units that are part of the municipality's Housing Element and Fair Share Plan and for which income limits are not already established through a federal program exempted from the Uniform Housing Affordability Controls pursuant to N.J.A.C. 5:80-26.1 shall be updated by the municipality annually within 30 days of the publication of determinations of median income by HUD as follows:

- a. Regional income limits shall be established for the region that the municipality is located within, based on the median income by household size, which shall be established by a regional weighted average of the uncapped Section 8 income limits published by HUD. To compute this regional income limit, the HUD determination of median county income for a family of four is multiplied by the estimated households within the county according to the most recent decennial Census. The resulting product for each county within the housing region is summed. The sum is divided by the estimated total households from the most recent decennial Census in the municipality's housing region. This quotient represents the regional weighted average of median income for a household of four. The income limit for a moderate-income unit for a household of four shall be 80 percent of the regional weighted average median income for a family of four. The income limit for a low-income unit for a household of four shall be 50 percent of the HUD determination of the regional weighted average median income for a family of four. The income limit for a very low-income unit for a household of four shall be 30 percent of the regional weighted average median income for a family of four. These income limits shall be adjusted by household size based on multipliers used by HUD to adjust median income by household size. In no event shall the income limits be less than those for the previous year.
- b. The income limits attached are the result of applying the percentages set forth in paragraph (a) above to HUD's determination of median income for the most recent year and shall be utilized until the municipality updates the income limits after HUD has published revised determinations of median income for the next fiscal year.
- c. The Regional Asset Limit used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.16(b)3 shall be calculated by the Municipality annually by taking the percentage increase of the income limits calculated pursuant to paragraph (a) above over

the previous year's income limits, and applying the same percentage increase to the Regional Asset Limit from the prior year. In no event shall the Regional Asset Limit be less than that for the previous year.

- d. If at any time, COAH (or a successor administrative agency duly empowered by an amendment to the Fair Housing Act) begins to issue updated annual income limits and rules for increasing sales prices and rent levels each year, said updated income limits and rules for increasing sales prices and rent levels each year may be used instead of the methodology set forth herein. See also Chapter 150, Section 5.c.1 of the Township's Affordable Housing Ordinance and any amendments to same.

In establishing sale prices and rents of affordable housing units, the administrative agent shall follow the procedures set forth in UHAC, utilizing the regional income limits established pursuant to the process defined above:

- a. The resale prices of owner-occupied low- and moderate-income units may increase annually based on the percentage increase in the regional median income limit for each housing region determined pursuant to the process outlined above. In no event shall the maximum resale price established by the administrative agent be lower than the last recorded purchase price.
- b. The rent levels of very-low-, low- and moderate-income units may be increased annually based on the percentage increase in the Housing Consumer Price Index for the Northeast Urban Area, upon its publication for the prior calendar year. This increase shall not exceed nine percent in any one year. Rents for units constructed pursuant to low income housing tax credit regulations shall be indexed pursuant to the regulations governing low income housing

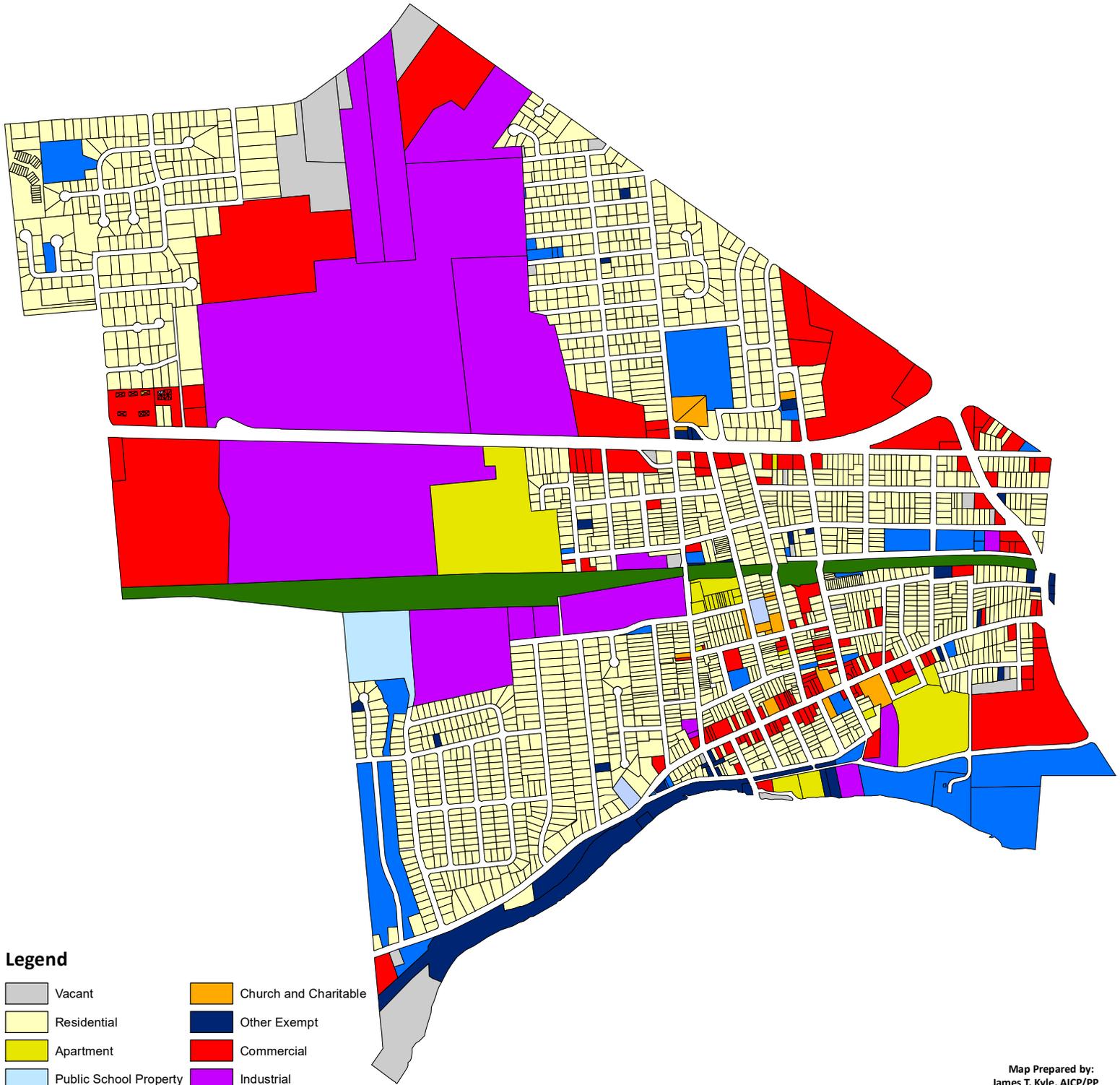
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Appendix 5

Land Use by Property Class

Borough of Raritan
Somerset County, NJ

June 2025



Legend

- | | |
|------------------------|-----------------------|
| Vacant | Church and Charitable |
| Residential | Other Exempt |
| Apartment | Commercial |
| Public School Property | Industrial |
| Other School Property | Railroad |
| Public Property | Railroad |

Map Scale = 1:16,200
or 1" = 1,350'



Data Sources: NJGIT Office of Geographic Info. Services,
ARCGIS Online, BING Maps

Map Prepared by:
James T. Kyle, AICP/PP
Kyle McManus Associates, LLC
PO Box 236
Hopewell, NJ 08525
jkyle@kylemcmanus.com

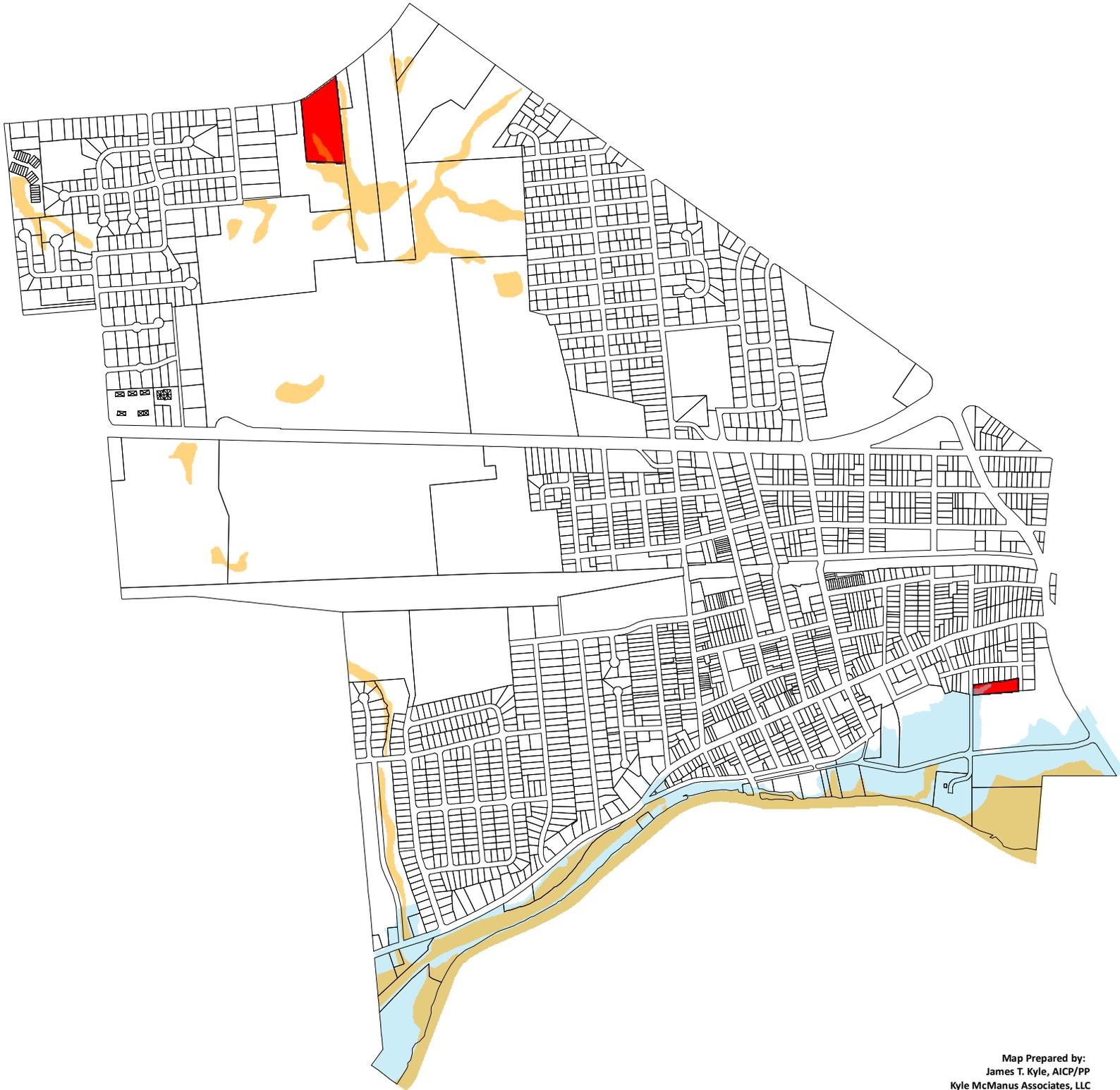


POLICY
PLANNING
DESIGN

New Vacant Property- Fourth Round

Borough of Raritan
Somerset County, NJ

June 2025



Legend

-  NJDEP Wetlands
-  100 Year Floodplain
-  New Vacant Properties

Map Scale = 1:15,600
or 1" = 1,300'



Map Prepared by:
James T. Kyle, AICP/PP
Kyle McManus Associates, LLC
PO Box 236
Hopewell, NJ 08525
jkyle@kylemcmanus.com



Appendix 6

RARITAN MALL REDEVELOPMENT PLAN

BOROUGH OF RARITAN, NEW JERSEY
BLOCK 116.01, LOT 11.01

PREPARED FOR THE BOROUGH OF RARITAN BY
VAN CLEEF ENGINEERING ASSOCIATES, LLC
APRIL 2024



Joseph A. Brosnan, PE, PP, CME

Joseph A. Brosnan

NJ PE Lic # 24GE05727800 / NJ PP Lic # 33LI00652400



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Appendix A	Resolutions
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I. Introduction

A. *What is a Redevelopment Plan?*

Redevelopment plans are a comprehensive program utilized by municipalities in order to generate further development and redevelopment of specific identified areas. These plans can address parcels in the range of small-scale restorations to large scale urban, suburban, and rural areas where lands that are in a substandard condition or are no longer considered to be of use in their current state. The use of redevelopment plans for identified areas is a major component of smart growth since they promote development in areas that had previously been developed in the past. This is critical in keeping infrastructure away from undeveloped environmental lands and preserves resources. Redevelopment plans are generated to not only construct new structures or improve existing structures and conditions, but to convey to residents of a community that there are efforts in place to improve their quality of life and environment. Redevelopment plans use legal and financial tools to ensure that the plan is executed properly and in accordance with New Jersey state requirements.

Per the Local Redevelopment and Housing Law, as part of the New Jersey Revised Statutes §40A:12A-3: "*Redevelopment plan*" means a plan adopted by the governing body of a municipality for the redevelopment or rehabilitation of all or any part of a redevelopment area, or an area in need of rehabilitation, which plan shall be sufficiently complete to indicate its relationship to definite municipal objectives as to appropriate land uses, public transportation and utilities, recreational and municipal facilities, and other public improvements; and to indicate proposed land uses and building requirements in the redevelopment area or area in need of rehabilitation, or both.

The redevelopment plan outlines the goals of the redevelopment project and its relationship to local land use objectives. This outlines the entire purpose of the plan and the overall objective of the completed redevelopment project. In addition, the redevelopment plan describes the land use goals and objectives of the redevelopment plan. This is performed by demonstrating a comparison between the land use goals and objectives outlined in the municipality's master plan. In addition, the master plan for the county is examined to ensure the land use objectives are being met at the municipal and county level. The master plan outlines the long-term framework for future land use development within the municipality, and at the county level. Therefore, the redevelopment plan being in compliance with these plans is imperative for future development, and the preservation of the values of the community stakeholders.

Zoning adjustments will almost certainly be required for the area designated in need of redevelopment. The Redevelopment plan will be utilized to address this by creating a schedule of bulk requirements and specialized permitted land uses that will be applied to the area that the plan has been approved for. With this flexibility, more developers will become willing to invest in the property without having to seek variances to be granted permission to develop a previously non-permitted use.

Once the redevelopment plan is adopted, the rules and guidelines contained therein become enforceable for the subject site. This includes building and site design requirements for the proposed redevelopment project and all of the site improvements that will take place within the parcel. Site design characteristics examined can include but are not limited too; lighting, impervious coverage, landscape plans, bicycle facilities, building materials, and utilities. Providing this information creates a schedule and a vision for what will be developed on the site, and what final product can be anticipated.

There are two major styles of redevelopment plans. In one case, the developer may already own the parcels that have been designed for redevelopment. In this circumstance, the redevelopment plan is constructed in a manner that is both realistic and mutually beneficial to the municipality and the developer to better serve the needs of both. In other cases where a redeveloper has not yet been selected, the redevelopment plan remains largely conceptual, laying groundwork for redeveloper action. The redevelopment plan states the proposed actions for the developer, the relocation of any uses on the existing building(s) or property, easements, and the redevelopment agreement.

B. Project Location

The subject area is located within the southeastern portion of the Borough of Raritan. The site is located at the northwest intersection of Orlando Drive and State Highway Route 206. The lot is identified as the Raritan Mall, and prior to its current development it served as landfill. The site is bound to the north by a smaller commercial plaza that contains restaurants, a medical practice, and a gym that recently received approval for a multi-story, multi-family development. Busky Lane bounds the parcel to the west, and an open space area that is owned by the Borough of Raritan borders the parcel to the northwest. State Highway 206 bounds the eastern portion of the parcel, and the southeastern corner of the lot is occupied by a jughandle ramp off of Route 206 onto Orlando Drive. For additional information, refer to Figure 1 – Project Locational Map.

C. Project History

On June 21, 2022, the Borough of Raritan’s Mayor and Council passed Resolution 2022-06-100 providing for a preliminary investigation to be made to determine whether Block 116.01, Lot 11.01 qualifies as an “area in need of redevelopment” in accordance with the criteria specified the New Jersey Local Redevelopment and Housing Law (LRHL) at N.J.S.A 40A:12A-5. The Planning Board subsequently directed the Borough Planner Van Cleef Engineering Associates to conduct this study. Van Cleef Engineering Associates submitted their report entitled Preliminary Investigation: Block 116.01 Lot 1.01 Preliminary Investigation: Block 116.01, Lot 11.01 Raritan Mall Area in Need of Redevelopment, dated August 22, 2022, to the Planning Board. A public hearing was held by the Planning Board to determine whether the area should be designated in need of redevelopment pursuant to LRHL. On October 26, 2022, the Planning Board adopted a resolution (Resolution PB 22-14) confirming that the area met the criteria as an area in need of redevelopment.

The Borough of Raritan Mayor and Council approved the Planning Board’s determination and declared the area in need of redevelopment pursuant to N.J.S.A. 40A:12A-6 by adopting Resolution No. 2022-11-176 on November 14, 2022. An Amended and Restated designation Resolution was adopted by the Mayor and Borough Council on February 6, 2024 (Resolution 2024-02-040) The Mayor and Borough Council directed Van Cleef Engineering Associates to prepare a redevelopment plan for the area in question pursuant to the LRHL at N.J.S.A. 40A: 12A-7, which provides that no redevelopment projects shall be undertaken or carried out except in accordance with a redevelopment plan adopted by ordinance of the municipal governing body upon its finding that the specifically delineated project area in located in an area in need of redevelopment or an area in need of rehabilitation, or in both, as appropriate. Documentation in support of the project history to date is located in Appendix A.

Taken together, all of the properties described above constitute the “Plan Area” for the purposes of this Plan. This Redevelopment Plan, which has been constructed in accordance with the above resolutions in Appendix A, provides the development regulations and other standards to guide the redevelopment of the Plan Area.

This Redevelopment Plan shall be considered an overlay to all provisions of the Borough of Raritan Land Use and Development Ordinance regulating development in the Plan Area. In any situation where zoning issues are not specifically addressed herein, the Raritan Land Use and Development Ordinance shall be applicable. Final adoption of this Plan by the Mayor and Council shall be considered an amendment of the Borough of Raritan Zoning Map and associated Land Use and Development Ordinance.

D. Legal Basis

Pursuant to the Local Redevelopment and Housing Law, §40a:12A-7.a, any redevelopment project undertaken by a municipality must contain certain information. The *direct citations are copied below, italicized in light grey with the redevelopment plan’s compliance bolded in black:*

*(1) Its relationship to definite local objectives as to appropriate land uses, density of population, and improved traffic and public transportation, public utilities, recreational and community facilities and other public improvements. (See Section **III.A** below)*

*(2) Proposed land uses and building requirements in the project area. (See Section **III** below which outlines everything pertaining to the proposed site conditions of the subject area)*

(3) Adequate provision for the temporary and permanent relocation, as necessary, of residents in the project area, including an estimate of the extent to which decent, safe and sanitary dwelling units affordable to displaced residents will be available to them in the existing local housing market. (As of the date of the adoption of the resolution finding the area to need redevelopment, there were no housing units affordable to low- and moderate-income households, as defined pursuant to section 4 of P.L.1985, c.222 (C.52:27D-304), that are to be removed as a result of implementation of this redevelopment plan. Since there were no such affordable dwelling units, the requirement of the Local Redevelopment and Housing Law to construct replacement affordable housing units is not applicable.)

*(4) An identification of any property within the redevelopment area which is proposed to be acquired in accordance with the redevelopment plan. (See Section **II.A** below – there are no areas to be acquired by as part of this redevelopment plan.)*

*(5) Any significant relationship of the redevelopment plan to: (a) the master plans of contiguous municipalities; (b) the master plan of the county in which the municipality is located; and, (c) the State Development and Redevelopment Plan adopted. (See Section **III.C** below)*

II. Existing Conditions

A. General Site Layout

This Redevelopment Plan (hereinafter sometimes referred simply as the “plan”) has been prepared for the Plan Area which is an area on the eastern side of US Highway 206 located in the center of the Borough of Raritan. This area contains a single parcel known as Block 116.01, lot 11.01. This parcel is located in the Shopping Centers District (B-2). The Plan Area is bound to the north by a commercial retail complex to the northeast and a vacant plot of land owned by the Borough of Raritan. The Plan Area is bound by Orlando drive to the south, State Highway Route 206 to the east, and Busky lane to the west. While the Plan Area owned by the Borough to the northwest is vacant, it is not a part of this Plan, therefore it will remain unchanged. Refer to Table 1 – Plan Area Information for a breakdown on ownership.

The current use of Block 116.01, Lot 11.01 is the Raritan Mall. The Raritan Mall is currently comprised of two multi-use commercial structures which provide

Block	Lot	Owner	Address	Area (ac.)
116.01	11.01	Raritan Mall LLC	Orlando Drive	10.88

space for at least 15 or more diverse commercial uses. Both buildings combine to form an L-shaped structure along the north and west sides of the property. Several of the spaces for businesses are currently vacant, however there are a few businesses still in operation. The primary commercial tenant was the supermarket “Stop and Shop” that chose not to renew its lease in 2016. Despite efforts from the municipality to attract a suitable replacement, the primary vacancy is still unfilled. The Raritan Car Wash still remains operational in the southeast corner of the parcel. There is a commercial out-building or “pad site” within the plan area.

There is a shared surface parking lot encompassing the entirety of the lot's interior. Many of the islands have become overgrown with unmaintained vegetation. The main frontage of the commercial uses on the primary building has become exceptionally decrepit, with vandalism, graffiti, bird excrement, broken glass, exposed nails, and mold prevalent almost everywhere. What few uses remain appear to be maintained reasonably well.

There is limited accessibility to the site other than vehicular access, despite sidewalks surrounding the perimeter of the site. Along the western boarder of the site, Busky Lane which acts as a service road to the various commercial uses. This area is no longer adequately maintained with sections of railing completely detached to damage. In addition to this there are sections of the asphalt that have caved in due to unsuitable foundations, possibly as a result of conditions to the landfill the site is built upon.

B. Existing Permitted Uses

The Plan Area is currently located within the Borough's B-2, Shopping Center District Zone which has the following associated uses pursuant to §207-115 of the Borough of Raritan Land Use Ordinance:

Table 2 – Existing Permitted Use Regulations	
Principal Uses	
Commercial, general business and other retail stores limited to:	Personal service establishments such as, but not limited to:
<ul style="list-style-type: none"> o Grocery stores, dairy stores, and bakeries o Book, stationery, and novelty stores o Department, apparel, and accessories stores o Florist shops o Furniture, home furnishing and equipment stores o Paint and hardware stores o Jewelry stores o Home appliance sales and repair stores o Sporting goods, bicycles, and hobby stores o Eating and drinking places, not including drive in restaurants o Optical good stores o Liquor stores o Antique stores, gift, novelty, and souvenir stores o Camera, photographic supply, and art supply stores o Luggage and leather goods stores o Drugstores o Supermarkets o Electronic and computer stores o Commercial music recording studios 	<ul style="list-style-type: none"> o Camera, photographic supply, and art supply stores o Luggage and leather goods stores o Drugstores o Supermarkets o Electronic and computer stores o Commercial music recording studios o Indoor recreation facilities, including bowling alleys, fitness centers
o Public or private parks, playgrounds, recreation buildings and facilities	
Accessory Uses	
<ul style="list-style-type: none"> o Garage spaces for the storage of commercial vehicles and used in conjunctions with a permitted principal use. o Any accessory use on the same lot with and customarily incidental to any use permitted in this district. 	
Conditional Uses	
o Public and Private vocational schools	o Places of worship
o Public utilities facilities	o Non-profit chartered membership organizations
o Public garages or gasoline service stations	

C. Existing Bulk Schedule

The bulk regulations for the subject parcel previously required, per §207-104 of the Borough of Raritan Land Use and Development Ordinance are as follows:

Table 3 – Existing Bulk Schedule (Block 116.01 Lot 11.01)		
Description	Required	Existing
Min. Lot Size (SF) (Corner)	42,500	474,129
Min. Lot Width (FT) (Corner)	225	538
Building Setback: Front (Route 206) (FT)	75	67.3
Building Setback: Front (Orlando Drive) (FT)	75	6.3
Building Setback: Side Yard (FT) (One)	5	29.8
Building Setback: Side Yard (FT) (Both)	10	29.8
Building Setback: Exterior Side Yard (FT)	10	8.6
Accessory Setback: (FT)	5	N/A
Parking Setback – Rear Yard (FT)	5	0
Max. Impervious Cover (%)	85%	94%
Max. Bldg. Height	4 Stories 60 FT	15 Ft

It is interesting to note that the Plan Area fronts three streets: Busky Lane, Orlando Drive, and Route 206. As such, technically, the Plan Area has three front yards to contend with. The proposed bulk schedule addresses this issue.

III. Proposed Redevelopment Plan

A. Redevelopment Plan Goals and Objectives

The specific goals and objectives of the Redevelopment Plan are as follows:

1. Enact such elements and controls that will allow for the redevelopment of lands within the Plan Area consistent with the purpose of this Redevelopment Plan.
2. Provide for appropriate land uses that will promote economic development and growth opportunities and serve the needs of the community.
3. Capitalize on the existing strengths of the Plan Area, including its location proximate to Downtown Raritan, the Raritan River, Duke Farms, NJ Transit Rail Station and Route 206.
4. Establish Redevelopment Plan elements and controls that allow for development consistent with Smart Growth principles.

5. Integrate development into the surrounding neighborhood by encouraging aesthetically appropriate building and site design that complements existing residential development and improves the pedestrian environment and public space for residents of the community.
6. Coordinate redevelopment efforts for the entire Plan Area to minimize disruption of the adjacent community during construction activities.
7. Develop affordable housing units in compliance with the New Jersey Housing and Fair Share Plan.

B. Definitions and Terminology

The definitions set forth in the Borough of Raritan Land Use and Development Ordinance shall apply to this Redevelopment Plan, with the following exceptions listed below. If a term used in this Redevelopment Plan is not defined in the Borough of Raritan Land Use and Development Ordinance, the definition in the Municipal Land Use Law or the Local Redevelopment and Housing Law shall apply.

Route 206 Setback Line

An open, unoccupied space (unless occupied by a permitted accessory structure) extending across the full width of the lot and lying between the street line of Route 206 to the building line. May include parking lots and drive aisles and drive-through sections of a building. This setback includes the Right-of-Way of ramps associated with Route 206 in addition to the Route 206 Right-of-Way.

Orlando Drive Setback Line

An open, unoccupied space (unless occupied by a permitted accessory structure) extending across the full width of the lot and lying between the street line of Orlando Drive to the building line. The Orlando Drive Setback Line may include parking lots and drive aisles.

Busky Lane Setback Line

An open, unoccupied space (unless occupied by a permitted accessory structure) extending across the full width of the lot and lying between the street line of Busky Lane to the building line. The Busky Lane Setback Line may include parking lots and drive aisles.

Rear Yard Setback Line

For the purposes of this redevelopment area only, this term shall mean an open, unoccupied space (unless occupied by a permitted accessory structure) from the northern most lot line to the building line. The Rear Yard Setback line may include parking lots and drive aisles.

Mixed-Use Residential and Commercial Complex

A principal structure or combination of principal structures that contain residential and commercial uses within the Plan Area.

Principal Structure

For the purposes of this Plan Area only, multiple principal structures may exist within the Plan Area, provided all principal structures conform with the Land Use requirements of the Plan Area.

Building Height

For the purposes of this Plan, the building height is measured from the flood hazard area of elevation 51.95 to the average (mean) roof height. Floors include parking decks and any habitable space.

C. Relationship to Other Plans

The Borough of Raritan's most recent Master Plan was adopted in 2003 and has been periodically updated since then. In 2017 the Borough adopted the Master Plan Reexamination Report and more recently the Borough adopted the Sustainable Economic Development Plan (SEDP) for the Downtown in 2021.

The 2017 Master Plan Reexamination Report discusses potential redevelopment areas in the Borough. The Raritan Mall redevelopment area is mentioned at length in this plan, and was an area recommended to the Borough for potential future redevelopment. The 2017 Reexamination of the Master Plan identifies several scenarios that can be pursued for the redevelopment of the Raritan Mall parcel that are conformant to the land use goals outlined by the Borough. In each scenario pedestrian infrastructure, site planning, and connectivity improvements are proposed to reconnect the site to the eastern end of the Somerset Street corridor and the Regional Center adjacent to the east.

In addition, furthering the integration efforts of the parcel to the Raritan River Greenway will enhance local and regional linkages and support opportunities for value-added uses, including both recreation and river and trail-front dining. The parcel has potential to accommodate a number of redevelopment efforts that help in obtaining these goals. Such efforts should include a new mixed-use commercial center for retail, services, professional office, and residential housing. All of these efforts are consistent with the direction of the land use goals and objectives outlined by the Borough's 2003 Master Plan and subsequent Reexaminations.

The land use goals for the Borough are re-stated below in their totality and reflect the overall goals of redevelopment planning in the Borough. The Master Plan also acknowledges the importance of Raritan's close proximity to downtown Somerville.

Land use Goals and Objectives (2003 Master Plan)

- 1. Provide a balanced land use pattern that preserves residential neighborhoods, strengthens the vitality of commercial districts, enhances remaining industrial areas, increases parks and open space, protects environmentally sensitive natural features, accommodates community facilities, and facilitates local/regional circulation.*
- 2. Preserve and enhance the residential character of the Borough by protecting established neighborhoods, maintaining a balance of housing choices, providing for compatible infill housing, and planning for appropriate residential development in targeted redevelopment areas where land uses are in transition.*
- 3. Encourage appropriate redevelopment in transitional focus areas that will return underutilized land to productive use, improve quality of life, enhance community character, create new employment opportunities, and strengthen the municipal tax base.*
- 4. Continue the revitalization of the Central Business District as a mixed-use destination and support other commercial districts through selective redevelopment, compatible infill development infrastructure improvements, updated zoning, public-private partnerships, and increased regional cooperation.*
- 5. Provide increased parks, recreation and open space opportunities that will improve local quality of life, preserve established suburban character, protect existing natural resources, and contribute to sustainable development.*
- 6. Encourage the retention of existing industrial uses wherever feasible with an emphasis on industrial clusters found in the region such as pharmaceuticals, bio-medical research, and life sciences.*
- 7. Develop affordable housing units in compliance with the New Jersey Housing and fair Share Plan.*

Regional Center Strategic Plan:

In addition, Raritan Borough is part of the Somerset County Regional Center, the first multi-jurisdictional region to receive “center designation” from the New Jersey State Planning Commission. The Regional Center encompasses the entire Borough of Raritan, the entire Borough of Somerville and the portion of Bridgewater Township that is located adjacent to Raritan and Somerville. The Somerset County Regional Center Strategic Plan from 2006 provides recommendations and implementation strategies for the Center.

This Redevelopment Plan is consistent with the above goals and recommendations of the 2003 Borough Master Plan, the 2017 Master Plan Reexamination Report, the 2021 SEDP, and local, parallel redevelopment plans sanctioned by the Borough. The successful implementation of this Plan will advance the above goals and objectives by creating tax rates on properties that are currently vacant and/or underutilized through the provision of new housing opportunities within the Plan Area, new business opportunities within the Plan Area, and by promoting transit-oriented smart growth in close proximity to the Borough of Raritan New Jersey Transit train station.

D. Relationships to Zoning Ordinance

This Redevelopment Plan shall be considered an overlay to all provisions of the Borough of Raritan Land Use and Development Ordinance regulating development in the Plan Area. In any situation where zoning issues are not specifically addressed herein, the Raritan Land Use and Development Ordinance shall be applicable. Final adoption of this Plan by the Mayor and Council shall be considered an amendment of the Borough of Raritan Zoning Map.

E. Land Uses

The primary land use within the Plan Area shall be a mixed-use residential and commercial complex that may be a combination of multiple principal structures. Residential units are permitted on the second floor of all structures. Affordable housing obligations or exemptions from or reductions of same have been established as part of the negotiation process on the proposed Financial Agreement under the Long Term Tax Exemption Law (NJSA 40A:20-1 et. seq.) and will be memorialized by a Deed Restriction to be recorded against the Property prior to the issuance of the first building permit for the Project. Commercial uses shall be those permitted by the B-2 Shopping Center District, so long as the use is located on the first floor.

The following restrictions exist for residential dwellings:

- Dwelling units shall be limited to studios, one-bedroom and two-bedroom units, except that three-bedroom units shall be permitted as required by any applicable state laws, rules or regulations governing affordable housing, including UHAC.
- No more than 70 percent of dwelling units shall be two-bedroom units and at least 30 percent shall be one-bedroom units. This regulation applies to market rate units only. All required affordable housing units shall follow the UHAC requirements.
- The minimum unit size for market rate dwelling units shall be 625 square feet for studios, 720 square feet for one-bedroom units and 1,075 square feet for two-bedroom units.
- A central entrance lobby shall be provided for any building containing multifamily residential units.
- No residential use is permitted within 200 feet of the Route 206 Right-of-Way.

In addition to the above referenced principal uses, the following accessory uses are permitted:

- Off-street parking, including structured parking for the exclusive use of the residents and their guests.
- Off street loading.
- Electric vehicle supply and service equipment (ESVE) and Make-Ready parking spaces pursuant to P.L. 2021, c.171.
- Management office not to exceed 2,000 square feet.
- Customary accessory uses for the benefit of the residents, such as fitness rooms, community rooms and laundry rooms, located within the residential building, provided they are in the same structure as residential dwelling units and minimum of 4,000 square feet.
- Signs conforming with the requirements of this plan.

F. Proposed Bulk Schedule

Plan Area	
Description	Required
Setback Line: Route 206 (FT)	50
Setback Line: Orlando Drive (FT)	10
Setback Line: Busky Lane (FT)	10
Building Setback: Rear Yard (FT)	5
Accessory Setback: (FT)	5
Parking Setback: Rear Yard (FT)	5
Max. Impervious Cover (%)	80%
Max. Bldg. Floors	5 Stories 70'

G. Affordable Housing

The Borough of Raritan adopted a Fair Share Plan that was prepared in February of 2022 which includes a Housing Plan. Part of this Fair Share and Housing Plan was a requirement that was adopted to the Land Use and Development Regulations as per Ord. No. 2022-06. This inclusion is known as the Borough’s Mandatory Affordable Housing Set-Aside Ordinance (§207-90.3). All housing included as part of this project must comply with that ordinance, which at the time of this Redevelopment Plan requires provision of at least 15% of the rental housing stock and 20% of the purchasable housing stock be affordable housing units.

H. Stormwater Management

Regardless of designation as a “Major Development” pursuant to N.J.A.C. 7:8 or not, a stormwater management report will be required during the site plan application process.

Such a stormwater management report should identify basic hydrologic information about the site, including but not limited to soil testing and infiltrative capacity – unless explicit rationale to the contrary is approved by the Planning Board as part of testimony that is included within a stormwater management report. Proposed conditions, such as the flow of stormwater through inlets, should provide adequate analysis that the development is providing improvement from the existing conditions. Development is strongly encouraged to adopt green infrastructure and low-impact-design as part of the proposed construction. There is a strong preference for green roofs and similar sustainable practices to be incorporated within the Plan Area.

For projects that result in a “Major Development” designation – strict adherence to the regulations listed in N.J.A.C. 7:8-5 shall be required.

I. Architectural Regulations

All buildings shall be constructed of high-quality materials. Preferred primary materials for all building façades are stone; masonry; brick; wood; stucco (except EIFS is not allowed); Hardie panels or similar fiber cement siding; Trespa ventilated façade systems; Meteon panels and similar high-pressure compact laminate/cladding panels; precast and cast stone, manufactured stone, and masonry; glass; and cast iron, steel, aluminum, and other types of metal. No more than five different primary materials should be used on building facades. Within the primary materials, variations in colors, textures and pattern

may be employed to further break up the bulk or mass of the building. Materials should be extended around corners and extensions in order to avoid a “pasted-on” appearance. All building façades adjacent to or visible from a public street or railroad, walkway or open space should exhibit the same degree of architectural detailing as the building’s primary façade. Any mechanical equipment above the roofline shall be screened or painted.

J. Lighting

Adequate lighting shall be provided for all parking areas and pedestrian walkways. Lighting shall be designed to provide for safe movement of pedestrians and vehicles and provide security lighting to illuminate all building entry points and other areas as required by the Planning Board. All outdoor lighting shall be downcast and illuminate only the intended areas. A lighting plan shall be provided as part of the design plans showing that the lighting level at the perimeter of the Plan Area is acceptable.

K. Parking

Parking shall be provided in accordance with RSIS standards and may be reduced to no less than the following:

Parking Quantity:

- 1.8 spaces per one-bedroom unit.
- 2 spaces per two-bedroom unit.
- Retail/Commercial: Parking shall be pursuant to the schedule requirements outlined in §207-63.C(1).

Off-street parking shall be permitted anywhere within the Plan Area, including within buildings, provided a 5’ buffer to all property lines is respected and, when abutting solely residential uses, shielded visually with either fencing, decorative walls, or landscaping. Surface parking shall have landscaped islands so as to break up long aisles and to provide shade.

One or more loading spaces shall be provided for buildings containing multifamily dwellings. Such space(s) shall be adequate to accommodate moving and delivery trucks. Easements and/ or portions of parking provided with time restrictions shall be permitted to meet the loading requirement.

All parking within the Plan Area must be accompanied by a “High-and-Dry” Access Easement, which provides direct, unencumbered egress during flood conditions which may require a route through adjacent properties.

L. Sustainable Design

Building and site design in the Plan Area shall seek to minimize environmental damage, strain on municipal utilities and impact on adjacent uses. Broadly speaking, green building design goals include reduced energy and water use; use of sustainable, renewable, non-toxic, and locally produced materials; improved indoor air quality; and environmentally conscious site planning. Development should aim to meet the United States Green Building Council’s Leadership in Energy and Environmental Design (LEED) requirements for green building design or similar certification programs. These requirements include, but are not limited to, green building design goals that promote reduced water use; use of sustainable, renewable, non-toxic, and locally produced materials; improved indoor air quality; and environmentally conscious site planning. Formal certification is encouraged but not required.

M. Utilities

All new utility distribution lines and utility service connections from such lines to buildings in the Plan Area shall be located underground. To the extent possible, existing utility lines should also be relocated underground. Locations for utility lines and easements shall be established at the time of Planning Board Site Plan Review and Approval. Utility lines and locations may be relocated pursuant to individual utility company requirements at any time.

The redeveloper is responsible for improving on-site utility infrastructure to support the proposed land uses. Water and sanitary sewer capacity calculations should be shown on site plans.

N. Additional Actions

In addition to the demolition and new construction described above, several other actions may be taken to further the goals of this Plan. These actions may include, but shall not be limited to:

- Provisions for public infrastructure necessary to service and support new development, which may include the reconstruction of sanitary sewer within the Plan Area.
- Environmental remediation and investigation of the existing on-site landfill prior to any construction activities to the standards outlined by the New Jersey Department of Environmental Protection shall be undertaken by the developer.
- Concerning conditions can be seen on the site with sections of collapsing pavement down into the earth. This can be an indication of unstable soil conditions as a result of the landfill that once existed on the Plan Area. Therefore, prior to any construction activities, suitable design calculations should be prepared confirming that any proposed structures are unimpacted by the existence of this subsurface landfill.
- Vacation or relocation of public utility easements as may be necessary for redevelopment.

Any provision not explicitly regulated above shall be governed by the existing master plan and land use plan element, respectively.

IV. Additional Procedural Information

A. 4-1 Deviations Requests:

The Planning Board may grant variances allowing deviations from the regulations contained within this Redevelopment Plan where, by reason of exceptional narrowness, shallowness or shape of a specific piece of property, or by reason of exceptional topographic conditions, pre-existing structures or physical features uniquely affecting a specific piece of property, the strict application of any area, yard, bulk or design objective or regulation adopted pursuant to this Redevelopment Plan, would result in peculiar practical difficulties to, or exceptional and undue hardship upon, the developer of the Plan Area. The Planning Board may also grant such relief in an application relating to a specific piece of the Plan Area where the purposes of this Redevelopment Plan would be advanced by a deviation from the strict requirements of this Plan and the benefits of the deviation would outweigh any detriments. No relief may be granted under the terms of this Section unless such deviation or relief can be granted without substantial detriment to the public good and without substantial impairment of the intent and purpose of the Redevelopment Plan. An application for a deviation from the requirements of this Redevelopment Plan shall provide public notice of such application in accord with the requirements of public notice as set forth in N.J.S.A. 40:55D-12a and b.

Notwithstanding the above, any changes to the uses permitted in the Plan Area or any change requiring a “d” variance in accordance with N.J.S.A. 40:55D-70 shall be permitted only by means of an amendment of the Redevelopment Plan by the Borough Governing Body, and only upon a finding that such deviation would be consistent with and the furtherance of the goals and objectives of this Plan.

B. Procedure for Amending the Approved Plan

This Redevelopment Plan may be amended from time to time upon compliance with the requirements of the Local Redevelopment and housing law (the “LHRL”). Any party requesting a future amendment shall submit such request to the Borough Governing Body. The Governing Body and/or Planning Board may require the party requesting the amendment prepare a study of the impact of such amendments, which study shall be prepared by a professional planner licensed in the state of New Jersey, together with such other professionals licensed in the state of New Jersey (e.g., traffic engineer) as may be appropriate. In addition, the party requesting the amendment shall establish an escrow account with the Borough adequate to allow the Borough and/or Planning Board to use the services of a professional planner and other necessary professionals licensed in the state of New Jersey to identify, review and/or prepare further amendments that might be needed, together with any and all necessary documentation related thereto.

C. Non-Severability Clause

If any section, paragraph, division, subdivision, clause, or provision of this Redevelopment Plan shall be adjudged by the courts to be invalid, such adjudication shall only apply to the section, paragraph, division, subdivision, clause, or provision so judged, and the remainder of this Redevelopment Plan shall be deemed valid and effective.

APPENDIX A
Resolutions

BOROUGH OF RARITAN
RESOLUTION 2022-06-100

AUTHORIZING THE BOROUGH OF RARITAN PLANNING BOARD TO UNDERTAKE A PRELIMINARY INVESTIGATION FOR THE REDEVELOPMENT OF APPROXIMATELY 10.9 ACRES OF LAND KNOWN AS BLOCK 116.01, LOT 11.01 AS SHOWN ON THE BOROUGH OF RARITAN TAX MAP

WHEREAS, the Local Redevelopment and Housing Law, *N.J.S.A. 40A:12A-1 et seq.* provides a mechanism to empower and assist local governments in efforts to promote programs of redevelopment; and

WHEREAS, the Local Redevelopment and Housing Law sets forth specific procedures for establishing an area in need of redevelopment; and

WHEREAS, pursuant to *N.J.S.A. 40A:12A-6*, prior to the Borough Council making a determination as to whether a particular study area qualifies as an area in need of redevelopment, the Borough Council must authorize the Raritan Borough Planning Board, by Resolution, to undertake a preliminary investigation to determine whether the subject area meets the criteria of an area in need of redevelopment as set forth in *N.J.S.A. 40A:12A-5*; and

WHEREAS, the New Jersey Legislature amended the Local Redevelopment and Housing Law on September 6, 2013 to expand and clarify various provisions of same; and

WHEREAS, as required by the amendment to *N.J.S.A. 40A:12A-6*, the Legislature has directed that the Resolution authorizing the Planning Board to undertake a preliminary investigation state whether the redevelopment area determination shall authorize the Borough to use all those powers provided by the Legislature for use in a redevelopment area other than the use of eminent domain (“Non-Condensation Redevelopment Area”) or whether the redevelopment area determination shall authorize the municipality to use all those powers provided by the Legislature for use in a redevelopment area, including the power of eminent domain (“Condensation Redevelopment Area”); and

WHEREAS, the redevelopment area determination shall authorize the Borough of Raritan to use all of the powers provided by the Legislature for use in a redevelopment area including the use of eminent domain, thus designating it a Condensation Redevelopment Area; and

WHEREAS, the Borough of Raritan wishes to direct the Raritan Borough Planning Board to undertake a preliminary investigation to determine whether the

proposed study area of approximately 10.9 acres and identified as Block 116.01, Lot 11.01 as shown on the Raritan Borough Tax Map qualifies as an area in need of redevelopment pursuant to *N.J.S.A. 40A:12A-5*.

NOW, THEREFORE, BE IT RESOLVED by the Borough Council of the Borough of Raritan, in the County of Somerset and State of New Jersey, that the Raritan Borough Planning Board is hereby directed to conduct the necessary preliminary investigation, including the holding of a public hearing, to determine whether the study area identified above is or is not an area in need of redevelopment under the criteria set forth in *N.J.S.A. 40A:12A-1 et seq.*; and

BE IT FURTHER RESOLVED that the Planning Board shall submit its findings and recommendations to the Borough Council in the form of a Resolution with supporting documentation.

ATTEST:


Eric M. Colvin
Borough Clerk/Administrator


Zachary R. Bray
Mayor

I HEREBY CERTIFY that the foregoing Resolution was Adopted by the Borough Council of the Borough of Raritan, County of Somerset, State of New Jersey at a Regular Meeting held in the Council Chambers of the Municipal Building, 22 First Street, Raritan, NJ 08869, on June 21, 2022.


Eric M. Colvin
Borough Clerk/Administrator

MOTION	SECOND	MEMBER	YEA	NAY	ABSTAIN	ABSENT
✓		Carra	✓			
	✓	Fritzinger	✓			
		Giraldi				✓
		Hutzler	✓			
		Melitsky				✓
		Orozco	✓			

RESOLUTION PB 22-14

RESOLUTION OF THE PLANNING BOARD OF THE BOROUGH OF RARITAN UPON A PRELIMINARY INVESTIGATION TO DETERMINE WHETHER OR NOT BLOCK 116.01, LOT 11.01, IN THE BOROUGH MEETS THE QUALIFICATIONS FOR AN AREA IN NEED OF REDEVELOPMENT

WHEREAS, pursuant to New Jersey Local Housing and Redevelopment Law (“LHRL”), N.J.S.A. 40A:12A-6, the governing body of the Borough of Raritan, Somerset County, New Jersey, has directed the Borough of Raritan Planning Board to conduct a preliminary investigation to determine whether or not a certain property, designated hereinafter, meets the qualifications for determination of an area in need of redevelopment; and

WHEREAS, said property was identified pursuant to N.J.S.A. 40A:12-5 by the Borough Council as Block 116.01, Lot 11.01, as shown on the Borough’s Official Tax Map (the “Study Area”); and

WHEREAS, pursuant to the requirements of said Act, the Board did determine to hold a public hearing for determination as to whether or not the Study Area is an area in need of redevelopment without the right of condemnation (“Non-Condensation Redevelopment Area”); and

WHEREAS, there was commissioned a preliminary report prepared by Van Cleef Engineering Associates, and particularly Stanley Schrek, PE/PP, of said firm, who prepared the report dated August 22, 2022; and

WHEREAS, proper notification was served on the owner of said property, which comprised the Study Area, and public notices pursuant to the requirements of said Act were published in the official newspaper of the Borough; and

WHEREAS, a public hearing on said determination was held before the Planning Board on September 28, 2022, at which time the Board accepted and marked into evidence the aforementioned report, as well as took testimony from Stanley Schrek and heard any comments or questions posed by the public; and

WHEREAS, as a result of said document and presentations, the Board does make the following findings of fact:

1. The subject property is located in the northwest section of Orlando Drive and State Highway Route 206, and is commonly known as the Raritan Mall. The lot contains approximately 12.2 acres, and is located in the B-2 Shopping Center Zone District.
2. The current use of the property is as a mall, which is comprised of two multi-use commercial structures and which has space for at least 15 diverse commercial uses on a larger, L-shaped building on the north and west sides of the property, and approximately 3 commercial uses on the smaller lot, which includes a drive-thru. The primary commercial tenant,

which was a supermarket, ceased operation in 2016, and the space is still unoccupied.

3. Most of the other commercial units are vacant, and the building has fallen into a state of disrepair. There is a shared service parking lot encompassing the entirety of the lot's interior. Many of the islands have become overgrown with unmaintained vegetation. The building has been subject to vandalism, graffiti, bird excrement, broken glass, exposed nails, and mold, prevalent almost everywhere.
4. There are sections of asphalt that have caved in due to unsuitable foundation, possibly a result of the fact that the development was built on a reclaimed landfill site.
5. The subject property is located within the flood plain and has had a history of flooding. During a hurricane in 2021, most of the site was submerged in water.

WHEREAS, the property was reviewed to consider whether or not this property meets any of the statutory criteria for an "area in need of redevelopment" designation; and

WHEREAS, it was determined, at the recommendation of the planner in his report that the property meets a, b, d, f and h of the criteria for an area in need of redevelopment, for the following reasons:

- a-Criterion** The generality of the buildings are substandard, unsafe, unsanitary, dilapidated, or obsolescent. As indicated, the property is in a dilapidated state, with many of the stores being boarded up and the building is primarily vacant. The buildings have also been vandalized, and the buildings and parking areas are not maintained.
- b-Criterion** The designated property meets the b-criterion in that the mall has been largely abandoned and discontinued, and has fallen into a great state of disrepair, and not presently subject to be occupied.
- d-Criterion** Because the site is in a state of general disrepair, including dilapidation of the parking and sidewalk areas, the site has been determined to be detrimental to the safety, health, morals and welfare of the community.
- f-Criterion** The property has been further affected by a history of flooding, and in particular the 2021 hurricane known as Ida, and subsequent flooding of the site, which has resulted in the aggregate assessed value of the site to be materially depreciated.

h-Criterion The site meets the h-criterion, which if redeveloped would be consistent with smart growth planning principles which will include taking advantage of existing sidewalk networks, proximity to local public transit, as well as the Nevius Street Bridge, Duke Farms, and the Raritan Greenway. Redevelopment of this site would result in updated stormwater management practices and potentially provide additional shared parking with other uses in the Borough; and

WHEREAS, it is the recommendation of the Planner that Block 116.01, Lot 11.01 meets the criteria of the LRHL, consisting of criteria a, b, d, f and h.

NOW, THEREFORE, BE IT RESOLVED that the Planning Board of the Borough of Raritan hereby recommends to the Borough Council of the Borough of Raritan that the property known as Block 116.01, Lot 11.01, comprises an area in need of redevelopment for the reasons set forth herein as a "Non-Condensation Redevelopment Area "

BE IT FURTHER RESOLVED that a copy of this Resolution be forwarded to the Borough Council of the Borough of Raritan.

WITNESSETH, this Resolution was duly adopted by the Planning Board of the Borough of Raritan at its meeting of October 26, 2022.

CERTIFICATION

I, Haney Probst for the Planning Board of the Borough of Raritan, do hereby certify that the foregoing is a true copy of a resolution duly adopted at their October 26, 2022 meeting.

Haney Probst

Dated: 10/26/22

BOROUGH OF RARITAN
RESOLUTION NO. 2022-11-176

DESIGNATING APPROXIMATELY 12.2 ACRES KNOWN AS BLOCK 116.01, LOT 11.01 AS SHOWN ON THE TAX MAP OF THE BOROUGH OF RARITAN AS AN “AREA IN NEED OF REDEVELOPMENT” UNDER THE NEW JERSEY LOCAL REDEVELOPMENT AND HOUSING LAW (N.J.S.A. 40A:12A-1 ET SEQ.)

WHEREAS, the New Jersey Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the “LRHL”) authorizes municipalities to determine whether certain parcels of land within the municipality constitute an “area in need of redevelopment” as described in Section 5 of the Redevelopment Law; and

WHEREAS, to determine whether a certain parcel of land constitutes an area in need of redevelopment, the Borough Council of the Borough of Raritan (the “Borough Council”) by way of Resolution No. 2022-06-100, authorized and directed the Raritan Borough Planning Board (the “Board”) to conduct a preliminary investigation to determine whether the area identified as Block 116.01, Lot 11.01, as shown on the Tax Map of the Borough of Raritan consisting of approximately 12.2 acres of land (the “Study Area”), meets the criteria set forth in Section 5 of the LRHL and should be designated as an “area in need of redevelopment”; and

WHEREAS, the Board authorized the undertaking of the preliminary investigation as to whether the Study Area, or any portion thereof, constitutes an area in need of redevelopment in accordance with the LRHL; and

WHEREAS, the LRHL requires the Board to conduct a public hearing prior to making its determination whether the Study Area should be designated as “an area in need of redevelopment”, at which hearing the Board shall hear all persons who are interested in or would be affected by a determination that the Study Area is a redevelopment area; and

WHEREAS, the LRHL requires that the Board, prior to conducting such public hearing, publish notice in a newspaper of general circulation in the Borough once each week for two consecutive weeks, with the last publication made not less than ten (10) days prior to such public hearing; and

WHEREAS, the LRHL further requires that such notice be mailed at least ten (10) days prior to such public hearing to the last owner(s) of the relevant properties in accordance with the Borough’s assessment records; and

WHEREAS, the Board held a public hearing (the “Public Hearing”) to determine whether the Study Area is “an area in need of redevelopment” under the criteria set forth in Section 5 of the LRHL at a special meeting of the Board on September 28, 2022; and

WHEREAS, notice of the Public Hearing was provided in the official newspaper of the Borough on two consecutive weeks, the last being not less than ten (10) days before the Public Hearing; and

WHEREAS, the Board also provided notice to property owners in the Study Area, as well as property owners within 200 feet of the Study Area; and

WHEREAS, at the Public Hearing, Stanley Schrek, PE/PP (“Schrek”) of Van Cleef Engineering presented a report dated August 22, 2022 (the “Report”) concerning the determination of the Study Area as an “area in need of redevelopment”; and

WHEREAS, at the Public Hearing, the Board reviewed the Report, heard the testimony of Schrek as well as members of the public who were given an opportunity to testify and to ask questions of the Board and of Schrek; and

WHEREAS, after the conclusion of the Public Hearing, and in consideration of the Report and the substantial and credible testimony presented, the Board, on October 26, 2022, adopted Resolution No. PB-22-14 (the “Board Resolution”), determining that the Study Area should be designated as an “area in need of redevelopment”; and

WHEREAS, the Borough Council agrees with the recommendation of the Board that the Study Area be designated as an “area in need of redevelopment” pursuant to the LRHL; and

WHEREAS, the Borough Council now desires to authorize and direct the Board to cause a redevelopment plan to be prepared for the Study Area and present same to the Borough Council pursuant to N.J.S.A. 40A:12A-7(f).

NOW, THEREFORE, BE IT RESOLVED by the Borough Council of the Borough of Raritan, in the County of Somerset, State of New Jersey, as follows:

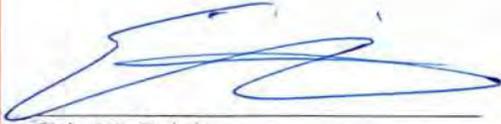
1. The Borough Council hereby designates Block 116.01, Lot 11.01 as shown on the Tax Map of the Borough of Raritan consisting of approximately 12.2 acres, as an “area in need of redevelopment” (the “Determination”) pursuant to the LRHL.

2. The Borough Clerk is hereby directed to transmit a certified copy of this Resolution by regular and certified mail to the Commissioner of Community Affairs (the “Commissioner”) for review. The Determination of the Study Area as an “area in need of redevelopment” shall not take effect without first receiving the review and approval of the Commissioner. If the Commissioner does not issue an approval or disapproval within thirty (30) calendar days of transmittal, the Determination shall be deemed to be approved.

3. Notice of the Determination (the “Notice”) shall be served, within ten (10) days of the Determination, upon all record owners of property located within the delineated area, those whose names are listed on the tax assessor’s records, and upon each person who

filed a written objection thereto and stated, in or upon the written submission, an address to which the notice of Determination may be sent.

ATTEST:



Eric M. Colvin
Borough Clerk/Administrator



Zachary R. Bray
Mayor

I HEREBY CERTIFY that the foregoing Resolution was Adopted by the Borough Council of the Borough of Raritan, County of Somerset, State of New Jersey at a Regular Meeting held in the Council Chambers of the Municipal Building, 22 First Street, Raritan, NJ 08869, on November 14, 2022.



Eric M. Colvin
Borough Clerk/Administrator

MOTION	SECOND	MEMBER	YEA	NAY	ABSTAIN	ABSENT
		Carra	✓			
✓		Fritzinger	✓			
		Giraldi				✓
		Hutzler	✓			
	✓	Melitsky	✓			
		Orozo				✓

BOROUGH OF RARITAN
RESOLUTION 2024-02-040

**AMENDING AND RESTATING RESOLUTION OF THE RARITAN
BOROUGH COUNCIL DESIGNATING APPROXIMATELY 12.2
ACRES KNOWN AS BLOCK 116.01, LOT 11.01 AS SHOWN ON
THE TAX MAP OF THE BOROUGH OF RARITAN AS A “NON-
CONDEMNATION AREA IN NEED OF REDEVELOPMENT”
UNDER THE NEW JERSEY LOCAL REDEVELOPMENT AND
HOUSING LAW (N.J.S.A. 40A:12A-1 ET SEQ.)**

WHEREAS, the Borough Council of the Borough of Raritan (the “Borough Council”) adopted Resolution No. 2022-11-176 on November 14, 2022 (the “Original Resolution”); and

WHEREAS, pursuant to the New Jersey Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the “LRHL”), in accordance with a report dated August 22, 2022 (the “Report”), prepared by Stanley Schrek, PE/PP of Van Cleef Engineering, concerning the determination of the study area, identified as Block 116.01, Lot 11.01, as shown on the Tax Map of the Borough of Raritan consisting of approximately 12.2 acres of land (the “Study Area” or the “Property”), and in accordance with the recommendation of the Raritan Borough Planning Board, as set forth in Resolution No. PB-22-14 (the “Board Resolution”), the Borough Council adopted the Original Resolution designating the Study Area as “an area in need of redevelopment”; and

WHEREAS, the Borough Council desires to amend and restate the Original Resolution to designate the Study Area as a “non-condemnation area in need of redevelopment” in accordance with Section 6 of the LRHL; and

WHEREAS, the Borough Council desires to amend and restate the Original Resolution to designate Raritan Mall, LLC (“RMLLC”) or an urban renewal entity (the “URE”) to be formed, in which the principals of such URE are to be substantially the same as RMLLC, as the “Conditional Redeveloper” of the Property; and

WHEREAS, RMLLC desires to be designated as the Conditional Redeveloper of the Property; and

WHEREAS, RMLLC desires to redevelop and construct on the Property a multi-family residential apartment complex, consisting of 276 residential units, including 42 affordable housing units (representing 15% of the total units to be constructed), and 31,000 square feet of retail space (the “Project”); and

WHEREAS, the Borough Council now desires to reauthorize and redirect the Board to cause a redevelopment plan to be prepared for the Study Area, consistent with the Project as detailed above, and present same to the Borough Council pursuant to N.J.S.A. 40A:12A-7(f); and

WHEREAS, after considering the qualification of RMLLC and recommendation by the Borough Professionals, the Borough wishes to designate RMLLC as Conditional Redeveloper of the Property subject to the conditions set forth below.

NOW, THEREFORE, BE IT RESOLVED by the Borough Council of the Borough of Raritan, in the County of Somerset, State of New Jersey, that the Original Resolution is amended and restated as follows:

1. Any provision not expressly modified by this Amended and Restated Resolution shall remain in full force and effect as per the Original Resolution.
2. The Study Area is hereby designated as a “non-condemnation area in need of redevelopment”.
3. Raritan Mall LLC, or an urban renewal entity to be formed, in which the principals of such urban renewal entity are to be substantially the same as Raritan Mall LLC, is hereby designated the Conditional Redeveloper of the Property, subject to the following conditions:
 - a. Within thirty (30) days of the date hereof, Raritan Mall LLC shall establish and/or replenish its professional escrow account with the Borough in the amount of \$20,000, to reimburse the Borough for all professional fees incurred in connection with the redevelopment of the Project. The form of Funding Agreement shall be prepared by Special Redevelopment counsel for review by counsel for the Conditional Redeveloper;
 - b. Within 120 days of the date hereof, Raritan Mall LLC shall execute a redevelopment agreement (the “RDA”), mutually acceptable to the Borough and the Conditional Redeveloper, and the RDA shall incorporate the following recitals:
 - i. Remediation and environmental cleanup shall be the exclusive responsibility of the Redeveloper. The Redeveloper assumes sole accountability for all aspects of remediation efforts, including any necessary actions, costs, and compliance with all applicable environmental regulations. The Borough agrees to provide any and all assistance to the Redeveloper, if required or necessary, including filing for any grants, programs, etc. with the State of New Jersey; provided that the Borough shall in no way be obligated under any such grants, programs, etc.;
 - ii. The Redeveloper shall collaborate and work in good faith with the Borough and the County of Somerset to facilitate the transfer of

Orlando Drive to the County of Somerset. While the jurisdiction for the road transfer rests with the Borough, the Redeveloper shall bear the costs and responsibilities associated with the process, when applicable, undertaking substantial efforts to ensure the successful transfer of Orlando Drive to the County;

- iii. The residential portion of the Project shall be constructed with a 15% affordable unit set-aside, in accordance with New Jersey’s Uniform Housing Affordability Controls, as set forth in N.J.A.C. 5:80-26.1 et seq.; and
- iv. The Redeveloper shall make a Community Benefit Payment to the Borough in accordance with the amount set forth in the RDA and Financial Agreement to be entered into between the Borough and the Conditional Redeveloper. Such contribution as set forth hereinbelow (the terms used but not defined herein shall have the same meaning as set forth in the Redevelopment Checklist and Salient Terms of the FA last revised February 2,2024):

The Community Benefit Payment (“CBP”) is equal to (i) \$350,000 for municipal-only improvements to Orlando Drive (the “Municipal Orlando Drive Improvements Payment”) plus (ii) the Total Project Costs Savings Fee (“TPCSF”), which fee is equal to 1.5% of TPC under \$96,285,590. The Municipal Orlando Drive Improvements Payment is to be paid by Redeveloper to the Borough by check, in one 1 payment, as set forth in the CBP Schedule below.

COMMUNITY BENEFIT PAYMENT SCHEDULE		
PAYMENTS	AMOUNT OWED	DUE DATE
Payment #1	\$350,000.00	Prior to issuance of First Building Permit for Project
Payment # 2 (TPCSF)	To Be Determined Amount is based upon TPCSF, which shall be calculated upon submission of CPC by redeveloper’s architect after construction of the Project	Prior to issuance of Certificate of Completion (if Project done in phases, the first Certificate of Completion)

- 4. The Planning Board and its professionals shall cause a redevelopment plan to be prepared for the Study Area, consistent with the Project as detailed above, and present same to the Borough Council pursuant to N.J.S.A. 40A:12A-7(f).

5. The "conditional" designation of the Conditional Redeveloper shall automatically become unconditional at such time as a Resolution is adopted authorizing the execution of the aforementioned RDA between the Conditional Redeveloper and the Borough of Raritan.
6. The Borough Clerk is hereby directed to transmit a certified copy of this Resolution by regular and certified mail to the Commissioner of Community Affairs (the "Commissioner") for review. The Determination of the Study Area as an "area in need of redevelopment" shall not take effect without first receiving the review and approval of the Commissioner. If the Commissioner does not issue an approval or disapproval within thirty (30) calendar days of transmittal, the Determination shall be deemed to be approved.
7. Notice of the Determination (the "Notice") shall be served, within ten (10) days of the Determination, upon all record owners of property located within the delineated area, those whose names are listed on the tax assessor's records, and upon each person who filed a written objection thereto and stated, in or upon the written submission, an address to which the notice of Determination may be sent.

ATTEST:



Eric M. Colvin
Borough Clerk/Administrator



Nicolas J. Carra
Mayor

I HEREBY CERTIFY that the foregoing Resolution was Adopted by the Borough Council of the Borough of Raritan, County of Somerset, State of New Jersey at a Regular Meeting held in the Council Chambers of the Municipal Building, 22 First Street, Raritan, NJ 08869, on February 6, 2024.



Eric M. Colvin
Borough Clerk/Administrator

MOTION	SECOND	MEMBER	YEA	NAY	ABSTAIN	ABSENT
	✓	Agrawal	✓			
		Arnalizer	✓			
		Fritzinger	✓			
		Melitsky	✓			
		Patente		✓		
✓		Tozzi	✓			

BOROUGH OF RARITAN
RESOLUTION NO. 2024-03-056

**AUTHORIZING THE DRAFTING OF DESIGNATING
RESOLUTIONS & CORRESPONDING ORDINANCES – BLOCK 53,
LOTS 1 & 2 AND BLOCK 116.01, LOT 11.01**

WHEREAS, the New Jersey Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the “LRHL”) authorizes municipalities to determine whether certain parcels of land within the municipality constitute an “area in need of redevelopment” as described in Section 5 of the Redevelopment Law; and

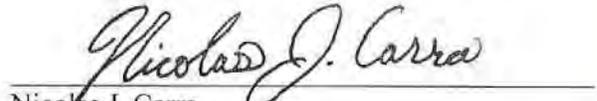
WHEREAS, the areas identified as Block 53, Lots 1 & 2 and Block 53, Lot 11.01 have been recognized by the Raritan Borough Planning Board via a preliminary investigation to meet the criteria set forth in Section 5 of the LRHL; and

NOW, THEREFORE, BE IT RESOLVED by the Borough Council of the Borough of Raritan, County of Somerset, State of New Jersey that the Borough’s Redevelopment Attorney is hereby authorized to draft designating resolutions for both properties identified herein, as well as ordinances regarding redevelopment plans for same.

BE IT FURTHER RESOLVED that the Borough Engineer is authorized to prepare the corresponding redevelopment plans.

ATTEST:


Eric M. Colvin
Borough Clerk/Administrator


Nicolas J. Carra
Mayor

I HEREBY CERTIFY that the foregoing Resolution was Adopted by the Borough Council of the Borough of Raritan, County of Somerset, State of New Jersey at a Regular Meeting held in the Council Chambers of the Municipal Building, 22 First Street, Raritan, NJ 08869, on March 5, 2024.


Eric M. Colvin
Borough Clerk/Administrator

MOTION	SECOND	MEMBER	YEA	NAY	ABSTAIN	ABSENT
		Agrawal				✓
		Armahizer	✓			
		Fritzinger	✓			
		Melitsky	✓			
✓		Patente	✓			
	✓	Tozzi	✓			

Appendix 7

Borough of Raritan

County of Somerset

ORDINANCE NO. ____

AN ORDINANCE AMENDING CHAPTER 207 “LAND USE AND DEVELOPMENT”, PART 6 “ZONING”, ARTICLE XV “DISTRICT REGULATIONS” TO INCLUDE NEW SECTION 207-126.3 ENTITLED “AH-2 AFFORDABLE HOUSING OVERLAY ZONE”

WHEREAS, the Borough, as part of its fourth round Housing Element and Fair Share Plan, has identified property appropriate for rezoning to provide the opportunity for the construction of new townhouse dwellings, including a setaside of units affordable to low and moderate income households; and

WHEREAS, the Mayor and Council have endorsed the fourth round plan adopted by the Planning Board and is desirous of implementing the mechanism identified in that fourth round, which requires rezoning of the property with an overlay to permit a development option that helps meet the Borough’s Unmet Need.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the Borough of Raritan, in the County of Somerset and State of New Jersey as follows:

Section I. The following section shall be added to the Code, to read as follows:

Section 207-126.35 “AH-2 Affordable Housing Overlay Zone”

A. An Affordable Housing Overlay Zone (AH-1) is hereby created for Block 116.01, Lot 26. The AH-2 Zone will permit the option for new inclusionary attached townhouses not to exceed a total of 30 units requiring an affordable housing set-aside of 15% for rental affordable units and of 20% for for-sale affordable units.

B. Permitted uses. Permitted principal uses shall be:

- (1)** Townhouses.

C. Permitted accessory uses and structures. Permitted accessory uses and structures shall be as follows:

- (1)** Private garages and off-street parking facilities.
- (2)** Customary accessory uses and structures approved as part of the site plan for the development, including refuse enclosures, fences, walls, lampposts, trellises and other similar structures.
- (3)** Private swimming pools, clubhouses, tennis courts and other recreational facilities for resident use.
- (4)** Signs.
- (5)** Detention basins and pump stations.
- (6)** Storage and maintenance buildings.
- (7)** Patio areas.
- (8)** Electric vehicle charging infrastructure and electric vehicle charging stations.

D. Permitted conditional uses. Permitted conditional uses shall be as follows:

- (1)** Home occupations.
- (2)** Public utility facilities.

E. Density. The total number of units on the site shall not exceed thirty (30). The site shall be developed pursuant to the requirements of Articles **XVII** and **XVIII**.

F. Bulk requirements.

(1) There shall be the following minimum distances between buildings:

Part of Building	Minimum Distance (feet)
Windowless wall to windowless wall	20
Window wall to windowless wall	25
Window wall to window wall:	
Front to front	50
Rear to rear	50
End to end or end to rear	30
Any building face to collector street curb	30
Any front or rear building face to noncollector curb face or edge of pavement	18
Any side building face to any noncollector street curb	10
Any building face to common parking area, except garage	10
Garage face to common parking area	5

(2) Coverage. The maximum coverage by buildings shall not exceed 30%. The maximum coverage by all impervious surfaces, including buildings and public and private roads, shall not exceed 65%.

(3) Yard and buffer areas. No building, deck, patio or part thereof, driveway or parking area shall be located within 5 feet of any property boundary line.

(4) Building height. No building shall contain more than three stories, nor shall any building exceed 40 feet in height.

G. Design standards for townhouses.

(1) No building or group of attached buildings shall contain more than 8 individual townhouse units.

(2) Townhouses shall have a minimum width of 18 feet per unit and shall have an offset of two feet between every two units.

(3) No room within a dwelling unit intended for human habitation shall be located in a cellar, basement or attic, except that a cellar or basement in a townhouse dwelling unit may contain a family room or recreation room.

(5) Townhouses should be consistent in terms of architectural style and major design elements such as materials, windows, rooflines, roof designs, etc.

(6) Accessory buildings shall meet the property line setbacks of the principal buildings.

(7) Accessory buildings may have a maximum height of 16 feet, except that recreational buildings and facilities shall be governed by the height limitations for principal buildings.

(8) Garages may be built into the principal structure or separately constructed to the following standards:

(a) Each garage space shall be at least 10 feet in width and 20 feet in depth.

(b) Each group of attached garages shall have a joint capacity of not more than 12 automobiles arranged in a row, and there shall be a minimum distance of 10 feet end to

end between structures.

(9) Exterior television antennas shall be limited to one master antenna per building.

H. Affordable housing requirements.

(1) All affordable housing units constructed shall comply with Chapter **207**, Land Use and Development, Part **6**, Zoning, Article **XVII**, titled "Affordable Housing Requirements."

(2) Developments providing rental units shall provide a minimum set-aside of units affordable to low- and moderate-income households equal to 15% of the total number of units within the development.

(3) Developments providing for-sale units shall provide a minimum set-aside of units affordable to low- and moderate-income households equal to 20% of the total number of units within the development.

Section II. Severability

If any section, part of any section, or clause or phrase of this ordinance is for any reason held to be invalid or unconstitutional, such decision shall not affect the remaining provisions of this ordinance. The governing body of the Borough of Raritan declares that it would have passed the ordinance and each section and subsection thereof, irrespective of the fact that any one or more of the subsections, sentences, clauses or phrases may be declared unconstitutional or invalid.

Section III. Effective Date.

This ordinance shall take effect immediately upon passage and publication according to law.

APPROVED: _____
Mayor

ATTEST: _____
Borough Clerk

Introduced:

Adopted:

Appendix 8

*Borough of Raritan, NJ
Monday, November 30, 2020*

Chapter 207. Land Use and Development

Part 6. Zoning

Article X. General Provisions

§ 207-90.3. Mandatory affordable housing set-aside.

[Added 5-28-2019 by Ord. No. 2019-08]

- A. All residential development, including the residential portion of a mixed-use project, which consists of five or more new residential units to be offered for-sale or seven or more new residential units to be offered for rental, shall be required to provide an appropriate percentage of the residential units be set aside for very low, low, and moderate income households, as set forth below.
- B. This requirement shall not apply to residential expansions, additions, renovations, replacement, or any other type of residential development that does not result in a net increase in the number of dwellings of five or more.
- C. For residential or mixed-use projects in which the affordable units are to be offered for sale, the set-aside percentage shall be 20%; for projects in which the affordable units are to be offered for rent, the set-aside percentage shall be 15%.
- D. The developer shall provide that half of the affordable units constructed be reserved for low-income households and that the remaining half be reserved for moderate-income households. At least 13% of all restricted units shall be very-low-income units (affordable to a household earning 30% or less of median income). The very-low-income units shall be counted as part of the required number of low-income units within the development.
- E. Subdivision and/or site plan approval shall not be approved by the reviewing board unless the developer complies with the requirements to provide very-low-, low-, and moderate-income housing pursuant to the provisions of this section. A property shall not be permitted to be subdivided so as to avoid meeting this requirement. The board may impose any reasonable conditions to ensure such compliance.
- F. This requirement does not create any entitlement for a property owner or applicant for a zoning amendment, variance, or adoption of a redevelopment plan or amended redevelopment plan in areas in need of redevelopment or rehabilitation, or for approval of any particular proposed project.
- G. This requirement shall not apply to sites or zoning districts identified in the Fair Share Plan where standards for the set-aside of affordable housing units have already been established.
- H. In the event application of the required set-aside percentage (15% or 20%) to the total number of residential units proposed does not result in a full integer, the developer shall round the required set-aside upward and construct a whole affordable unit.

Appendix 9

Borough of Raritan
Somerset County, NJ

Fourth Round Spending Plan

June 12, 2025

James T. Kyle, PP, AICP
New Jersey Professional Planning License No. 5667
Kyle McManus Associates
PO Box 236, Hopewell, NJ 08525

The original copy has been signed and sealed in accordance with N.J.A.C. 13:41-1.3

Borough of Raritan

County of Somerset

Spending Plan

June 2025

INTRODUCTION

The Borough of Raritan has prepared a Housing Element and Fair Share plan that addresses its regional fair share of affordable housing need in accordance with the Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.), the Fair Housing Act (N.J.S.A. 52:27D-301) and the regulations of the Council on Affordable Housing (COAH) (N.J.A.C. 5:97-1 et seq. and N.J.A.C. 5:96-1 et seq.).

Raritan has collected development fees since its first development fee ordinance was approved by COAH. As of June 10, 2025, the Borough had a balance of \$473,397 in its affordable housing trust fund account.

1. REVENUES FOR CERTIFICATION PERIOD

To calculate a projection of revenue anticipated during the period the Fourth Round, Raritan considered the following:

(a) Development fees:

1. Residential and nonresidential projects which have had development fees imposed upon them at the time of preliminary or final development approvals;
2. All projects currently before the Land Use Board for development approvals that may apply for building permits and certificates of occupancy; and
3. Anticipated future development.

(b) Projected interest:

Interest on the projected revenue in the municipal affordable housing trust fund at the current annual percentage yield earned of 0.76% .

As most residential development in the future is expected to include affordable housing units, residential development fees are not expected to be significant over the next 10 years. It is not anticipated that nonresidential development fees will contribute substantially to the trust fund, although one redevelopment project will include nonresidential space.

Borough of Raritan
 County of Somerset
 Spending Plan
 June 2025

Source of Funds	Table I Projected Revenues - Affordable Housing Trust Fund - 2025 through 2035												
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total	
(a) Development Fees													
1. Development Pending Approval		\$50,000											\$50,000
2. Development Projected													\$0
(b) Interest	\$3,598	\$3,351	\$3,110	\$2,868	\$2,623	\$2,377	\$2,129	\$1,878	\$1,626	\$1,372	\$1,116	\$26,049	
Total	\$3,598	\$53,351	\$3,110	\$2,868	\$2,623	\$2,377	\$2,129	\$1,878	\$1,626	\$1,372	\$1,116	\$76,049	

Borough of Raritan
County of Somerset
Spending Plan
June 2025

2. ADMINISTRATIVE MECHANISM TO COLLECT AND DISTRIBUTE FUNDS

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

(a) Collection of development fee revenues:

Collection of development fee revenues shall be consistent with Raritan’s development fee ordinance for both residential and non-residential developments in accordance with COAH’s rules, P.L.2008, c.46, sections 8 (C. 52:27D-329.2) and 32-38 (C. 40:55D-8.1 through 8.7) and P.L. 2009, c. 90 (C. 40:55D-8.1 through 8.7).

(b) Distribution of development fee revenues:

The Mayor and Council will review all requests/proposals for funding from the Borough’s Housing Trust Fund to determine consistency with the approved Housing Element / Fair Share Plan and approved Spending Plan. All distributions from the Housing Trust Fund shall be authorized by a Resolution adopted by the governing body.

3. DESCRIPTION OF ANTICIPATED USE OF AFFORDABLE HOUSING FUNDS

(a) **Affordability Assistance (N.J.A.C. 5:97-8.8)**

- Affordability assistance: \$110,834 (includes the “very low” assistance requirement of \$33,250). The projected minimum affordability assistance requirement is as follows:

Table II	
Minimum Affordability Assistance - 2025-2035	
Actual Development Fees through 6/5/2025	\$473,397
Development Fees Projected through 6/30/2035	\$50,000
Interest Projected 2025-2035	\$26,049
Total	\$549,446
Less money collected for specific mechanisms	\$180,000
Total	\$369,446
30% Affordability Assistance	\$110,834
Projected Minimum Very-Low Income Affordability Assistance	\$33,250

The Borough will dedicate a total of \$110,834 from the affordable housing trust fund to render units more affordable, including a minimum of \$33,250 to render units more affordable to households earning 30 percent or less of median income by region, as follows:

Borough of Raritan

County of Somerset

Spending Plan

June 2025

- i. Down payment assistance
- ii. Payment of closing costs
- iii. Payment of lender fees
- iv. Security deposit assistance
- v. First month's rent assistance

(b) Administrative Expenses (N.J.A.C. 5:97-8.9)

Table III	
Administrative Expenses Maximum - 2025-2035	
Actual Development Fees Through 6/5/2025	\$473,397
Projected Development Fee and Interest Projected - 2025-2035	\$76,049
Total	\$549,446
20% Maximum	\$109,889

4. EXPENDITURE SCHEDULE

Raritan intends to use affordable housing trust fund revenues to support its rehabilitation program, to render units more affordable through offering of affordability assistance and administrative costs associated with these programs. The Borough proposes to allocate its Housing Trust Funds to projects in Table IV within the required time period subsequent to the Program's approval of this Spending Plan.

The projected revenues of \$76,049 from anticipated developer fees and interest (Table I) combined with the present balance of \$473,397 in the Borough's Housing Trust Fund will, if development projections are reasonably accurate, provide an estimated total of \$549,446 over the course of the fourth round period through June of 2035. Table IV presents an estimated schedule for expenditure of the projected revenues.

Borough of Raritan
 County of Somerset
 Spending Plan
 June 2025

Program	Expenditure Schedule - Affordable Housing Trust Fund - 2025 through 2035															Total
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total				
Affordability Assistance	\$11,043	\$11,043	\$11,043	\$11,043	\$11,043	\$11,043	\$11,043	\$11,043	\$11,043	\$11,043	\$11,043	\$11,043	\$11,043	\$11,043	\$11,043	\$121,473
Rehabilitation Program		\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$180,000
Administrative Expenses	\$25,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$61,000
Total	\$36,043	\$35,043	\$362,473													

Appendix 10

Borough of Raritan
Somerset County, New Jersey
AFFORDABILITY ASSISTANCE PROGRAMS

FOR-SALE UNIT AFFORDABILITY ASSISTANCE PROGRAM

Down Payment Loan Program

The Borough may offer a Down Payment Assistance Loan program to qualified purchasers of households earning 80% or less of median income of the housing region. To be eligible for the loan, the qualified Buyer must be able to supply 3% of the down payment with the Buyer's own funds, plus additional closing costs that exceed the amount of the loan. No gifts or other loans may be used to fund the 3% down payment amount, but may be used to fund additional closing costs. The loan amount may be made up to ten percent (10%) of the purchase price.

The Borough must approve the Buyer 's qualifications and need for the loan. The loan has no prepayment penalty. It is due and payable when the Buyer resells, borrows against the property or refinances the First Purchase Money Mortgage. The loan may be subordinated only to the First Purchase Money Mortgage. When calculating the borrowing capacity of the homeowner and the equity in the property, this loan must be included. The Buyer must sign a mortgage and mortgage note to the Borough.

Payment of Closing Costs

Eligible Buyers may receive payment of closing costs, i.e., title work and policy, reasonable attorney's fees for closing of title, preparation of survey, homeowner's insurance, recording fees and other necessary closing expenses to third parties, not to exceed one thousand five hundred dollars (\$1,500.) per unit. This assistance shall be in the form of a grant. Total buyer assistance grants, which include Payment of Closing Costs and Payment of Lender Fees, shall not exceed three thousand dollars (\$3,000) per unit. Utility deposits, i.e., gas and electric, paid to utility companies are to be returned to the Borough Affordable Housing Trust Fund upon resale of the unit. The buyer will execute documents required to secure payment to Raritan Borough.

Payment of Lender Fees

Eligible Buyers may receive payment of lender fees, i.e., mortgage points, application fees, appraisal fees, bank attorney review fees, and necessary mortgage closing expenses, not to exceed one thousand five hundred dollars (\$1,500.) per unit. This assistance shall be in the form of a grant. Total buyer assistance grants, which include

Payment of Closing Costs and Payment of Lender Fees, shall not exceed three thousand dollars (\$3,000) per unit.

Administration of Raritan's Affordability Assistance Programs will be managed by the Raritan Borough Affordable Housing Administrative Agent. The availability of the program shall be advertised continually on the Borough's website. The following administrative process is applied to the For-Sale Unit Affordability Assistance Program:

1. The Buyer contacts the Administrative Agent to confirm that he/she wants to receive Down Payment Assistance.
2. The Buyer must present proof to the Administrative Agent that he/she is qualified for Affordable Housing in the Borough of Raritan.
3. Buyer must produce an exact copy of a signed Real Estate Contract for an affordable housing unit in the Borough, which indicates clearly the full amount of the purchase price. Buyer must provide the Administrative Agent with the full name, address, phone number, and fax number of the Buyer's Attorney or Settlement Agent so that the Attorney or Settlement Agent can review and approve any and all documents required for the loan.
4. The Administrative Agent contacts the Realtor or Developer for confirmation of the sale of the unit, and the name of the Attorney handling the sale for the Developer at closing.
5. The amount of the Down Payment Assistance loan is verified (not to exceed ten percent of the Purchase Price) so that a Mortgage Note, Mortgage, and Repayment Agreement can be prepared by the Administrative Agent.
6. The amount of the Down Payment Assistance must be disclosed to the Lender, so that the Lender can accurately prepare the First Mortgage documents. The Buyer must give a copy of the First Mortgage Commitment to the Administrative Agent upon receipt of same, so that the Lender can receive full information about the Down Payment Assistance Loan, which shall constitute a Second Mortgage on the premises. The Lender must approve the secondary financing. The Borough Affordable Housing Attorney will contact the Lender once the Affordable Housing Attorney has a copy of the First Mortgage Commitment.
7. The Borough Finance Department will generate the necessary forms and obtain Borough Council approval for it to issue an Affordable Housing Trust Fund check payable to the Seller's Attorney or Settlement Agent, so that the Down Payment Assistance check can be deposited into the Seller's Attorney Trust Account or Settlement Agent Trust Account pending Closing of Title. The letter and check to the

Seller's Attorney or Settlement Agent shall state that the deposit money must be returned to the Borough if the closing is canceled, or if the sale is declared null and void. If there is a Closing of Title, the Down Payment Assistance money shall be released to the Seller. This money shall be shown on the Closing Statement as a deposit, with credit given at closing to the Buyer. The Buyer must fully execute the Mortgage Note, Mortgage, and Repayment Agreement at the Closing of Title before any money is released.

8. The Seller's Attorney or Settlement Agent shall verify that the Mortgage Note, Mortgage, and Repayment Agreement have been properly executed, and shall file the original Mortgage with the County Clerk to protect the Borough of Raritan Second Mortgage on the property and return the Filed Mortgage to Affordable Housing Attorney along with the original Mortgage Note and Repayment Agreement.

RENTAL UNIT AFFORDABILITY ASSISTANCE PROGRAM

Rental Assistance

Raritan Borough may offer a Rental Assistance Program that is managed by the Administrative Agent. Eligible recipients of the program are renters who qualify for a very-low, low- or moderate-income rental unit. The following assistance is available to very-low, low- and moderate-income households:

1. Payment of "moving expenses" based upon verified receipts, in an amount not to exceed one thousand five hundred dollars (\$1,500.) per household.
2. Rental security deposit -Deposits paid to landlord to be returned to the Borough's Affordable Housing Trust Fund upon termination of tenancy.
3. First-month rent – first month's rent paid to the landlord.

Administration of Raritan Borough's Rental Unit Affordability Assistance Programs will be by the Administrative Agent. The availability of the program shall be advertised continually on the Borough's website. After an applicant is income qualified by the Administrative Agent pursuant to the Uniform Housing Affordability Controls, the applicant will complete and provide an affordability assistance application to the Administrative Agent.

For qualified and approved payment of moving expense, rental security deposit assistance and first month rent assistance, the Administrative Agent will follow the Borough purchasing and requisition process for generating a check that is made out to the applicant. Once the check is produced, the Administrative Agent provides it to the applicant.

The affordability assistance recipient will sign a contract with Raritan Borough which states, at a minimum: the amount of funds granted, interest information, procedures, duration and conditions of affordability assistance, and repayment information if required.

The availability of any Affordability Assistance Programs must be noticed to all tenants of affordable units within Raritan and provided to all administrative agents of affordable units within the Borough and advertised on the Borough's website.

An income eligible occupant or applicant for an affordable unit within Borough may not be denied participation in the Affordability Assistance Program(s) unless funding is no longer available.

Appendix 11

Chapter 207. Land Use and Development

Part 6. Zoning

Article XVII. Affordable Housing Requirements

§ 207-139. Affordable housing requirements.

- A. Monitoring and reporting requirements. The Borough of Raritan shall comply with the following monitoring and reporting requirements regarding the status of the implementation of its Court-approved Housing Element and Fair Share Plan:
- (1) Beginning on February 1, 2019, and on every anniversary of that date through February 1, 2025, the Borough agrees to provide annual reporting of its Affordable Housing Trust Fund activity to the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services, or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center (FSHC) and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs (NJCA), Council on Affordable Housing (COAH), or Local Government Services (NJLGS). The reporting shall include an accounting of all Affordable Housing Trust Fund activity, including the source and amount of funds collected and the amount and purpose for which any funds have been expended.
 - (2) Beginning on February 1, 2019, and on every anniversary of that date through February 1, 2025, the Borough agrees to provide annual reporting of the status of all affordable housing activity within the municipality through posting on the municipal website with a copy of such posting provided to Fair Share Housing Center, using forms previously developed for this purpose by COAH or any other forms endorsed by the Special Master and FSHC.
 - (3) By July 1, 2020, as required pursuant to N.J.S.A. 52:27D-313, the Borough will post on its municipal website, with a copy provided to FSHC, a status report as to its implementation of its plan and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity and whether any mechanisms to meet unmet need should be revised or supplemented. Such posting shall invite any interested party to submit comments to the municipality, with a copy to FSHC, regarding whether any sites no longer present a realistic opportunity and should be replaced and whether any mechanisms to meet unmet need should be revised or supplemented. Any interested party may by motion request a hearing before the Court regarding these issues.
 - (4) By March 1, 2020, and every third year thereafter, as required by N.J.S.A. 52:27D-329.1, the Borough will post on its municipal website, with a copy provided to FSHC, a status report as to its satisfaction of its very-low-income requirements, including its family very-low-income requirements. Such posting shall invite any interested party to submit comments to the municipality and FSHC on the issue of whether the municipality has complied with its very-low-income and family very-low-income housing obligations.
- B. Definitions. The following terms when used in this article shall have the meanings given in this subsection:

ACT

The Fair Housing Act of 1985, P.L. 1985, c. 222 (N.J.S.A. 52:27D-301 et seq.).

ADAPTABLE

Constructed in compliance with the technical design standards of the Barrier Free Subcode, N.J.A.C. 5:23-7.

ADMINISTRATIVE AGENT

The entity designated by the Borough to administer affordable units in accordance with this article, N.J.A.C. 5:93, and UHAC (N.J.A.C.5:80-26).

AFFIRMATIVE MARKETING

A regional marketing strategy designed to attract buyers and/or renters of affordable units pursuant to N.J.A.C. 5:80-26.15.

AFFORDABILITY AVERAGE

The average percentage of median income at which new restricted units in an affordable housing development are affordable to low- and moderate-income households.

AFFORDABLE

A sales price or rent level that is within the means of a low- or moderate-income household as defined within N.J.A.C. 5:93-7.4, and, in the case of an ownership unit, that the sales price for the unit conforms to the standards set forth in N.J.A.C. 5:80-26.6, as may be amended and supplemented, and, in the case of a rental unit, that the rent for the unit conforms to the standards set forth in N.J.A.C. 5:80-26.12, as may be amended and supplemented.

AFFORDABLE HOUSING DEVELOPMENT

A development included in or approved pursuant to the Housing Element and Fair Share Plan or otherwise intended to address the Borough's fair share obligation, and includes, but is not limited to, an inclusionary development, a municipal construction project or a 100%-affordable housing development.

AFFORDABLE HOUSING PROGRAM(S)

Any mechanism in a municipal Fair Share Plan prepared or implemented to address a municipality's fair share obligation.

AFFORDABLE UNIT

A housing unit proposed or created pursuant to the Act and approved for crediting by the Court and/or funded through an affordable housing trust fund.

AGE-RESTRICTED UNIT

A housing unit designed to meet the needs of, and exclusively for, the residents of an age-restricted segment of the population such that all the residents of the development wherein the unit is situated are 62 years of age or older; or at least 80% of the units are occupied by one person who is 55 years of age or older; or the development has been designated by the Secretary of the U.S. Department of Housing and Urban Development as "housing for older persons" as defined in Section 807(b)(2) of the Fair Housing Act, 42 U.S.C. § 3607.

AGENCY

The New Jersey Housing and Mortgage Finance Agency established by P.L. 1983, c. 530 (N.J.S.A. 55:14K-1, et seq.).

ALTERNATIVE LIVING ARRANGEMENT

A structure in which households live in distinct bedrooms, yet share kitchen and plumbing facilities, central heat and common areas. Alternative living arrangements include, but are not limited to, transitional facilities for the homeless; Class A, B, C, D and E boarding homes as regulated by the State of New Jersey Department of Community Affairs; residential health care facilities as regulated by the New Jersey Department of Health; group homes for the

developmentally disabled and mentally ill as licensed and/or regulated by the New Jersey Department of Human Services; and congregate living arrangements.

ASSISTED LIVING RESIDENCE

A facility that is licensed by the New Jersey Department of Health and Senior Services to provide apartment-style housing and congregate dining and to assure that assisted living services are available when needed for four or more adult persons unrelated to the proprietor and that offers units containing, at a minimum, one unfurnished room, a private bathroom, a kitchenette and a lockable door on the unit entrance.

CERTIFIED HOUSEHOLD

A household that has been certified by an Administrative Agent as a low-income household or moderate-income household.

COAH

The Council on Affordable Housing, as established by the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301, et seq.).

DCA

The State of New Jersey Department of Community Affairs.

DEFICIENT HOUSING UNIT

A housing unit with health and safety code violations that requires the repair or replacement of a major system. A major system includes weatherization, roofing, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement and/or load bearing structural systems.

DEVELOPER

Any person, partnership, association, company or corporation that is the legal or beneficial owner or owners of a lot or any land included in a proposed development including the holder of an option to contract to purchase, or other person having an enforceable proprietary interest in such land.

DEVELOPMENT

The division of a parcel of land into two or more parcels, the construction, reconstruction, conversion, structural alteration, relocation, or enlargement of any use or change in the use of any building or other structure, or of any mining, excavation or landfill, and any use or change in the use of any building or other structure, or land or extension of use of land, for which permission may be required pursuant to N.J.S.A. 40:55D-1, et seq.

INCLUSIONARY DEVELOPMENT

A development containing both affordable units and market rate units. This term includes, but is not limited to, new construction, the conversion of a nonresidential structure to residential use and the creation of new affordable units through the gut rehabilitation or reconstruction of a vacant residential structure.

LOW-INCOME HOUSEHOLD

A household with a total gross annual household income equal to 50% or less of the regional median household income by household size.

LOW-INCOME UNIT

A restricted unit that is affordable to a low-income household.

MAJOR SYSTEM

The primary structural, mechanical, plumbing, electrical, fire protection, or occupant service components of a building which include but are not limited to, weatherization, roofing, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement and load-bearing structural systems.

MARKET-RATE UNITS

Housing not restricted to low- and moderate-income households that may sell or rent at any price.

MEDIAN INCOME

The median income by household size for the applicable housing region, as adopted annually by COAH or a successor entity approved by the Court.

MODERATE-INCOME HOUSEHOLD

A household with a total gross annual household income in excess of 50% but less than 80% of the regional median household income by household size.

MODERATE-INCOME UNIT

A restricted unit that is affordable to a moderate-income household.

NONEXEMPT SALE

Any sale or transfer of ownership other than the transfer of ownership between husband and wife; the transfer of ownership between former spouses ordered as a result of a judicial decree of divorce or judicial separation, but not including sales to third parties; the transfer of ownership between family members as a result of inheritance; the transfer of ownership through an executor's deed to a Class A beneficiary and the transfer of ownership by court order.

RANDOM SELECTION PROCESS

A process by which currently income-eligible households are selected for placement in affordable housing units such that no preference is given to one applicant over another except for purposes of matching household income and size with an appropriately priced and sized affordable unit (e.g., by lottery).

REGIONAL ASSET LIMIT

The maximum housing value in each housing region affordable to a four-person household with an income at 80% of the regional median as defined by duly adopted regional income limits published annually by COAH or a successor entity.

REHABILITATION

The repair, renovation, alteration or reconstruction of any building or structure, pursuant to the Rehabilitation Subcode, N.J.A.C. 5:23-6.

RENT

The gross monthly cost of a rental unit to the tenant, including the rent paid to the landlord, as well as an allowance for tenant-paid utilities computed in accordance with allowances published by DCA for its Section 8 program. In assisted-living residences, rent does not include charges for food and services.

RESTRICTED UNIT

A dwelling unit, whether a rental unit or an ownership unit, that is subject to the affordability controls of N.J.A.C. 5:80-26.1, as amended and supplemented, but does not include a market-rate unit financed under UHORP or MONI.

UHAC

The Uniform Housing Affordability Controls set forth in N.J.A.C. 5:80-26, et seq.

VERY-LOW-INCOME HOUSEHOLD

A household with a total gross annual household income equal to 30% or less of the regional median household income by household size.

VERY-LOW-INCOME UNIT

A restricted unit that is affordable to a very-low-income household.

WEATHERIZATION

Building insulation (for attic, exterior walls and crawl space), siding to improve energy efficiency, replacement storm windows, replacement storm doors, replacement windows and replacement doors, and is considered a major system for purposes of a rehabilitation program.

C. Applicability.

- (1) The provisions of this article shall apply to all affordable housing developments and affordable housing units that currently exist and that are proposed to be created within the Borough of Raritan pursuant to the Borough's most recently adopted Housing Element and Fair Share Plan.
- (2) Moreover, this article shall apply to all developments that contain low-and moderate-income housing units, including any currently unanticipated future developments that will provide low-and moderate-income housing units.
- (3) Any property in the Borough of Raritan that is currently zoned for nonresidential uses and subsequently receives a zoning change or use variance or approval of a redevelopment plan to permit residential development, or that is currently zoned for residential uses and receives a zoning change or density variance or approval of a redevelopment plan to permit higher density residential development, provided such density is at least twice the density previously permitted, shall provide an affordable housing set-aside of 15% if the affordable units will be for rent and 20% if the affordable units will be for sale. No property shall be subdivided so as to avoid compliance with this requirement. Moreover, this provision governs municipal actions and shall not entitle any property owner or developer to such action by the Borough. All affordable units created pursuant to this subsection shall be governed by the provisions of this article.

D. Alternative living arrangements.

- (1) The administration of an alternative living arrangement shall be in compliance with N.J.A.C. 5:93-5.8 and UHAC, with the following exceptions:
 - (a) Affirmative marketing (N.J.A.C. 5:80-26.15); provided, however, that the units or bedrooms may be affirmatively marketed by the provider in accordance with an alternative plan approved by the Court;
 - (b) Affordability average and bedroom distribution (N.J.A.C. 5:80-26.3).
- (2) With the exception of units established with capital funding through a twenty-year operating contract with the Department of Human Services, Division of Developmental Disabilities, alternative living arrangements shall have at least thirty-year controls on affordability in accordance with UHAC, unless an alternative commitment is approved by the Court.
- (3) The service provider for the alternative living arrangement shall act as the Administrative Agent for the purposes of administering the affirmative marketing and affordability requirements for the alternative living arrangement.

E. Phasing schedule for inclusionary zoning.

- (1) In inclusionary developments the following schedule shall be followed:

Maximum Percentage of Market-Rate Units Completed	Minimum Percentage of Low- and Moderate-Income Units Completed
25	0
25 + 1	10
50	50
75	75
90	100

F. New construction.

(1) Low/moderate split and bedroom distribution of affordable housing units:

- (a) The fair share obligation shall be divided equally between low- and moderate-income units, except that where there is an odd number of affordable housing units, the extra unit shall be a low-income unit. At least 13% of all restricted rental units shall be very-low-income units (affordable to a household earning 30% or less of regional median income by household size). The very-low-income units shall be counted as part of the required number of low-income units within the development.
- (b) In each affordable development, at least 50% of the restricted units within each bedroom distribution shall be very-low- or low-income units.
- (c) Affordable developments that are not age-restricted shall be structured in conjunction with realistic market demands such that:
 - [1] The combined number of efficiency and one-bedroom units shall be no greater than 20% of the total low- and moderate-income units;
 - [2] At least 30% of all low- and moderate-income units shall be two-bedroom units;
 - [3] At least 20% of all low- and moderate-income units shall be three-bedroom units; and
 - [4] The remaining units may be allocated among two and three bedroom units at the discretion of the developer.
- (d) Affordable developments that are age-restricted shall be structured such that the number of bedrooms shall equal the number of age-restricted low- and moderate-income units within the inclusionary development. This standard may be met by having all one-bedroom units or by having a two-bedroom unit for each efficiency unit.

(2) Accessibility requirements:

- (a) The first floor of all restricted townhouse dwelling units and all restricted units in all other multistory buildings shall be subject to the technical design standards of the Barrier Free SubCode, N.J.A.C. 5:23-7 and the following:
- (b) All restricted townhouse dwelling units and all restricted units in other multistory buildings in which a restricted dwelling unit is attached to at least one other dwelling unit shall have the following features:
 - [1] An adaptable toilet and bathing facility on the first floor; and
 - [2] An adaptable kitchen on the first floor; and
 - [3] An interior accessible route of travel on the first floor; and
 - [4] An adaptable room that can be used as a bedroom, with a door or the casing for the installation of a door, on the first floor; and
 - [5] If not all of the foregoing requirements in Subsection **F(2)(b)[1]** through **[4]** can be satisfied, then an interior accessible route of travel must be provided between stories within an individual unit, but if all of the terms of Subsection **F(2)(b)[1]** through **[4]** above have been satisfied, then an interior accessible route of travel shall not be required between stories within an individual unit; and
 - [6] An accessible entranceway as set forth at P.L. 2005, c. 350 (N.J.S.A. 52:27D-311a, et seq.) and the Barrier Free SubCode, N.J.A.C. 5:23-7, or evidence that Raritan has collected funds from the developer sufficient to make 10% of the adaptable entrances in the development accessible:

- [a] Where a unit has been constructed with an adaptable entrance, upon the request of a disabled person who is purchasing or will reside in the dwelling unit, an accessible entrance shall be installed.
- [b] To this end, the builder of restricted units shall deposit funds within the Borough of Raritan's Affordable Housing Trust Fund sufficient to install accessible entrances in 10% of the affordable units that have been constructed with adaptable entrances.
- [c] The funds deposited under Subsection **F(2)(b)[6][b]** above shall be used by the Borough of Raritan for the sole purpose of making the adaptable entrance of an affordable unit accessible when requested to do so by a person with a disability who occupies or intends to occupy the unit and requires an accessible entrance.
- [d] The developer of the restricted units shall submit a design plan and cost estimate to the Construction Official of the Borough of Raritan for the conversion of adaptable to accessible entrances.
- [e] Once the Construction Official has determined that the design plan to convert the unit entrances from adaptable to accessible meet the requirements of the Barrier Free SubCode, N.J.A.C. 5:23-7, and that the cost estimate of such conversion is reasonable, payment shall be made to the Borough's Affordable Housing Trust Fund in care of the Borough Treasurer who shall ensure that the funds are deposited into the Affordable Housing Trust Fund and appropriately earmarked.

[7] Full compliance with the foregoing provisions shall not be required where an entity can demonstrate that it is "site impracticable" to meet the requirements. Determinations of site impracticability shall be in compliance with the Barrier Free SubCode, N.J.A.C. 5:23-7.

(3) Design:

- (a) In inclusionary developments, to the extent possible, low- and moderate-income units shall be integrated with the market units.
- (b) In inclusionary developments, low- and moderate-income units shall have access to all of the same common elements and facilities as the market units.

(4) Maximum rents and sales prices:

- (a) In establishing rents and sales prices of affordable housing units, the Administrative Agent shall follow the procedures set forth in UHAC, utilizing the most recently published regional weighted average of the uncapped Section 8 income limits published by HUD and the calculation procedures set forth in the consent order entered on December 16, 2016, by the Honorable Douglas K. Wolfson, JSC, in "In the Matter of the Borough of East Brunswick for a Judgment of Compliance of its Third Round Housing Element and Fair Share Plan," Docket No.: MID-L-004013-15.
- (b) The maximum rent for restricted rental units within each affordable development shall be affordable to households earning no more than 60% of median income, and the average rent for restricted rental units shall be affordable to households earning no more than 52% of median income.
- (c) The developers and/or municipal sponsors of restricted rental units shall establish at least one rent for each bedroom type for both low-income and moderate-income units, provided that at least 13% of all low- and moderate-income rental units shall be affordable to very-low-income households, which very-low-income units shall be part of the low-income requirement.
- (d) The maximum sales price of restricted ownership units within each affordable development shall be affordable to households earning no more than 70% of median

income, and each affordable development must achieve an affordability average of 55% for restricted ownership units; in achieving this affordability average, moderate-income ownership units must be available for at least three different sales prices for each bedroom type, and low-income ownership units must be available for at least two different sales prices for each bedroom type.

- (e) In determining the initial sales prices and rent levels for compliance with the affordability average requirements for restricted units other than assisted living facilities and age-restricted developments, the following standards shall be used:
 - [1] A studio shall be affordable to a one-person household;
 - [2] A one-bedroom unit shall be affordable to a one-and-one-half-person household;
 - [3] A two-bedroom unit shall be affordable to a three-person household;
 - [4] A three-bedroom unit shall be affordable to a four-and-one-half-person household; and
 - [5] A four-bedroom unit shall be affordable to a six-person household.
- (f) In determining the initial sales prices and rents for compliance with the affordability average requirements for restricted units in assisted living facilities and age-restricted developments, the following standards shall be used:
 - [1] A studio shall be affordable to a one-person household;
 - [2] A one-bedroom unit shall be affordable to a one-and-one-half-person household; and
 - [3] A two-bedroom unit shall be affordable to a two-person household or to two one-person households.
- (g) The initial purchase price for all restricted ownership units shall be calculated so that the monthly carrying cost of the unit, including principal and interest (based on a mortgage loan equal to 95% of the purchase price and the Federal Reserve H.15 rate of interest), taxes, homeowner and private mortgage insurance and condominium or homeowner association fees do not exceed 28% of the eligible monthly income of the appropriate size household as determined under N.J.A.C. 5:80-26.4, as may be amended and supplemented; provided, however, that the price shall be subject to the affordability average requirement of N.J.A.C. 5:80-26.3, as may be amended and supplemented.
- (h) The initial rent for a restricted rental unit shall be calculated so as not to exceed 30% of the eligible monthly income of the appropriate size household, including an allowance for tenant-paid utilities, as determined under N.J.A.C. 5:80-26.4, as may be amended and supplemented; provided, however, that the rent shall be subject to the affordability average requirement of N.J.A.C. 5:80-26.3, as may be amended and supplemented.
- (i) The price of owner-occupied low- and moderate-income units may increase annually based on the percentage increase in the regional median income limit for each housing region. In no event shall the maximum resale price established by the Administrative Agent be lower than the last recorded purchase price.
- (j) The rents of very-low-, low- and moderate-income units may be increased annually based on the permitted percentage increase in the Housing Consumer Price Index for the Northeast Urban Area. This increase shall not exceed 9% in any one year. Rent increases for units constructed pursuant to low-income housing tax credit regulations shall be indexed pursuant to the regulations governing low-income housing tax credits.

G. Utilities.

- (1) Affordable units shall utilize the same type of heating source as market units within an inclusionary development.

- (2) Tenant-paid utilities included in the utility allowance shall be set forth in the lease and shall be consistent with the utility allowance approved by HUD for the Section 8 program.
- H. Occupancy standards. In referring certified households to specific restricted units, the Administrative Agent shall, to the extent feasible and without causing an undue delay in the occupancy of a unit, strive to:
- (1) Provide an occupant for each bedroom;
 - (2) Provide children of different sexes with separate bedrooms;
 - (3) Provide separate bedrooms for parents and children; and
 - (4) Prevent more than two persons from occupying a single bedroom.
- I. Control periods for restricted ownership units and enforcement mechanisms.
- (1) Control periods for restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.5, as may be amended and supplemented, and each restricted ownership unit shall remain subject to the requirements of this article for a period of at least 30 years, until Raritan takes action to release the unit from such requirements; prior to such action, a restricted ownership unit must remain subject to the requirements of N.J.A.C. 5:80-26.1, as may be amended and supplemented.
 - (2) The affordability control period for a restricted ownership unit shall commence on the date the initial certified household takes title to the unit.
 - (3) Prior to the issuance of the initial certificate of occupancy for a restricted ownership unit and upon each successive sale during the period of restricted ownership, the Administrative Agent shall determine the restricted price for the unit and shall also determine the nonrestricted, fair market value of the unit based on either an appraisal or the unit's equalized assessed value without the restrictions in place.
 - (4) At the time of the initial sale of the unit, the initial purchaser shall execute and deliver to the Administrative Agent a recapture note obligating the purchaser (as well as the purchaser's heirs, successors and assigns) to repay, upon the first nonexempt sale after the unit's release from the restrictions set forth in this article, an amount equal to the difference between the unit's nonrestricted fair market value and its restricted price, and the recapture note shall be secured by a recapture lien evidenced by a duly recorded mortgage on the unit.
 - (5) The affordability controls set forth in this article shall remain in effect despite the entry and enforcement of any judgment of foreclosure with respect to restricted ownership units.
 - (6) A restricted ownership unit shall be required to obtain a continuing certificate of occupancy or a certified statement from the Construction Official stating that the unit meets all Code standards upon the first transfer of title following the removal of the restrictions provided under N.J.A.C. 5:80-26.5(a), as may be amended and supplemented.
- J. Price restrictions for restricted ownership units, homeowner association fees and resale prices. Price restrictions for restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.1, as may be amended and supplemented, including:
- (1) The initial purchase price for a restricted ownership unit shall be approved by the Administrative Agent.
 - (2) The Administrative Agent shall approve all resale prices, in writing and in advance of the resale, to assure compliance with the foregoing standards.
 - (3) The master deeds of inclusionary developments shall provide no distinction between the condominium or homeowner association fees and special assessments paid by low- and moderate-income purchasers and those paid by market purchasers.

- (4) The owners of restricted ownership units may apply to the Administrative Agent to increase the maximum sales price for the unit on the basis of anticipated capital improvements. Eligible capital improvements shall be those that render the unit suitable for a larger household or the addition of a bathroom. See Subsection **M**.

K. Buyer income eligibility.

- (1) Buyer income eligibility for restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.1, as may be amended and supplemented, such that low-income ownership units shall be reserved for households with a gross household income less than or equal to 50% of median income and moderate-income ownership units shall be reserved for households with a gross household income less than 80% of median income.
- (2) Notwithstanding the foregoing, the Administrative Agent may, upon approval by the Borough Council, and subject to the Court's approval, permit a moderate-income purchaser to buy a low-income unit if and only if the Administrative Agent can demonstrate that there is an insufficient number of eligible low-income purchasers in the housing region to permit prompt occupancy of the unit and all other reasonable efforts to attract a low-income purchaser, including pricing and financing incentives, have failed. Any such low-income unit that is sold to a moderate-income household shall retain the required pricing and pricing restrictions for a low-income unit.
- (3) A certified household that purchases a restricted ownership unit must occupy it as the certified household's principal residence and shall not lease the unit; provided, however, that the Administrative Agent may permit the owner of a restricted ownership unit, upon application and a showing of hardship, to lease the restricted unit to another certified household for a period not to exceed one year.
- (4) The Administrative Agent shall certify a household as eligible for a restricted ownership unit when the household is a low-income household or a moderate-income household, as applicable to the unit, and the estimated monthly housing cost for the particular unit (including principal, interest, taxes, homeowner and private mortgage insurance and condominium or homeowner association fees, as applicable) does not exceed 33% of the household's eligible monthly income.

L. Limitations on indebtedness secured by ownership unit; subordination.

- (1) Prior to incurring any indebtedness to be secured by a restricted ownership unit, the owner shall apply to the Administrative Agent for a determination in writing that the proposed indebtedness complies with the provisions of this subsection, and the Administrative Agent shall issue such determination prior to the owner incurring such indebtedness.
- (2) With the exception of first purchase money mortgages, neither an owner nor a lender shall at any time cause or permit the total indebtedness secured by a restricted ownership unit to exceed 95% of the maximum allowable resale price of the unit, as such price is determined by the Administrative Agent in accordance with N.J.A.C.5:80-26.6(b).

M. Capital improvements to ownership units.

- (1) The owners of restricted ownership units may apply to the Administrative Agent to increase the maximum sales price for the unit on the basis of capital improvements made since the purchase of the unit. Eligible capital improvements shall be those that render the unit suitable for a larger household or that add an additional bathroom. In no event shall the maximum sales price of an improved housing unit exceed the limits of affordability for the larger household.
- (2) Upon the resale of a restricted ownership unit, all items of property that are permanently affixed to the unit or were included when the unit was initially restricted (for example, refrigerator, range, washer, dryer, dishwasher, wall-to-wall carpeting) shall be included in the maximum allowable resale price. Other items may be sold to the purchaser at a reasonable price that has been approved by the Administrative Agent at the time of the signing of the agreement to

purchase. The purchase of central air conditioning installed subsequent to the initial sale of the unit and not included in the base price may be made a condition of the unit resale provided the price, which shall be subject to ten-year, straight-line depreciation, has been approved by the Administrative Agent. Unless otherwise approved by the Administrative Agent, the purchase of any property other than central air conditioning shall not be made a condition of the unit resale. The owner and the purchaser must personally certify at the time of closing that no unapproved transfer of funds for the purpose of selling and receiving property has taken place at the time of or as a condition of resale.

N. Control periods for restricted rental units.

- (1) Control periods for restricted rental units shall be in accordance with N.J.A.C. 5:80-26.11, as may be amended and supplemented, and each restricted rental unit shall remain subject to the requirements of this article for a period of at least 30 years, until Raritan takes action to release the unit from such requirements. Prior to such action, a restricted rental unit must remain subject to the requirements of N.J.A.C. 5:80-26.1, as may be amended and supplemented.
- (2) Deeds of all real property that include restricted rental units shall contain deed restriction language. The deed restriction shall have priority over all mortgages on the property, and the deed restriction shall be filed by the developer or seller with the records office of the County of Somerset. A copy of the filed document shall be provided to the Administrative Agent within 30 days of the receipt of a certificate of occupancy.
- (3) A restricted rental unit shall remain subject to the affordability controls of this article despite the occurrence of any of the following events:
 - (a) Sublease or assignment of the lease of the unit;
 - (b) Sale or other voluntary transfer of the ownership of the unit; or
 - (c) The entry and enforcement of any judgment of foreclosure on the property containing the unit.

O. Rent restrictions for rental units; leases.

- (1) A written lease shall be required for all restricted rental units and tenants shall be responsible for security deposits and the full amount of the rent as stated on the lease. A copy of the current lease for each restricted rental unit shall be provided to the Administrative Agent.
- (2) No additional fees or charges shall be added to the approved rent (except, in the case of units in an assisted living residence, to cover the customary charges for food and services) without the express written approval of the Administrative Agent.
- (3) Application fees (including the charge for any credit check) shall not exceed 5% of the monthly rent of the applicable restricted unit and shall be payable to the Administrative Agent to be applied to the costs of administering the controls applicable to the unit as set forth in this article.
- (4) No rent control ordinance or other pricing restriction shall be applicable to either the market units or the affordable units in any development in which at least 15% of the total number of dwelling units are restricted rental units in compliance with this article.

P. Tenant income eligibility.

- (1) Tenant income eligibility shall be in accordance with N.J.A.C. 5:80-26.13, as may be amended and supplemented, and shall be determined as follows:
 - (a) Very-low-income rental units shall be reserved for households with a gross household income less than or equal to 30% of the regional median household income by household size.

- (b) Low-income rental units shall be reserved for households with a gross household income less than or equal to 50% of the regional median household income by household size.
 - (c) Moderate-income rental units shall be reserved for households with a gross household income less than 80% of the regional median household income by household size.
- (2) The Administrative Agent shall certify a household as eligible for a restricted rental unit when the household is a very-low-income household, low-income household or a moderate-income household, as applicable to the unit, and the rent proposed for the unit does not exceed 35% (40% for age-restricted units) of the household's eligible monthly income as determined pursuant to N.J.A.C. 5:80-26.16, as may be amended and supplemented; provided, however, that this limit may be exceeded if one or more of the following circumstances exists:
- (a) The household currently pays more than 35% (40% for households eligible for age-restricted units) of its gross household income for rent, and the proposed rent will reduce its housing costs;
 - (b) The household has consistently paid more than 35% (40% for households eligible for age-restricted units) of eligible monthly income for rent in the past and has proven its ability to pay;
 - (c) The household is currently in substandard or overcrowded living conditions;
 - (d) The household documents the existence of assets with which the household proposes to supplement the rent payments; or
 - (e) The household documents reliable anticipated third-party assistance from an outside source such as a family member in a form acceptable to the Administrative Agent and the owner of the unit.
- (3) The applicant shall file documentation sufficient to establish the existence of the circumstances in Subsection **P(1)** through **(2)(e)** above with the Administrative Agent, who shall counsel the household on budgeting.

Q. Municipal Housing Liaison.

- (1) The Borough of Raritan shall appoint a specific municipal employee to serve as a Municipal Housing Liaison responsible for overseeing the Borough's affordable housing program, including overseeing the administration of affordability controls on the affordable units and the affirmative marketing of available affordable units in accordance with the Borough's Affirmative Marketing Plan; fulfilling monitoring and reporting requirements; and supervising Administrative Agent(s). Raritan shall adopt an ordinance creating the position of Municipal Housing Liaison and a resolution appointing the person to fulfill the position of Municipal Housing Liaison. The Municipal Housing Liaison shall be appointed by the governing body and may be a full or part time municipal employee. The Municipal Housing Liaison shall be approved by the Court and shall be duly qualified through a training program sponsored by Affordable Housing Professionals of New Jersey before assuming the duties of Municipal Housing Liaison.
- (2) The Municipal Housing Liaison shall be responsible for oversight and administration of the affordable housing program for Raritan, including the following responsibilities which may not be contracted out to the Administrative Agent:
- (a) Serving as Raritan's primary point of contact for all inquiries from the state, affordable housing providers, Administrative Agents and interested households;
 - (b) Monitoring the status of all restricted units in Raritan's Fair Share Plan;
 - (c) Compiling, verifying, submitting and posting all monitoring reports as required by the Court and by this article;
 - (d) Coordinating meetings with affordable housing providers and Administrative Agents, as needed; and

- (e) Attending continuing education opportunities on affordability controls, compliance monitoring and affirmative marketing at least annually and more often as needed.
 - (3) Subject to the approval of the Court, the Borough of Raritan shall designate one or more Administrative Agent(s) to administer and to affirmatively market the affordable units constructed in the Borough in accordance with UHAC and this article. An operating manual for each affordable housing program shall be provided by the Administrative Agent(s) to be adopted by resolution of the governing body and subject to approval of the Court. The operating manual(s) shall be available for public inspection in the office of the Borough Clerk, in the office of the Municipal Housing Liaison, and in the office(s) of the Administrative Agent(s). The Municipal Housing Liaison shall supervise the work of the Administrative Agent(s).
- R. Administrative Agent(s). An Administrative Agent shall be an independent entity serving under contract to and reporting to the municipality. The fees of the Administrative Agent shall be paid by the owners of the affordable units for which the services of the Administrative Agent are required. The Administrative Agent shall perform the duties and responsibilities of an Administrative Agent as set forth in UHAC, including those set forth in Sections 5:80-26.14, 16 and 18 thereof, which includes:
- (1) Affirmative marketing:
 - (a) Conducting an outreach process to affirmatively market affordable housing units in accordance with the Affirmative Marketing Plan of the Borough of Raritan and the provisions of N.J.A.C. 5:80-26.15; and
 - (b) Providing counseling or contracting to provide counseling services to low-and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements, and landlord/tenant law.
 - (2) Household certification:
 - (a) Soliciting, scheduling, conducting and following up on interviews with interested households;
 - (b) Conducting interviews and obtaining sufficient documentation of gross income and assets upon which to base a determination of income eligibility for a low- or moderate-income unit;
 - (c) Providing written notification to each applicant as to the determination of eligibility or noneligibility;
 - (d) Requiring that all certified applicants for restricted units execute a certificate substantially in the form, as applicable, of either the ownership or rental certificates set forth in Appendices J and K of N.J.A.C. 5:80-26.1 et seq.;
 - (e) Creating and maintaining a referral list of eligible applicant households living in the housing region and eligible applicant households with members working in the housing region where the units are located;
 - (f) Employing a random selection process as provided in the Affirmative Marketing Plan of the Borough of Raritan when referring households for certification to affordable units; and
 - (g) Notifying the following entities of the availability of affordable housing units in the Borough of Raritan: Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, NORWESCAP, the Supportive Housing Association, and the Central Jersey Housing Resource Center.
 - (3) Affordability controls:
 - (a) Furnishing to attorneys or closing agents forms of deed restrictions and mortgages for recording at the time of conveyance of title of each restricted unit;

- (b) Creating and maintaining a file on each restricted unit for its control period, including the recorded deed with restrictions, recorded mortgage and note, as appropriate;
 - (c) Ensuring that the removal of the deed restrictions and cancellation of the mortgage note are effectuated and properly filed with the Somerset County Register of Deeds or Somerset County Clerk's office after the termination of the affordability controls for each restricted unit;
 - (d) Communicating with lenders regarding foreclosures; and
 - (e) Ensuring the issuance of continuing certificates of occupancy or certifications pursuant to N.J.A.C. 5:80-26.10.
- (4) Resales and rentals:
- (a) Instituting and maintaining an effective means of communicating information between owners and the Administrative Agent regarding the availability of restricted units for resale or rental; and
 - (b) Instituting and maintaining an effective means of communicating information to low- (or very-low-) and moderate-income households regarding the availability of restricted units for resale or rental.
- (5) Processing requests from unit owners:
- (a) Reviewing and approving requests for determination from owners of restricted units who wish to take out home equity loans or refinance during the term of their ownership that the amount of indebtedness to be incurred will not violate the terms of this article;
 - (b) Reviewing and approving requests to increase sales prices from owners of restricted units who wish to make capital improvements to the units that would affect the selling price, such authorizations to be limited to those improvements resulting in additional bedrooms or bathrooms and the depreciated cost of central air conditioning systems;
 - (c) Notifying the municipality of an owner's intent to sell a restricted unit; and
 - (d) Making determinations on requests by owners of restricted units for hardship waivers.
- (6) Enforcement:
- (a) Securing annually from the municipality a list of all affordable housing units for which tax bills are mailed to absentee owners, and notifying all such owners that they must either move back to their unit or sell it;
 - (b) Securing from all developers and sponsors of restricted units, at the earliest point of contact in the processing of the project or development, written acknowledgement of the requirement that no restricted unit can be offered, or in any other way committed, to any person, other than a household duly certified to the unit by the Administrative Agent;
 - (c) Posting annually, in all rental properties (including two-family homes), a notice as to the maximum permitted rent together with the telephone number of the Administrative Agent where complaints of excess rent or other charges can be made;
 - (d) Sending annual mailings to all owners of affordable dwelling units, reminding them of the notices and requirements outlined in N.J.A.C. 5:80-26.18(d)4;
 - (e) Establishing a program for diverting unlawful rent payments to the municipality's Affordable Housing Trust Fund; and
 - (f) Creating and publishing a written operating manual for each affordable housing program administered by the Administrative Agent, to be approved by the Borough Council and the Court, setting forth procedures for administering the affordability controls.

(7) Additional responsibilities:

- (a) The Administrative Agent shall have the authority to take all actions necessary and appropriate to carry out its responsibilities hereunder.
- (b) The Administrative Agent shall prepare monitoring reports for submission to the Municipal Housing Liaison in time to meet the Court-approved monitoring and reporting requirements in accordance with the deadlines set forth in this article.
- (c) The Administrative Agent shall attend continuing education sessions on affordability controls, compliance monitoring, and affirmative marketing at least annually and more often as needed.

S. Affirmative marketing requirements.

- (1) The Borough of Raritan shall adopt by resolution an Affirmative Marketing Plan, subject to approval of the Court, that is compliant with N.J.A.C. 5:80-26.15, as may be amended and supplemented.
- (2) The Affirmative Marketing Plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to housing units which are being marketed by a developer, sponsor or owner of affordable housing. The Affirmative Marketing Plan is intended to target those potentially eligible persons who are least likely to apply for affordable units in that region. It is a continuing program that directs marketing activities toward Housing Region 3 and is required to be followed throughout the period of restriction.
- (3) The Affirmative Marketing Plan shall provide a regional preference for all households that live and/or work in Housing Region 3, comprised of Hunterdon, Middlesex and Somerset Counties.
- (4) The municipality has the ultimate responsibility for adopting the Affirmative Marketing Plan and for the proper administration of the Affirmative Marketing Program, including initial sales and rentals and resales and re-rentals. The Administrative Agent designated by the Borough of Raritan shall implement the Affirmative Marketing Plan to assure the affirmative marketing of all affordable units.
- (5) In implementing the Affirmative Marketing Plan, the Administrative Agent shall provide a list of counseling services to low- and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements, and landlord/tenant law.
- (6) The Affirmative Marketing Plan shall describe the media to be used in advertising and publicizing the availability of housing. In implementing the Affirmative Marketing Plan, the Administrative Agent shall consider the use of language translations where appropriate.
- (7) The affirmative marketing process for available affordable units shall begin at least four months (120 days) prior to the expected date of occupancy.
- (8) Applications for affordable housing shall be available in several locations, including, at a minimum, the County Administration Building and/or the County Library for each county within the housing region; the municipal administration building and the municipal library in the municipality in which the units are located; and the developer's rental office. Applications shall be mailed to prospective applicants upon request.
- (9) In addition to other affirmative marketing strategies, the Administrative Agent shall provide specific notice of the availability of affordable housing units in Raritan, and copies of the application forms, to the following entities: Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, NORWESCAP, the Supportive Housing Association, and the Central Jersey Housing Resource Center.

(10) The costs of advertising and affirmative marketing of the affordable units shall be the responsibility of the developer, sponsor or owner.

T. Enforcement of affordable housing regulations.

(1) Upon the occurrence of a breach of any of the regulations governing an affordable unit by an owner, developer or tenant, the municipality shall have all remedies provided at law or equity, including but not limited to foreclosure, tenant eviction, a requirement for household recertification, acceleration of all sums due under a mortgage, recuperation of any funds from a sale in violation of the regulations, injunctive relief to prevent further violation of the regulations, entry on the premises, and specific performance.

(2) After providing written notice of a violation to an owner, developer or tenant of a low- or moderate-income unit and advising the owner, developer or tenant of the penalties for such violations, the municipality may take the following action(s) against the owner, developer or tenant for any violation that remains uncured for a period of 60 days after service of the written notice:

(a) The municipality may file a court action pursuant to N.J.S.A. 2A:58-11 alleging a violation or violations of the regulations governing the affordable housing unit. If the owner, developer or tenant is adjudged by the Court to have violated any provision of the regulations governing affordable housing units the owner, developer or tenant shall be subject to one or more of the following penalties, at the discretion of the Court:

[1] A fine of not more than \$500 per day or imprisonment for a period not to exceed 90 days, or both, provided that each and every day that the violation continues or exists shall be considered a separate and specific violation of these provisions and not a continuation of the initial offense;

[2] In the case of an owner who has rented a low- or moderate-income unit in violation of the regulations governing affordable housing units, payment into the Borough of Raritan Affordable Housing Trust Fund of the gross amount of rent illegally collected;

[3] In the case of an owner who has rented a low- or moderate-income unit in violation of the regulations governing affordable housing units, payment of an innocent tenant's reasonable relocation costs, as determined by the Court.

(b) The municipality may file a court action in the Superior Court seeking a judgment that would result in the termination of the owner's equity or other interest in the unit, in the nature of a mortgage foreclosure. Any such judgment shall be enforceable as if the same were a judgment of default of the first purchase money mortgage and shall constitute a lien against the low- or moderate-income unit.

[1] The judgment shall be enforceable, at the option of the municipality, by means of an execution sale by the Sheriff, at which time the low- and moderate-income unit of the violating owner shall be sold at a sale price which is not less than the amount necessary to fully satisfy and pay off any first purchase money mortgage and prior liens and the costs of the enforcement proceedings incurred by the municipality, including attorney's fees. The violating owner shall have his right to possession terminated as well as his title conveyed pursuant to the Sheriff's sale.

[2] The proceeds of the Sheriff's sale shall first be applied to satisfy the first purchase money mortgage lien and any prior liens upon the low- and moderate-income unit. The excess, if any, shall be applied to reimburse the municipality for any and all costs and expenses incurred in connection with either the court action resulting in the judgment of violation or the Sheriff's sale. In the event that the proceeds from the Sheriff's sale are insufficient to reimburse the municipality in full as aforesaid, the violating owner shall be personally responsible for the full extent of such deficiency, in addition to any and all costs incurred by the municipality in connection with collecting such deficiency. In the event that a surplus remains after satisfying all of the above,

such surplus, if any, shall be placed in escrow by the municipality for the owner and shall be held in such escrow for a maximum period of two years or until such earlier time as the owner shall make a claim with the municipality for such. Failure of the owner to claim such balance within the two-year period shall automatically result in a forfeiture of such balance to the municipality. Any interest accrued or earned on such balance while being held in escrow shall belong to and shall be paid to the municipality, whether such balance shall be paid to the owner or forfeited to the municipality.

- [3] Foreclosure by the municipality due to violation of the regulations governing affordable housing units shall not extinguish the restrictions of the regulations governing affordable housing units as the same apply to the low- and moderate-income unit. Title shall be conveyed to the purchaser at the Sheriff's sale, subject to the restrictions and provisions of the regulations governing the affordable housing unit. The owner determined to be in violation of the provisions of this plan and from whom title and possession were taken by means of the Sheriff's sale shall not be entitled to any right of redemption.
- [4] If there are no bidders at the Sheriff's sale, or if insufficient amounts are bid to satisfy the first purchase money mortgage and any prior liens, the municipality may acquire title to the low- and moderate-income unit by satisfying the first purchase money mortgage and any prior liens and crediting the violating owner with an amount equal to the difference between the first purchase money mortgage and any prior liens and costs of the enforcement proceedings, including legal fees and the maximum resale price for which the low- and moderate-income unit could have been sold under the terms of the regulations governing affordable housing units. This excess shall be treated in the same manner as the excess which would have been realized from an actual sale as previously described.
- [5] Failure of the low- and moderate-income unit to be either sold at the Sheriff's sale or acquired by the municipality shall obligate the owner to accept an offer to purchase from any qualified purchaser which may be referred to the owner by the municipality, with such offer to purchase being equal to the maximum resale price of the low- and moderate-income unit as permitted by the regulations governing affordable housing units.
- [6] The owner shall remain fully obligated, responsible and liable for complying with the terms and restrictions of governing affordable housing units until such time as title is conveyed from the owner.

U. Appeals. Appeals from all decisions of an Administrative Agent appointed pursuant to this article shall be filed in writing with the Court.

Chapter 207. Land Use and Development

Part 6. Zoning

Article XVIIA. Administration of Affordable Housing

§ 207-149.1. Purpose.

The purpose of this article is to create the administrative mechanisms needed for the execution of the Borough's responsibility to assist in the provision of affordable housing pursuant to the Fair Housing Act of 1985, N.J.S.A. 52:27D-301 et seq.

§ 207-149.2. Definitions.

As used in this article, the following terms shall have the meanings indicated:

ADMINISTRATIVE AGENT

The person or entity responsible for administering the affordability controls of some or all rental units in the affordable housing program for the Borough.

DCA

The Department of Community Affairs which is the state administrative agency succeeding the Council on Affordable Housing or any successor agency responsible for the administration of affordable housing under the Fair Housing Act of 1985.

DEVELOPER

A developer of affordable housing either for sale or rent.

MUNICIPAL HOUSING LIAISON

The employee charged by the Borough Council with the responsibility for oversight and administration of the affordable housing program for the Borough.

§ 207-149.3. Establishment of Municipal Housing Liaison position; compensation; powers and duties.

- A. There is hereby established the position of Municipal Housing Liaison for the Borough of Raritan.
- B. The Municipal Housing Liaison shall be appointed by the Borough Council, subject to the approval of DCA.
- C. The Municipal Housing Liaison shall be a Borough employee and may be full- or part-time.
- D. The Municipal Housing Liaison shall be responsible for the oversight and administration of the affordable housing program for the Borough, including the following responsibilities:

- (1) Serving as the Borough's primary point of contact for all inquiries from the state, affordable housing providers, administrative agents, and interested households;
 - (2) Monitoring the status of all restricted units in the Borough's Fair Share Plan;
 - (3) Compiling, verifying, and submitting annual reports as required by DCA;
 - (4) Coordinating meetings with affordable housing providers and administrative agents, as applicable;
 - (5) Attending continuing education opportunities on affordability controls, compliance monitoring, and affirmative marketing as offered or approved by DCA;
- E. The Municipal Housing Liaison may act as the administrative agent for some or all of the affordable units in the Borough as described in this article.
- F. Each administrative agent shall be under the supervision of the Municipal Housing Liaison.
- G. Compensation shall be fixed by the Borough Council from time to time.

§ 207-149.4. Duties of developers.

- A. Rental units. Every developer of affordable rental housing in the Borough shall provide for an administrative agent to exercise the powers and perform the duties assigned to such administrative agents in this article.
- B. For-sale units. Every developer of affordable housing for sale in the Borough shall provide for an administrative agent to exercise the powers and perform the duties assigned to such administrative agents in this article until the sales of the developer's units are completed.

§ 207-149.5. Administrative powers and duties assigned to administrative agents; compensation.

- A. Affirmative marketing. administrative agents shall:
- (1) Conduct an outreach process to ensure affirmative marketing of affordable housing units in accordance with the Affirmative Marketing Plan of the Borough as part of this chapter and DCA regulations; and
 - (2) Provide counseling or contract to provide counseling services to low- and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements, and landlord/tenant law.
- B. Household certification. Administrative agents shall:
- (1) Solicit, schedule, conduct and follow up on interviews with interested households;
 - (2) Conduct interviews and obtain sufficient documentation of gross income and assets upon which to base a determination of income eligibility for the specific type of affordable unit;
 - (3) Provide written notification to each applicant as to the determination of eligibility or noneligibility;
 - (4) Require that all certified applicants for restricted units execute a certificate substantially in the form, as applicable, of either the ownership or rental certificates set forth in DCA regulations;
 - (5) Create and maintain a referral list of eligible applicant households living in the housing region and eligible applicant households with members working in the housing region where the units are located; and

- (6) Employ the random selection process as provided in the Affirmative Marketing Plan of the Borough as part of this chapter when referring households for certification to affordable units.

C. Affordability controls for for-sale units. Administrative agents shall:

- (1) Furnish to closing agents forms of deed restrictions and mortgages for recording at the time of conveyance of title of each restricted unit;
- (2) Create and maintain a file on each restricted unit for its control period, including the recorded deed with restrictions, recorded mortgage and note, as appropriate;
- (3) Ensure that the removal of the deed restrictions and cancellation of the mortgage are effectuated and properly filed with the appropriate county recording officer after the termination of the affordability controls for each restricted unit;
- (4) Communicate with lenders regarding foreclosures; and
- (5) Ensure compliance with DCA regulations requiring continuing certificates of occupancy.

D. Publicizing availability of affordable units. Administrative agents shall:

- (1) Institute and maintain an effective means of communicating information between owners and the administrative agent regarding the availability of restricted units for sale or rent; and
- (2) Institute and maintain an effective means of communicating information to households qualifying for affordable housing regarding the availability of affordable units for resale or rental.

E. Processing requests from unit owners. Administrative agents shall:

- (1) Review and approve requests from owners of restricted units who wish to take out home equity loans or refinance during the term of their ownership;
- (2) Review and approve requests to increase sales prices from owners of restricted units who wish to make capital improvements to the units that would affect the selling price; and
- (3) Process requests and make determinations on requests by owners of restricted units for hardship waivers.

F. Enforcement. Administrative agents shall:

- (1) Ensure, at least annually, that all affordable housing units are lawfully occupied;
- (2) Secure from all developers and sponsors of restricted units, at the earliest point of contact in the processing of the project or development, written acknowledgement of the requirement that no restricted unit can be offered, or in any other way committed, to any person, other than a household duly certified to the unit by the administrative agent;
- (3) Annually post a notice in all rental properties as to the maximum permitted rent together with the telephone number of the administrative agent where complaints of excess rent can be made;
- (4) Send annual mailings to all owners of affordable dwelling units, reminding them of the notices and requirements outlined in DCA regulations;
- (5) Establish a program for diverting unlawful rent payments to the municipality's Affordable Housing Trust Fund or other appropriate municipal fund approved by DCA;
- (6) Create and publish a written operating manual, as approved by DCA, setting forth procedures for administering such affordability controls; and
- (7) Provide annual reports to DCA as required.

G. Compensation.

(1) Administrative agents shall be compensated by the developer of affordable units.

Appendix 12

RESOLUTION _____
OF THE BOROUGH COUNCIL OF THE
BOROUGH OF RARITAN, COUNTY OF SOMERSET
STATE OF NEW JERSEY
ADOPTING THE ‘AFFIRMATIVE MARKETING PLAN’
FOR THE BOROUGH OF RARITAN

WHEREAS, in accordance with the New Jersey Uniform Housing Affordability Controls pursuant to N.J.A.C. 5:80-26-1, *et seq.*, the Borough of Raritan is required to adopt an Affirmative Marketing Plan to ensure that all affordable housing units created, including those created by the rehabilitation of rental housing units within the Borough are affirmatively marketed to low and moderate income households, particularly those living and/or working within Housing Region 3, the COAH Housing Region encompassing the Borough of Raritan.

NOW, THEREFORE, BE IT RESOLVED, that the Borough Council of the Borough of Raritan, County of Somerset, State of New Jersey, does hereby adopt the following Affirmative Marketing Plan:

Affirmative Marketing Plan

- A. All affordable housing units in the Borough of Raritan shall be marketed in accordance with the provisions herein.
- B. This Affirmative Marketing Plan shall apply to all developments that contain or will contain low and moderate income units, including those that are part of the Town’s prior round Fair Share Plan and its current Fair Share Plan and those that may be constructed in future developments not yet anticipated by the Fair Share Plan. This Affirmative Marketing Plan shall also apply to any rehabilitated rental units that are vacated and re-rented during the applicable period of controls for rehabilitated rental units.
- C. The Affirmative Marketing Plan shall be implemented by one or more Administrative Agent(s) designated by and/or under contract to the Borough of Raritan. All of the costs of advertising and affirmatively marketing affordable housing units shall be borne by the developers/sellers/owners of affordable unit(s), and all such advertising and affirmative marketing shall be subject to approval and oversight by the designated Administrative Agent.
- D. In implementing the Affirmative Marketing Plan, the Administrative Agent, acting on behalf of the Borough of Raritan, shall undertake, at the minimum, all of the following strategies:

1. Publication of an advertisement in one or more newspapers of general circulation within the housing region.
 2. Broadcasting of an advertisement by a radio or television station broadcasting throughout the housing region.
 3. At least one additional regional marketing strategy using one of the other sources listed below.
- E. The Affirmative Marketing Plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to housing units which are being marketed by a developer or sponsor of affordable housing. The Affirmative Marketing Plan is also intended to target those potentially eligible persons who are least likely to apply for affordable units in that region. It is a continuing program that directs all marketing activities toward the COAH Housing Region in which the municipality is located and covers the entire period of the deed restriction for each restricted housing unit. The Borough of Raritan is located in COAH Housing Region 3, consisting of Hunterdon, Somerset and Middlesex Counties.
- F. The Affirmative Marketing Plan is a continuing program intended to be followed throughout the entire period of restrictions and shall meet the following requirements:
1. All newspaper articles, announcements and requests for applications for very low, low and moderate income units shall appear in the *Hunterdon Democrat* and the *Courier News*.
 2. The primary marketing shall take the form of at least one press release and a paid display advertisement in the above newspapers once a week for four consecutive weeks. Additional advertising and publicity shall be on an "as needed" basis. The developer/owner shall disseminate all public service announcements and pay for display advertisements. The developer/owner shall provide proof of all publications to the Administrative Agent. All press releases and advertisements shall be approved in advance by the Administrative Agent.
 3. The advertisement shall include a description of the:
 - a. Location of the units;
 - b. Directions to the units;
 - c. Range of prices for the units;
 - d. Size, as measured in bedrooms, of units;

- e. Maximum income permitted to qualify for the units;
 - f. Location of applications;
 - g. Business hours when interested households may obtain an application; and
 - h. Application fees.
4. Newspaper articles, announcements and information on where to request applications for very low, low and moderate income housing shall appear at least once a week for four consecutive weeks in at least three locally oriented newspapers serving the housing region, one of which shall be circulated primarily in Somerset County and the other two of which shall be circulated primarily outside of Somerset County but within the housing region.
5. The following regional cable television stations or regional radio stations shall be used during the first month of advertising. The developer must provide satisfactory proof of public dissemination:
- a. WKXW (101.5 FM)
 - b. Comcast of Central New Jersey
 - c. Cablevision of Raritan Valley
- G. Applications, brochure(s), sign(s) and/or poster(s) used as part of the affirmative marketing program shall be available/posted in the following locations:
- 1. Raritan Borough Hall
 - 2. Raritan Borough Web Site
 - 3. Raritan Public Library
 - 4. Developer's Sales/Rental Offices
 - 5. Hunterdon County Administration Building
 - 6. Somerset County Administration Building
 - 7. Middlesex County Administration Building
 - 8. Hunterdon County Library (all branches).
 - 9. Somerset County Library (all branches)

10. Middlesex County Library (all branches)

Applications shall be mailed by the Administrative Agent and Municipal Housing Liaison to prospective applicants upon request. Also, applications shall be available at the developer's sales/rental office and multiple copies of application forms shall be mailed to Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, NORWESCAP, the Supportive Housing Association, and the Central Jersey Housing Resource Center for dissemination to their respective constituents.

H. The Administrative Agent shall develop, maintain and update a list of community contact person(s) and/or organizations(s) in Hunterdon, Somerset and Middlesex Counties that will aid in the affirmative marketing program with particular emphasis on contacts that will reach out to groups that are least likely to apply for housing within the region, including major regional employers identified in Attachment A, Part III, Marketing, Section 3d of COAH's *Affirmative Fair Housing Marketing Plan for Affordable Housing in Region 3* (attached to and hereby made part of this Resolution) as well as the following entities: Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, NORWESCAP, the Supportive Housing Association, and the Central Jersey Housing Resource Center.

1. Quarterly informational flyers and applications shall be sent to each of the following agencies for publication in their journals and for circulation among their members:

Hunterdon County Board of Realtors
Somerset County Board of Realtors
Middlesex County Board of Realtors

2. Quarterly informational circulars and applications shall be sent to the administrators of each of the following agencies within the counties of Hunterdon, Somerset and Middlesex:

Welfare or Social Service Board (via the Director)
Rental Assistance Office (local office of DCA)
Office on Aging
Housing Authority (municipal or county)
Community Action Agencies
Community Development Departments

3. Quarterly informational circulars and applications shall be sent to the chief personnel administrators of all of the major employers within the region, as listed on Attachment A, Part III, Marketing, Section 3d.

4. In addition, specific notification of the availability of affordable housing units in Raritan (along with copies of the application form) shall be provided to the following entities: Fair Share Housing Center, the New Jersey State Conference of

the NAACP, the Latino Action Network, NORWESCAP, the Supportive Housing Association, the New Jersey Housing Resource Center, Somerset County, the New Brunswick Branch of the NAACP, the Plainfield Branch of the NAACP, the Perth Amboy Branch of the NAACP, the Metuchen/Edison Branches of the NAACP and the Central Jersey Housing Resource Center. Any other entities, including developers or organizations or companies retained to undertake affirmative marketing for developers, shall comply with this requirement.

- I. The following is a listing of community contact person(s) and/or organizations in Hunterdon, Somerset and Middlesex Counties that will aid in the affirmative marketing program and provide guidance and counseling services to prospective occupants of very low, low and moderate income units:
 1. Central Jersey Housing Resource Center, 600 First Avenue, Suite 3, Raritan, NJ 08869
 2. Brunswick and Raritan Housing Corporation, 56 Throop Avenue, New Brunswick, NJ 08901
 3. Housing Coalition of Central Jersey (PRAB), 100 Bayard Street, New Brunswick, NJ 08901
 4. Northwest New Jersey Community Action Program, Inc. (NORWESCAP), 350 Marshall Street, Phillipsburg, NJ 08865
- J. A random selection method to select occupants of very low, low and moderate income housing will be used by the Administrative Agent, in conformance with N.J.A.C. 5:80-26.16 (l). The Affirmative Marketing Plan shall provide a regional preference for very low, low and moderate income households that live and/or work in COAH Housing Region 3, comprised of Hunterdon, Somerset and Middlesex Counties. Pursuant to the New Jersey Fair Housing Act (C.52:27D-311), a preference for very low, low and moderate income veterans duly qualified under N.J.A.C. 54:4-8.10 may also be exercised, provided an agreement to this effect has been executed between the developer or landlord and the Town prior to the affirmative marketing of the units.
- K. The Administrative Agent shall administer the Affirmative Marketing Plan. The Administrative Agent has the responsibility to income qualify very low, low and moderate income households; to place income eligible households in very low, low and moderate income units upon initial occupancy; to provide for the initial occupancy of very low, low and moderate income units with income qualified households; to continue to qualify households for re-occupancy of units as they become vacant during the period of affordability controls; to assist with outreach to very low, low and moderate income households; and to enforce the terms of the deed restriction and mortgage loan as per N.J.A.C 5:80-26-1, *et seq.*
- L. The Administrative Agent shall provide or direct qualified very low, low and moderate

income applicants to counseling services on subjects such as budgeting, credit issues, mortgage qualifications, rental lease requirements and landlord/tenant law and shall develop, maintain and update a list of entities and lenders willing and able to perform such services.

- M. All developers/owners of very low, low and moderate income housing units shall be required to undertake and pay the costs of the marketing of the affordable units in their respective developments, subject to the direction and supervision of the Administrative Agent.
- N. The implementation of the Affirmative Marketing Plan for a development that includes affordable housing shall commence at least 120 days before the issuance of either a temporary or permanent certificate of occupancy. The implementation of the Affirmative Marketing Plan shall continue until all very low, low and moderate income housing units are initially occupied and for as long as the affordable units remain deed restricted such that qualifying new tenants and/or purchasers continues to be necessary.
- O. The Administrative Agent shall provide the Municipal Housing Liaison with the information required to comply with monitoring and reporting requirements pursuant to N.J.A.C.5:80-26-1, *et seq.*
- P. Pursuant to the requirements of P.L. 2020, c.51 effective November 1, 2020, owners, developers, property managers and all other administrative entities responsible for affirmative marketing of any affordable housing units are required to post such units to the State of New Jersey Housing Resource Center within one day of accepting or soliciting applications if:
 - 1. Units are being listed for the first time.
 - 2. Existing units are expected to become available.
 - 3. Applications for a waitlist are being accepted.
 - 4. A lottery is being held; any posting for such lottery shall be made at least 60 days prior to the lottery's occurrence and shall include a link to an online fillable Adobe Portable Document Format (PDF) application form as well as information on how to request a paper form.

I hereby certify that this is a true copy of a resolution duly adopted by the Mayor and Council of the Borough of Raritan at a Council meeting held on _____, 2022.

Eric M. Colvin, RMC/CMR, Borough Clerk

Appendix 13

Chapter 207. Land Use and Development

Part 6. Zoning

Article XX. Development Fees

§ 207-158. Purpose.

- A. This article establishes standards for the collection, maintenance, and expenditure of development fees that are consistent with COAH's regulations developed in response to P.L. 2008, c. 46, Sections 8 and 32-38 (N.J.S.A. 52:27D-329.2) and the Statewide Non-Residential Development Fee Act (N.J.S.A. 40:55D-8.1 through 8.7). Fees collected pursuant to this article shall be used for the sole purpose of providing very-low-, low- and moderate-income housing in accordance with a Court-approved spending plan.

§ 207-159. Basic requirements.

- A. This article shall not be effective until approved by the Court.
- B. The Borough of Raritan shall not spend development fees until the Court has approved a plan for spending such fees (spending plan).

§ 207-160. Definitions.

The following terms, as used in this article, shall have the following meanings:

AFFORDABLE HOUSING DEVELOPMENT

A development included in the Housing Element and Fair Share Plan, and includes, but is not limited to, an inclusionary development, a municipal construction project or a 100%-affordable housing development.

COAH or the COUNCIL

The New Jersey Council on Affordable Housing established under the Fair Housing Act.

DEVELOPER

The legal or beneficial owner or owners of a lot or of any land proposed to be included in a proposed development, including the holder of an option or contract to purchase, or other person having an enforceable proprietary interest in such land.

DEVELOPMENT FEE

Money paid by a developer for the improvement of property as authorized by Holmdel Builder's Association V. Holmdel Borough, 121 N.J. 550 (1990) and the Fair Housing Act of 1985, N.J.S.A. 52:27d-301, et seq., and regulated by applicable COAH Rules.

EQUALIZED ASSESSED VALUE

The assessed value of a property divided by the current average ratio of assessed to true value for the municipality in which the property is situated, as determined in accordance with Sections 1, 5, and 6 of P.L. 1973, c. 123 (N.J.S.A. 54:1-35a through N.J.S.A. 54:1-35c).

GREEN BUILDING STRATEGIES

Those strategies that minimize the impact of development on the environment, and enhance the health, safety and well-being of residents by producing durable, low-maintenance, resource-efficient housing while making optimum use of existing infrastructure and community services.

§ 207-161. Residential development fees.

A. Imposition of fees.

- (1) Within the Borough of Raritan, all residential developers, except for developers of the types of developments specifically exempted below and developers of developments that include affordable housing, shall pay a fee of 1.5% of the equalized assessed value for all new residential development, provided no increased density is permitted. Development fees shall also be imposed and collected when an additional dwelling unit is added to an existing residential structure; in such cases, the fee shall be calculated based on the increase in the equalized assessed value of the property due to the additional dwelling unit.
- (2) When an increase in residential density is permitted pursuant to a "d" variance granted under N.J.S.A. 40:55D-70d(5), developers shall be required to pay a "bonus" development fee of 6% of the equalized assessed value for each additional unit that may be realized, except that this provision shall not be applicable to a development that will include affordable housing. If the zoning on a site has changed during the two-year period preceding the filing of such a variance application, the base density for the purposes of calculating the bonus development fee shall be the highest density permitted by right during the two-year period preceding the filing of the variance application.

B. Eligible exactions, ineligible exactions and exemptions for residential developments.

- (1) Affordable housing developments and/or developments where the developer has made a payment in lieu of on-site construction of affordable units, if permitted by ordinance or by agreement with the Borough of Raritan, shall be exempt from the payment of development fees.
- (2) Developments that have received preliminary or final site plan approval prior to the adoption of this article shall be exempt from the payment of development fees, unless the developer seeks a substantial change in the original approval. Where site plan approval is not applicable, the issuance of a zoning permit and/or construction permit shall be synonymous with preliminary or final site plan approval for the purpose of determining the right to an exemption. In all cases, the applicable fee percentage shall be determined based upon the Development Fee Ordinance in effect on the date that the construction permit is issued.
- (3) Improvements or additions to existing one- and two-family dwellings on individual lots shall not be required to pay a development fee, but a development fee shall be charged for any new dwelling constructed as a replacement for a previously existing dwelling on the same lot that was or will be demolished, unless the owner resided in the previous dwelling for a period of one year or more prior to obtaining a demolition permit. Where a development fee is charged for a replacement dwelling, the development fee shall be calculated on the increase in the equalized assessed value of the new structure as compared to the previous structure.
- (4) Homes replaced as a result of a natural disaster (such as a fire or flood) shall be exempt from the payment of a development fee.

§ 207-162. Nonresidential development fees.

A. Imposition of fees.

- (1) Within all zoning districts, nonresidential developers, except for developers of the types of developments specifically exempted below, shall pay a fee equal to 2.5% of the equalized assessed value of the land and improvements, for all new nonresidential construction on an unimproved lot or lots.
- (2) Within all zoning districts, nonresidential developers, except for developers of the types of developments specifically exempted below, shall also pay a fee equal to 2.5% of the increase in equalized assessed value resulting from any additions to existing structures to be used for nonresidential purposes.
- (3) Development fees shall be imposed and collected when an existing structure is demolished and replaced. The development fee of 2.5% shall be calculated on the difference between the equalized assessed value of the preexisting land and improvements and the equalized assessed value of the newly improved structure, i.e., land and improvements, and such calculation shall be made at the time a final certificate of occupancy is issued. If the calculation required under this section results in a negative number, the nonresidential development fee shall be zero.

B. Eligible exactions, ineligible exactions and exemptions for nonresidential development.

- (1) The nonresidential portion of a mixed-use inclusionary or market rate development shall be subject to a 2.5% development fee, unless otherwise exempted below.
- (2) The 2.5% development fee shall not apply to an increase in equalized assessed value resulting from alterations, change in use within the existing footprint, reconstruction, renovations and repairs.
- (3) Nonresidential developments shall be exempt from the payment of nonresidential development fees in accordance with the exemptions required pursuant to the Statewide Non-Residential Development Fee Act (N.J.S.A. 40:55D-8.1 through 8.7), as specified in Form N-RDF "State of New Jersey Non-Residential Development Certification/Exemption." Any exemption claimed by a developer shall be substantiated by that developer.
- (4) A developer of a nonresidential development exempted from the nonresidential development fee pursuant to the Statewide Non-Residential Development Fee Act shall be subject to the fee at such time as the basis for the exemption no longer applies, and shall make the payment of the nonresidential development fee, in that event, within three years after that event or after the issuance of the final certificate of occupancy for the nonresidential development, whichever is later.
- (5) If a property which was exempted from the collection of a nonresidential development fee thereafter ceases to be exempt from property taxation, the owner of the property shall remit the fees required pursuant to this section within 45 days of the termination of the property tax exemption. Unpaid nonresidential development fees under these circumstances may be enforceable by the Borough of Raritan as a lien against the real property of the owner.

§ 207-163. Collection procedures.

- A. Upon the granting of a preliminary, final or other applicable approval for a development, the approving authority or entity shall notify or direct its staff to notify the Construction Official responsible for the issuance of a construction permit.
- B. For nonresidential developments only, the developer shall also be provided with a copy of Form N-RDF "State of New Jersey Non-Residential Development Certification/Exemption" to be completed as per the instructions provided. The developer of a nonresidential development shall complete Form N-RDF as per the instructions provided. The Construction Official shall verify the information submitted by the nonresidential developer as per the instructions provided in the Form N-RDF. The

Tax Assessor shall verify exemptions and prepare estimated and final assessments as per the instructions provided in Form N-RDF.

- C. The Construction Official responsible for the issuance of a construction permit shall notify the Borough Tax Assessor of the issuance of the first construction permit for a development which is subject to a development fee.
- D. Within 90 days of receipt of such notification, the Borough Tax Assessor shall prepare an estimate of the equalized assessed value of the development based on the plans filed.
- E. The Construction Official responsible for the issuance of a final certificate of occupancy shall notify the Borough Tax Assessor of any and all requests for the scheduling of a final inspection on a property which is subject to a development fee.
- F. Within 10 business days of a request for the scheduling of a final inspection, the Borough Tax Assessor shall confirm or modify the previously estimated equalized assessed value of the improvements associated with the development; calculate the development fee; and thereafter notify the developer of the amount of the fee.
- G. Should the Borough of Raritan fail to determine or notify the developer of the amount of the development fee within 10 business days of the request for final inspection, the developer may estimate the amount due and pay that estimated amount consistent with the dispute process set forth in Subsection b of Section 37 of P.L. 2008, c. 46 (N.J.S.A. 40:55D-8.6).
- H. Except as provided in § **207-162A(3)** hereinabove, 50% of the initially calculated development fee shall be collected at the time of issuance of the construction permit. The remaining portion shall be collected at the time of issuance of the certificate of occupancy. The developer shall be responsible for paying the difference between the fee calculated at the time of issuance of the construction permit and that determined at the time of issuance of the certificate of occupancy.
- I. Appeal of development fees.
 - (1) A developer may challenge residential development fees imposed by filing a challenge with the County Board of Taxation. Pending a review and determination by the Board, collected fees shall be placed in an interest bearing escrow account by the Borough of Raritan. Appeals from a determination of the Board may be made to the tax court in accordance with the provisions of the State Tax Uniform Procedure Law, R.S. 54:48-1, et seq., within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.
 - (2) A developer may challenge nonresidential development fees imposed by filing a challenge with the Director of the Division of Taxation. Pending a review and determination by the Director, which shall be made within 45 days of receipt of the challenge, collected fees shall be placed in an interest bearing escrow account by the Borough of Raritan. Appeals from a determination of the Director may be made to the tax court in accordance with the provisions of the State Tax Uniform Procedure Law, R.S.54:48-1, et seq., within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.

§ 207-164. Affordable Housing Trust Fund.

- A. There is hereby created a separate, interest-bearing Affordable Housing Trust Fund to be maintained by the Chief Financial Officer of the Borough of Raritan for the purpose of depositing development fees collected from residential and nonresidential developers and proceeds from the sale of units with extinguished controls.
- B. The following additional funds shall be deposited in the Affordable Housing Trust Fund and shall at all times be identifiable by source and amount:

- (1) Payments in lieu of on-site construction of a fraction of an affordable unit, where permitted by ordinance or by agreement with the Borough of Raritan;
 - (2) Funds contributed by developers to make 10% of the adaptable entrances in a townhouse or other multistory attached dwelling unit development accessible;
 - (3) Rental income from municipally operated units;
 - (4) Repayments from affordable housing program loans;
 - (5) Recapture funds;
 - (6) Proceeds from the sale of affordable units; and
 - (7) Any other funds collected in connection with Raritan's affordable housing program.
- C. In the event of a failure by the Borough of Raritan to comply with trust fund monitoring and reporting requirements or to submit accurate monitoring reports; or a failure to comply with the conditions of the judgment of compliance or a revocation of the judgment of compliance; or a failure to implement the approved spending plan and to expend funds within the applicable required time period as set forth in "In re Tp. of Monroe, 442 N.J. Super. 565 (Law Div. 2015) (aff'd 442 N.J. Super. 563)"; or the expenditure of funds on activities not approved by the Court; or for other good cause demonstrating the unapproved use(s) of funds, the Court may authorize the State of New Jersey, Department of Community Affairs, Division of Local Government Services (LGS), to direct the manner in which the funds in the Affordable Housing Trust Fund shall be expended, provided that all such funds shall, to the extent practicable, be utilized for affordable housing programs within the Borough of Raritan, or, if not practicable, then within the County or the Housing Region.
- (1) Any party may bring a motion before the Superior Court presenting evidence of such condition(s), and the Court may, after considering the evidence and providing the municipality a reasonable opportunity to respond and/or to remedy the non-compliant condition(s), and upon a finding of continuing and deliberate non-compliance, determine to authorize LGS to direct the expenditure of funds in the Trust Fund. The Court may also impose such other remedies as may be reasonable and appropriate to the circumstances.
- D. Interest accrued in the Affordable Housing Trust Fund shall only be used to fund eligible affordable housing activities approved by the Court.

§ 207-164.1. Use of funds.

- A. The expenditure of all funds shall conform to a spending plan approved by the Court. Funds deposited in the Affordable Housing Trust Fund may be used for any activity approved by the Court to address the Borough of Raritan's fair share obligation and may be set up as a grant or revolving loan program. Such activities include, but are not limited to, preservation or purchase of housing for the purpose of maintaining or implementing affordability controls; housing rehabilitation; new construction of affordable housing units and related costs; accessory apartments; a market to affordable program; Regional Housing Partnership programs; conversion of existing nonresidential buildings to create new affordable units; green building strategies designed to be cost saving and in accordance with accepted national or state standards; purchase of land for affordable housing; improvement of land to be used for affordable housing; extensions or improvements of roads and infrastructure to affordable housing sites; financial assistance designed to increase affordability; administration necessary for implementation of the Housing Element and Fair Share Plan; and/or any other activity permitted by the Court and specified in the approved spending plan.
- B. Funds shall not be expended to reimburse the Borough of Raritan for past housing activities.
- C. At least 30% of all development fees collected and interest earned on such fees shall be used to provide affordability assistance to low- and moderate-income households in affordable units included in the municipal Fair Share Plan. One-third of the affordability assistance portion of

development fees collected shall be used to provide affordability assistance, to those households earning 30% or less of the median income for Housing Region 3, in which Raritan is located.

- (1) Affordability assistance programs may include down payment assistance, security deposit assistance, low interest loans, rental assistance, assistance with homeowners association or condominium fees and special assessments, and assistance with emergency repairs. The specific programs to be used for affordability assistance shall be identified and described within the spending plan.
 - (2) Affordability assistance to households earning 30% or less of median income may include buying down the cost of low or moderate income units in the municipal Fair Share Plan to make them affordable to households earning 30% or less of median income. The specific programs to be used for very low income affordability assistance shall be identified and described within the spending plan.
 - (3) Payments in lieu of constructing affordable housing units on site, if permitted by ordinance or by agreement with the Borough of Raritan, and funds from the sale of units with extinguished controls shall be exempt from the affordability assistance requirement.
- D. The Borough of Raritan may contract with a private or public entity to administer any part of its Housing Element and Fair Share Plan, including its programs for affordability assistance.
- E. No more than 20% of all revenues collected from development fees may be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultants' fees necessary to develop or implement a new construction program, prepare a Housing Element and Fair Share Plan, and/or administer an affirmative marketing program or a rehabilitation program.
- (1) In the case of a rehabilitation program, the administrative costs of the rehabilitation program shall be included as part of the 20% of collected development fees that may be expended on administration.
 - (2) Administrative funds may be used for income qualification of households, monitoring the turnover of sale and rental units, and compliance with COAH's monitoring requirements. Legal or other fees related to litigation opposing affordable housing sites or related to securing or appealing a judgment from the Court are not eligible uses of the Affordable Housing Trust Fund.

§ 207-164.2. Monitoring.

The Borough of Raritan shall provide annual reporting of Affordable Housing Trust Fund activity to the State of New Jersey, Department of Community Affairs, Council on Affordable Housing or Local Government Services or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs, Council on Affordable Housing or Local Government Services. The reporting shall include an accounting of all Affordable Housing Trust Fund activity, including the sources and amounts of funds collected and the amounts and purposes for which any funds have been expended. Such reporting shall include an accounting of development fees collected from residential and nonresidential developers, payments in lieu of constructing affordable units on site (if permitted by ordinance or by agreement with the Borough), funds from the sale of units with extinguished controls, barrier free escrow funds, rental income from Borough owned affordable housing units, repayments from affordable housing program loans, and any other funds collected in connection with Raritan's affordable housing programs, as well as an accounting of the expenditures of revenues and implementation of the spending plan approved by the Court.

§ 207-164.3. Ongoing collection of fees.

- A. The ability for the Borough of Raritan to impose, collect and expend development fees shall expire with the expiration of the repose period covered by its judgment of compliance unless the Borough of Raritan has first filed an adopted Housing Element and Fair Share Plan with the Court or with a designated state administrative agency, has petitioned for a judgment of compliance from the Court or for substantive certification or its equivalent from a state administrative agency authorized to approve and administer municipal affordable housing compliance and has received approval of its Development Fee Ordinance from the entity that will be reviewing and approving the Housing Element and Fair Share Plan.
- B. If the Borough of Raritan fails to renew its ability to impose and collect development fees prior to the expiration of its judgment of compliance, it may be subject to forfeiture of any or all funds remaining within its Affordable Housing Trust Fund. Any funds so forfeited shall be deposited into the "New Jersey Affordable Housing Trust Fund" established pursuant to Section 20 of P.L. 1985, c. 222 (N.J.S.A. 52:27D-320).
- C. The Borough of Raritan shall not impose a residential development fee on a development that receives preliminary or final site plan approval after the expiration of its judgment of compliance, nor shall the Borough of Raritan retroactively impose a development fee on such a development. The Borough of Raritan also shall not expend any of its collected development fees after the expiration of its judgment of compliance.^[1]

[1] *Editor's Note: Original Art. XXVII, Growth Share Ordinance, consisting of original §§ 42-186 and 42-187, which immediately followed this section, was repealed 10-23-2012 by Ord. No. 12-14.*