

LIBERTY TOWNSHIP COMMITTEE
RESOLUTION IN THE MATTER OF ADOPTION
OF THE 2010 HOUSING ELEMENT OF THE MASTER PLAN #10-27

Decided: 3 June 2010

WHEREAS, the Liberty Township Committee has consistently maintained compliance with the requirements of the Municipal Land Use Law (MLUL) and the Fair Housing Act; and

WHEREAS, both the above statutes require the Township to adopt a Housing Element and Fair Share Plan in order to meet its obligations to provide the opportunity for development of low and moderate income housing; and

WHEREAS, the current regulations of the Council on Affordable Housing (COAH) require that a municipality considering opting into the Highlands preservation program must submit a Housing Element and Fair Share Plan to COAH no later than 8 June 2010; and

WHEREAS, the Liberty Land Use Board held a public hearing on a draft Housing Element prepared by Eric K. Snyder, Township Planner on 19 May 2010, all required notice having been prepared and sent in accordance with the requirements of the MLUL; and

WHEREAS, the Township Committee of the Township of Liberty, at its regular meeting of 3 June 2010, considered the recommendations of the Liberty Township Land Use Board and the draft Fair Share Plan prepared by the Township Planner; and

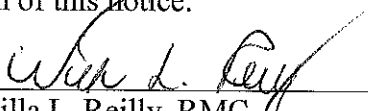
WHEREAS, the Township Committee is aware of the obligation to submit its request for Substantive Certification to COAH,

NOW THEREFORE BE IT RESOLVED, that the Liberty Township Committee does hereby submit its request for Substantive Certification to COAH and does endorse the adopted Housing Element and companion Fair Share Plan as evidence of the Township's continuing commitment to compliance with the Municipal Land Use Law and the Fair Housing Act, and

IT IS FURTHER RESOLVED that a copy of this resolution and the accompanying documents be forwarded to the Highlands council for their information.

NOTICE OF PETITION FOR SUBSTANTIVE CERTIFICATION

NOTICE is hereby given that Liberty Township has petitioned the New Jersey Council on Affordable Housing for Substantive Certification of its Housing Element and Fair Share Plan pursuant to NJSA 52:27D-301 et. seq. and NJAC 5:96-3.1 et. seq. A copy of the adopted Housing Element and Fair Share Plan and supporting documentation is available for public inspection at the Office of the Township Clerk/Administrator, Liberty Township Municipal Building, 349 Mountain Lake Road, Great Meadows, New Jersey, during the hours of 8 a.m. to 4 p.m., Monday through Friday. Comments or objections to said petition for Substantive Certification shall be filed with the New Jersey Council on Affordable Housing, 101 South Broad Street, P.O. Box 813, Trenton, New Jersey 08625-0813 and with the Liberty Township Municipal Clerk by July 22, 2010 which is within forty-five (45) days from the date of publication of this notice.



Willa L. Reilly, RMC
Municipal Clerk/Administrator

HOUSING

Introduction

This Housing Element of the Master Plan of the Township of Liberty has been revised in order to meet the second set of deadlines imposed by COAH, amended by the Highlands Council (as encouragement to conform to the RMP) for the third round of housing obligations. The third round rules required Liberty Township to develop a revised Housing Element and Fair Share Plan adopted and submit these to COAH by June 8 2010. This revised plan will utilize the most recent estimates and projections of population, employment and housing demand in applying the COAH rules as well as the rules of the adopted Highlands Water Protection and Planning Act Regional Master Plan as it relates to fair housing in Liberty Township. As there is currently a 90 day stay on Highlands and some COAH procedures, this deadline is in all likelihood to be extended.

Little has changed in the makeup of COAH, a nine-member council, established by the Fair Housing Act in 1985. The Council has now for the third time promulgated a set of procedures and guidelines to be met by municipalities in meeting their responsibilities under the act and under the predecessor Supreme Court decisions finding that there was a constitutional obligation on the part of every municipality to provide fair housing.

The Municipal Land Use Law has also been amended to be consistent with the Fair Housing Act. This ties all planning legislation together along with the more specific requirements of the COAH rules. In order for a Master Plan to be deemed acceptable it must comprise a statement of goals and objectives, a land use plan and a housing plan.

Pursuant to NJAC 5:94-2.1, the following apply:

- (a) The need for affordable housing in the State, and in each of the State's six housing regions, is determined on a municipal basis . . . and is the sum of:
 1. Deficient housing units occupied by low and moderate-income households which is referred to as rehabilitation share;
 2. Remaining Prior Round (1987 – 1999) Obligation assigned to a municipality by the Council or the court for the period 1987 through 1999; and
 3. The share of the affordable housing need generated by a municipality's actual growth (2004 – 2018) based upon the number of new housing units constructed and the number of new jobs created as a result of non-residential development.

- (b) The rehabilitation share for affordable housing is the number of existing housing units as of April 1, 2000 that are both deficient and occupied by households of low or moderate-income or through a survey of the municipal housing stock conducted in accordance with the provisions of NJAC 5:97.
- (c) Remaining Prior Round (1987 – 1999) Obligation from the first and second fair share rounds have been recalculated to include data from 2000 Census.
- (d) The “growth share” for the period 1999- 2018 shall initially be calculated based on municipal growth projections pursuant to NJAC 5:97-2.2. Projections of population and employment growth shall be converted into projected growth share affordable housing obligations by applying a ratio of one affordable unit for every five new market-rate residential units projected, plus one affordable unit for every 16 newly created jobs as measured by new or expanded non-residential construction within the municipality in accordance with the COAH rules, as projected in the municipality pursuant to NJAC 5:97-2.4. The growth share projections shall be converted into actual growth share obligation when market-rate units and newly constructed and expanded non-residential developments receive permanent certificates of occupancy, pursuant to NJAC 5:97-2.5. Although the overall statewide need calculations are figured from last year of the prior round (1999) to the last year of the new round (2018), the municipality’s portion of the statewide need is compressed into a delivery period that runs from January 1, 2004 to January 1, 2018.
- (e) Each municipality shall develop a Housing Element that meets the requirements of this section to determine the municipal fair share of affordable housing for the 1987 –2018 cumulative period. All components of a Housing Element shall be in accordance with the standards established by this subchapter and the Municipal Land Use Law, NJSA 40:55D-1 et seq. The contents of a Fair Share Plan describing how the municipality intends to address the obligation determined in its Housing Element are described in NJAC 5:97-6.

The rules are specific and require that “a municipality’s Housing Element shall be adopted by the Planning Board and endorsed by the governing body prior to the municipal filing pursuant to NJAC 5:96-2 or the municipal petition for substantive certification pursuant to NJAC 5:96-3.” A municipality’s Housing Element shall be designated to achieve the goal of providing affordable housing to meet the total 1987 – 2018 affordable housing need comprised of estimated growth share, the remaining balance of Prior Round Obligation from the municipality’s 1987 – 1999 affordable

housing obligation that has not been addressed (if any), and the rehabilitation share. The Housing Element submitted to the Council shall include the minimum requirements prescribed by NJSA 52:27D-310.

Supporting information to be submitted with the Housing Element shall include:

1. A projection of the municipality's probable future construction of housing for 15 years covering the period January 1, 2004 through January 1, 2018 based upon the following minimum information for residential development:
 - i. Certificates of occupancy issued since January 1, 2004;
 - ii. Construction and demolition permits issued and projected;
 - iii. Approvals of applications for development: and
 - iv. Historic trends, of, at least, the past 10 years, which shall include demolitions and certificates of occupancy issued;

2. An analysis of the existing jobs and employment characteristics of the municipality, and a projection of the probable future jobs and employment characteristics of the municipality for 10 years covering the period January 1, 2004 through January 1, 2014 based upon the following minimum information for non-residential development
 - i. Certificates of occupancy issued since January 1, 2004;
 - ii. Construction and demolition permits issued and projected;
 - iii. Approvals of applications for development including a breakdown of non-residential projections by use group as outlined in Appendix E of the rules; and
 - iv. Historic trends, of, at least, the past 10 years, which shall include demolitions, certificates of occupancy issue and absorption rates;

3. An analysis of how existing zoning or planned changes in zoning provide adequate capacity to accommodate residential and non-residential growth projections consistent with the municipal growth projections calculated pursuant to (b) 1 and 2 above. This analysis should include the availability of existing and planned necessary infrastructure, the anticipated demand for the types of uses permitted by zoning based on present and anticipated future demographic characteristics of the municipality, anticipated land use patterns, municipal economic development policies and constraints on development including state and federal regulations, land ownership patterns, presence of incompatible land

uses or sites needing remediation and existing or planned measures to address these constrains;

4. Plan Projections for 2015 or growth projections for 2015 in an endorsed plan approved by the State Planning Commission, whichever is later, after the effective date of this chapter. If Plan Projections for 2015 are not available when a municipality petitions for substantive certification, a municipality may substitute the most recent municipal population, household, and employment growth projections published by the municipality's metropolitan planning organization as a minimum replacement for the State Planning Commission Plan Projections. Where no metropolitan planning organization household growth projections are available, population projections shall be converted to households using the most recently published municipal household size data available from the Bureau of the Census.
5. If the municipal population, household and employment growth projections used to determine the municipal growth share obligations pursuant to NJAC 5:94-2.4 are not consistent with the municipal Plan Projections for 2015 required pursuant to (b)4 above, the municipality shall provide the following:
 - i. A demonstration that the capacity of existing or planned zoning to accommodate the Plan Projections pursuant to (b)4 above renders those Plan Projections inaccurate;
 - ii. An analysis of the reasons for the differences between the municipal growth projections calculated pursuant to (b)1 and 2 above and the Plan Projections calculated pursuant to (b)4 above; and
 - iii. A detailed justification as to why the Council should accept the alternate projections.
6. A copy of the most recently adopted municipal master plan and, when less than three years old, the immediately preceding, adopted master plan;
7. A copy of the most recently adopted municipal zoning ordinance;
8. A general description of any specific sites slated for affordable housing, including but not limited to the following: acreage, owner, block and lot, current zoning, surrounding land uses, and street access;
9. A copy of the most up-to date tax maps of the municipality, electronic if available, with legible dimensions; and
10. Any other documentation pertaining to the review of the municipal Housing Element as may be required by the Council.

Liberty as Highlands Municipality

Ordinarily a municipality would then simply follow the requirements outlined in the Administrative Code in setting forth its projected growth in employment and in residential development as a function of existing land availability, past trends and identified future trends. Liberty Township, however, lies almost entirely in the Preservation Area of the Highlands Region. For that reason, the projections which will be made part of this Housing Element will be significantly different from any trend or past history of development in the Township. They will have little to do with zoning or capacity for growth.

The Highlands Act as applied to Liberty Township will effectively reduce potential development to a tiny fraction of what it once was. This Housing Element will draw upon the recently adopted Township Master Plan, address the natural resource base and reasonably projected development within the Township.

Notwithstanding the foregoing, the Liberty Township Housing Element is as follows.

1. HOUSING INVENTORY

Liberty Township, as of the 2000 Census, contained 1,085 housing units. This includes apartments as well as single-family detached houses. Since that time (2000-2004), 65 units have been added as shown below in Table 1.

TABLE 1

CHANGES IN NUMBER OF UNITS

<u>2000 Total Units</u>	<u>Units Added</u>	<u>Total Units, 6/05</u>
1,085	65	1,150

Source: 2000 Census, N.J. State Data Center (These data are old and of limited utility as the new 2010 census has recently commenced. The data from the 2010 census are anticipated to be available in 18 – 24 months.)

As with any municipality, the housing stock of Liberty is a blend of old and new, single and multiple family, owner and renter occupied. Table 2 indicates the number of units in a structure in 2000. Some totals may differ in various tables as not all questions on the census were answered. Age of Structure is shown on Table 4.

TABLE 2
UNITS IN STRUCTURE

<u>Units in Structure</u>	<u>Total Units</u>	<u>Percentage</u>
1, Detached	951	87.6%
1, Attached	25	2.3%
2	37	3.4%
3 or 4	5	0.5%
5 to 9	0	0.0%
10 to 19	5	0.5%
20 to 49	0	0.0%
50 or More	0	0.0%
Mobile Home or Trailer	62	5.7%
Other	<u>0</u>	<u>0.0%</u>
Total	1,085	100.0%

Source: 2000 Census

TABLE 3
TOTAL HOUSING BY OCCUPANT

Owner	875
Rental	100
Vacant	<u>110</u>
Total	1,085

Source: 2000 Census

TABLE 4
AGE OF HOUSING

<u>YEAR BUILT</u>	<u># OF UNITS</u>	<u>%</u>
4/00 – 6/05	65	5.7%
1999 – 3/00	40	3.5%
1995 – 1998	94	8.2%
1990 - 1994	74	6.4%
1980 – 1989	218	18.9%
1970-1979	117	10.2%
1960-1969	126	11.0%
1950-1959	130	11.3%
1940-1949	113	9.8%
Before 1940	<u>173</u>	<u>15.0%</u>
Total	1,150	100.0%

Source: 2000 U.S. Census, New Jersey Data Center

In addition to the age and occupancy characteristics of housing units, it is important to have a clear picture of the costs currently borne by residents for both owner occupied and renter occupied housing. The information presented in Table 5 indicates that as of the 2000 Census, the median value of owner occupied homes was \$168,200 with the largest single category being between \$150,000.00 and \$174,999.00. A more current estimate of median housing values based upon recent sales would be \$250,000. Table 6 provides much the same kind of information with regard to renter occupied units. The largest number of market rents as of 2000 were between \$500.00 and \$549.00 per month with the next largest category between \$750.00 and \$799.00. The median rent was reported as \$635.00 in the 2000 Census. Currently median rental is reported as \$860.

TABLE 6

RENTER OCCUPIED UNITS BY CONTRACT RENT

(Cash \$ per month)

<u>With Cash Rent</u>	<u>Units</u>	<u>%</u>
<i>Under \$ 100</i>	0	0.0%
<i>\$ 100 - \$149</i>	0	0.0%
<i>\$ 150 - \$199</i>	0	0.0%
<i>\$ 200 - \$249</i>	4	4.1%
<i>\$ 250 - \$299</i>	0	0.0%
<i>\$ 300 - \$349</i>	0	0.0%
<i>\$ 350 - \$399</i>	9	9.4%
<i>\$ 400 - \$449</i>	9	9.4%
<i>\$ 450 - \$499</i>	9	9.4%
<i>\$ 500 - \$549</i>	21	21.8%
<i>\$ 550 - \$599</i>	0	0.0%
<i>\$ 600 - \$649</i>	0	0.0%
<i>\$ 650 - \$699</i>	0	0.0%
<i>\$ 700 - \$749</i>	11	11.5%
<i>\$ 750 - \$799</i>	0	0.0%
<i>\$ 800 - \$899</i>	19	19.8%
<i>\$ 900 - \$999</i>	5	5.2%
<i>\$1,000 - \$1,249</i>	4	4.2%
<i>\$1,500 - \$1,499</i>	0	0.0%
<i>\$1,500 - \$1,999</i>	0	0.0%
<i>\$2,000 or more</i>	0	0.0%
<i>No cash rent</i>	<u>5</u>	<u>5.2%</u>
<i>Total</i>	96	100.0%
<i>Median gross rent</i>	\$535	

Source: 2000 Census.

From the information in Table 6 we can see that 50 percent of the rents range between \$350 and \$549 per month. Rents \$700 and above, account for 45.8 percent, and 4.1 percent of the units rent for less than \$350. Five point two percent of the units have no cash rent. The median rent was \$535.

According to the 2000 Census, 88 percent of the housing in Liberty consists of single-family detached homes. Mobile homes, the next highest category, consist of 5.6% of the

TABLE 5

OWNER OCCUPIED UNITS BY VALUE

	<u>Units</u>	<u>%</u>
<i>Less than \$10,000</i>	0	0.0%
<i>\$10,000 - 14,999</i>	3	0.3%
<i>\$ 15,000 - 19,999</i>	0	0.0%
<i>\$ 20,000 - 24,999</i>	4	0.5%
<i>\$ 25,000 - 29,999</i>	0	0.0%
<i>\$ 30,000 - 34,999</i>	13	1.5%
<i>\$ 35,000 - 39,999</i>	0	0.0%
<i>\$ 40,000 - 49,999</i>	12	1.4%
<i>\$ 50,000 - 59,999</i>	8	0.9%
<i>\$ 60,000 - 69,999</i>	7	0.8%
<i>\$ 70,000 - 79,999</i>	20	2.3%
<i>\$ 80,000 - 89,999</i>	30	3.4%
<i>\$ 90,000 - 99,999</i>	52	5.9%
<i>\$100,000 - 124,999</i>	100	11.5%
<i>\$125,000 - 149,999</i>	75	8.5%
<i>\$150,000 - 174,999</i>	156	17.8%
<i>\$175,000 - 199,999</i>	123	14.0%
<i>\$200,000 - 249,999</i>	186	21.4%
<i>\$250,000 - 299,999</i>	59	6.7%
<i>\$300,000 - 399,999</i>	20	2.3%
<i>\$400,000 - 499,999</i>	4	0.5%
<i>\$500,000 - 749,999</i>	3	0.3%
<i>\$750,000 - 999,999</i>	0	0.0%
<i>1,000,000 & over</i>	<u>0</u>	<u>0.0%</u>
Total	875	100.0 %
Median Value	\$168,200	

Source: 2000 Census

housing. Nearly all existing rental units were created by modifying some of the single-family structures. Approximately 50 percent of the housing stock in the Township has been constructed since 1970. The new units constructed are all single-family detached homes on large lots. Rental opportunities are expected to decrease as a percentage of total housing units over the next decade.

Median gross rent in Liberty Township in 1999 was \$535. The median rental opportunity would be available to households with an income of \$21,400 or more.

Using the Council on Affordable Housing guidelines, an average household of low income (50 percent of the median income of \$72,270 = \$36,135), could afford the median rental. The average moderate-income household at 80% of median income (\$57,876) could afford rentals up to \$1,445 per month. It is important to note that rent here includes the costs of standard utilities (electric and heat). In theory, there should also be money set aside for the nearly inevitable septic failure or cost of a new well pump.

As indicated in Table 6, 5.2 percent of the rental units pay no cash rent. An additional 17.0 percent pay less than \$500. In almost 22.2 percent of the units, the renters pay no rent, or a relatively modest rent, given today's rental market.

Given the above, there clearly is a need to provide housing opportunities to some of the current residents (indigenous need) of the Township, in particular, those households with incomes substantially below the poverty level.

Housing conditions are not defined solely by cost or type and age of structure. Standard housing must have complete plumbing facilities, heating plant, be in reasonable state of repair, and not be overcrowded. Also included as an indicator is housing age, but only as a target indicator which is combined with the other indicators.

Overcrowded and substandard housing conditions include:

1. Year Structure was built - prior to 1940.
2. Room occupancy of 1.01 persons or greater as index of overcrowding.
3. Inadequate Plumbing Facilities; lack of exclusive use or incomplete plumbing facilities.
4. Inadequate Kitchen facilities indicated by shared use, or non-presence of sink with piped water, a stove or a refrigerator.
5. Inadequate Heating indicated by use of coal, coke, wood or no fuel for heating.
6. Inadequate Sewer Services indicated by lack of public sewer, septic tank or cesspool.
7. Inadequate Water Supply; indicated by either lack of city water, drilled well or dug well.

A housing unit meeting any two of the above criteria is considered substandard.

Tables 7 and 8 show the condition of occupied units as of 2000.

Tables 9 and 10 show the household size distribution within the Township, and the numbers and percentage of families and households living below the poverty level.

TABLE 7

**YEAR ROUND HOUSING UNITS BY TENURE AND OCCUPANCY
STATUS BY PLUMBING FACILITIES**

	<u>Total Units</u>	<u>Total Occupied</u>	<u>Renter Occupied</u>
<i>Complete Plumbing for Exclusive Use</i>	1,081	871	100
<i>Lacking Complete Plumbing</i>	4	4	0

Source: 2000 Census.

TABLE 8

**OCCUPIED HOUSING UNITS WITH 1.01 OR MORE PERSONS
BY TENURE, AND PLUMBING**

	<u>Total</u>	<u>Renter</u>
<i>Complete Plumbing</i>	2	1
<i>Lacking Complete Plumbing</i>	3	0

Source: 2000 Census.

The 2000 Census indicated that, from the information they collected, six units were shown to have a deficiency; three lacked complete plumbing facilities, and three were considered to be overcrowded.

A windshield survey of building conditions was performed in early 2010. Each observed house was evaluated on a three level basis in regards to condition – good, fair and poor.

- Good condition means that the building showed no or a few minor observable faults.
- Fair condition means that the building has a number of observable faults which if not corrected could lead to major deficiencies affecting livability.
- Poor condition means that the building has major deficiencies which affect livability.

Nine hundred and ninety-nine residential buildings were evaluated. This is about 88 percent of the present housing stock at the time.

The following is the breakdown of the observed building conditions:

<u>Condition</u>	<u>Number of Units</u>	<u>Percentage</u>
<i>Good</i>	885	88.6%
<i>Fair</i>	64	6.4%
<i>Poor</i>	<u>50</u>	<u>5.0%</u>
Total	999	100.0%

This study shows that the overwhelming number of houses in Liberty are in good condition. The number of homes in Liberty in Fair and Poor condition totaled 11.4 percent. Of those observed, slightly more than one out of every ten residential buildings. This level indicates a need for the municipality to consider ways of alleviating this problem, which if not corrected, could affect the neighbors and the surrounding area, and possibly property values.

The study only reflects external conditions. It does not reflect other conditions which may exist such as internal structural problems and problems with septic systems. However, the survey does serve, as does the census information, as an indicator of those other problems.

In order to see, on average, what housing was available to persons of low or moderate income, we need to look at value, rent, and income. The following discussion shows a significant segment of the population with incomes in 2000 insufficient to secure housing at the median value.

Median Value Home	\$250,900
Down Payment (10%)	25,000
Mortgage	225,000
Monthly Mortgage, Taxes and Insurance @ 5.00% Interest *	1,851

* Housing payment should be no more than 28% of gross income.
 $1,851/.28 = \$7,404$ per month = \$88,848 per year.

The median household income in 1999 was \$62,535. It has since risen to an estimated 75,000. As of 2000 only about 51.0 percent of the households in Liberty could afford the median priced home, we expect that figure has declined to the present.

TABLE 9

HOUSEHOLD SIZE

	<u>Total Units</u>	<u>Owner Occupied</u>	<u>Renter Occupied</u>
<i>1 person</i>	179	158	21
<i>2 persons</i>	315	269	46
<i>3 persons</i>	171	163	8
<i>4 persons</i>	200	192	8
<i>5 persons</i>	85	73	12
<i>6 persons</i>	20	20	0
<i>7+ persons</i>	<u>5</u>	<u>0</u>	<u>5</u>
Total	975	875	100
Mean Household	2.77	2.80	2.50

Source: 2000 Census

TABLE 10

**FAMILIES AND NON-FAMILY HOUSEHOLDS
BELOW POVERTY LEVEL**

<u>Families</u>	<u>Percent</u>	<u>Non-Family Households</u>	<u>Percent</u>
15	2.0	12	5.2

Source: 2000 Census.

Table 10 indicates that a significant number of people were living below an acceptable standard in 1999. It is well documented that lower income persons and large families are the least mobile within any area.

Table 11 shows the distribution of income by family and household as of 1999. Family incomes were two times higher than non-family household incomes. Further, the income of renter families was sixty-five (65%) percent of that of owner families. The reason non-family households tend to perform less well than do families is that the category "non-family households" includes the majority of single people who have just entered the work force and are therefore at the lower end of the wage scale. Non-family households tend to have fewer income earners than family households.

Statistics provided by the real estate industry indicate the average closing price of a house in 2000 was \$250,000. Rental data from the same source indicates that new leases in 2005 were averaging \$860. Again, the data are old and do not factor in the recession and the fall of housing prices/values. It is estimated though that housing values have dropped from the unrealistic peak in 2007-2008 to values approximating those in 2004-2005. Incomes have stagnated. However, much of the information we have is based upon review of the 2000 Census data, as well as local real estate information. It remains clear that a substantial proportion of the Township population still cannot afford housing at a cost within the guidelines set by the Council on Affordable Housing (COAH).

TABLE 11

HOUSEHOLD AND FAMILY INCOME, 1999

	<u>Households</u>	<u>Families</u>	<u>Non-family Households</u>
\$ 0 - 10,000	25	7	18
10,000 - 14,999	37	14	23
15,000 - 19,999	49	25	24
20,000 - 24,999	58	31	27
25,000 - 29,999	28	19	9
30,000 - 34,999	33	19	14
35,000 - 39,999	27	24	3
40,000 - 44,999	63	51	18
45,000 - 49,999	34	14	20
50,000 - 59,999	101	89	12
60,000 - 74,999	146	104	36
75,000 - 99,999	179	165	14
100,000 - 124,999	111	103	8
125,000 - 149,999	42	42	0
150,000 - 199,999	30	30	0
200,000 or more	<u>8</u>	<u>5</u>	<u>3</u>
TOTAL	971	742	299
<i>Median Income</i>	\$62,535	\$68,529	\$34,861
<i>Mean Income</i>	\$69,183	\$76,369	\$45,022
<i>Median Income for Owner Occupied</i>		\$63,107	
<i>Median Income for Renter Occupied</i>		\$41,250	

Source: 2000 Census

Note that there were roughly 115 families with an income of less than \$35,000 in the Township. Further, according to the 2000 Census, of the total housing units of 1,088 within the Township, 980 were occupied, 108 were vacant, and 58 were seasonally vacant.

Eighty five percent of the housing in Liberty Township was built after 1940. Much of that constructed between 1940 and 1970 was in the Mountain Lake area. From 1970 to 2004 there was a significant amount of construction - 533 units that were constructed between 1970 and March of 2000, and an additional 65 between 2000 and 2005 comprising roughly one half of the development within the Township. This housing is scattered throughout the Township.

Very little housing in the Township meets the definition of substandard housing. Only four units lack complete plumbing facilities and nine lack complete kitchen facilities. The other determinant of substandard condition is that the house was constructed prior to 1940 and is also overcrowded. Only seven homes were overcrowded as of the 2000 Census. Given that these are the criteria used by COAH to determine the rehabilitation need it is no surprise that the rehabilitation calculated by COAH diminished almost completely.

For purposes of this discussion, we use median rent of \$686, and the median mortgage payment of \$1,851. We then add in utilities costs (fuel, electricity and phone) another \$3,000 per year, or \$250 per month. This brings the median housing costs to approximately \$2,300 per month.

TABLE 12
VACANCY STATUS

	<u>Units</u>	<u>Percent</u>
<i>For Rent</i>	10	9.1%
<i>For Sale Only</i>	26	23.6%
<i>Rented/Sold, Not Occupied</i>	14	12.7%
<i>Seasonal, Recreational or Occasional Use</i>	52	47.3%
<i>All Other Vacant</i>	<u>8</u>	<u>7.3%</u>
<i>Total</i>	110	100.0%

Source: 2000 Census

Vacancies are down from 147 in 1990. Nearly one half of the seasonal, recreational or occasional use units in that were reported 1990 (102) have been converted to year round use.

The projections in the most recent Housing Element that suggested that there would be ten conversions of seasonal to year round use were conservative and in fact appear to have been significantly exceeded. This is more than likely due to the drastic increase in regional housing costs for the region.

2. PROJECTED HOUSING STOCK

The housing constructed in Liberty Township during the 1990s through 2004 consists entirely of single family detached dwellings on relatively large lots with no sanitary sewers or central water facilities.

Recent new housing construction indicated that 193 units were issued certificates of occupancy between 1995 and 2004. Previously reported information in the Township's adopted Housing Elements dealt more with residential construction permits rather than certificates of occupancy. However, in the decade 1990 to 1999, 142 residential construction permits were issued, in contrast to the previous decade (1980 – 1989) of 416.

Although we indicated that it was not expected that the Township would see the kind of growth that had existed prior to this time, the Highlands Act has completely altered the housing and employment framework. Notwithstanding the certificates of occupancy issued, it is in no way possible for new residential construction, even with existing developments that may or may not be constructed, to begin to reach prior levels.

Liberty Township at this time has roughly 50 lots that have been recently approved for single family residential development. There is no reason to expect any further large scale development proposals to be made or approved in Liberty Township. Accordingly, the projection for Liberty Township for 2004 to 2014 is based on those 50 units plus a smattering of additional construction which may amount to ten to 15 units. This would give the Township a "growth share" with which it needs to be concerned of 65 units. Even this growth may well not be realized.

None of the developments involved have received final subdivision approval by meeting all conditions of that approval. The roughly 15 additional units which could be constructed over time are a function of experience of municipal officials and will be dramatically affected by increased land costs, the lack of accessibility of the Township and additional regulatory sanctions imposed by the NJDEP.

Finally, the Highlands Commission has adopted Master Plan. The RMP to all intents and purposes precludes additional development beyond the exempt development called out in the Act.

For Liberty Township, it is anticipated that the 2000 population estimated at 2,819 and shown in the Census at 2,765 will cease to increase significantly. By 2018 it is estimated that an additional 10 to 20 new homes could be constructed. This would be offset by the continuing decline in household size with an additional 70 persons perhaps becoming resident in the Township by 2018.. This is approximately 1,000 fewer persons anticipated in previous projections by the year 2020.

<u>Year</u>	<u>1990</u>	<u>2000</u>	<u>2010</u>	<u>2020</u>
<i>Population</i>	2,493	2,765	2,835	2,905

Source: Eric K. Snyder & Associates, Inc.

3. DEMOGRAPHY

In the year 2000 the population of Liberty Township was 2,765 persons compared to the population in 1990 of 2,493 and in 1980 of 1,730. The median age of the population continues to increase from 33.1 years to 37.6 years in the year 2000. Again, the age cohort between 15 and 25 years is most poorly represented in the Township indicating that there are fewer children. Children once they achieve their majority must leave town as they are unable to afford any kind of housing opportunities.

In order to further develop an understanding of the population of Liberty Township, Table 19 indicates the sources and average amounts of income received during 1999.

TABLE 13
HOUSEHOLDS WITH INCOME IN 1999
BY INCOME TYPE

	<u>Total</u>	<u>Mean</u>
<i>Earnings</i>	851	\$70,291
<i>Social Security</i>	220	11,166
<i>Public Assistance</i>	11	2,709

Source: 2000 Census

4. LABOR FORCE AND EMPLOYMENT CHARACTERISTICS

Liberty Township has not shared in the economic growth in the region to any significant extent. This fact is reflected in the lack of new construction described earlier. There have been no new Certificates of Occupancy issued for non-residential development since 1995. The following exhibits describe the labor force in Liberty.

TABLE 14

LABOR FORCE STATUS

	<u>Total</u>	<u>Male</u>	<u>Female</u>
<i>Persons 16 Years and Over</i>	2,024	1,009	1,015
<i>In Labor Force</i>	1,424	787	637
<i>Armed Forces</i>	0	0	0
<i>Civilian Employed</i>	1,362	763	599
<i>Civilian Unemployed</i>	62	24	38
<i>Unemployment Rate</i>	3.1%	2.4%	3.7%
<i>Not in labor force</i>	600	222	378

Source: 2000 Census.

The vast majority of the population, 98.0 percent, works outside the Township. The data indicates that only a little over 50 residents work in Liberty. Of those who work elsewhere, 43.7 percent work in Warren County.

TABLE 15

EMPLOYED PERSONS BY INDUSTRY

<u>Industry</u>	<u># Employed</u>
<i>Agriculture, Forestry, Fisheries, and Mining</i>	43
<i>Construction</i>	140
<i>Manufacturing</i>	210
<i>Transportation</i>	96
<i>Communications and Other Public Utilities</i>	58
<i>Wholesale Trades</i>	33
<i>Retail Trades</i>	123
<i>Finance, Insurance, and Real Estate</i>	58
<i>Personal, Entertainment and Recreation Services</i>	34
<i>Education, health and social services</i>	282
<i>Professional and Related Services</i>	147
<i>Public Administration</i>	<u>88</u>
Total	1,312

Source: 2000 Census

Employment figures for Liberty, those people who work in Liberty, are obtained from the New Jersey Department of Labor from those jobs covered by Unemployment Insurance. The numbers may be somewhat suspect since the information is forwarded by the firm which could mistake their mailing address as the municipality they are located in.

5. **POPULATION AND ECONOMIC DEVELOPMENT PROJECTIONS**
2004-2014

As indicated earlier in this Housing Element, population projections for the period 2004-2018 have been generally discussed working with actual Certificates of Occupancy issued through 2004 and projected available lots for the remaining fourteen years. As indicated, we anticipate that Liberty Township could increase in number of households by approximately 20 units for the foreseeable future, to say nothing of 2018.

In the event that all of these new lots were to be built upon and occupied during that timeframe, development would essentially cease in Liberty Township. For that reason, we estimate that not more than two-thirds of those units will be constructed and occupied during the relevant period 2004-2014, approximately 12 units.

As regards economic development, there have been no Certificates of Occupancy for new economic development in Liberty Township since 1995. This continues a trend which has been evident for the past 20 years with businesses failing rather than being on the increase. Consequently, no commercial or industrial development is projected for the period 2004 to 2018.

By itself, the continuation of past trends could well elicit the argument that an increase in demand in the region could lead to that some non-residential development. However, coupled with the significant reduction in market available to the Highlands Region and its communities, this past trend will only be reinforced.

For those reasons, Liberty Township rejects the economic projection offered by the New Jersey Transportation Planning Authority for Liberty Township. Not only will there be no increase in jobs, but three of the Township's businesses have also become vacant.

With regard to the rate of household formation, the projection of 1,050 in 2005 is consistent with the Township's actual experience. The additional 40 units projected by NJTPA would have been consistent with the Township's projections in the absence of the Highlands RMP. We now project approximately 12 units expected to occur. Again, the MPO projections cannot have factored in the impact of the Highlands. Therefore, the Township rejects the MPO projections for increased residential and non-residential development and/or employment for the reasons indicated above.

Consequently, the Township will have a Growth Share obligation for the period 2004 – 2018 of two units. Of those two units, one is already offset by a credit from the Hulse's Rest Home approval(see Round 2 Substantive Certification), leaving one unit. In order to meet this obligation, the Township proposes to again reach out to group home operators and to permit conversion of one single family home to a group home, thereby meeting its obligation. This is the only reasonable option available to the Township, absent an RCA, and given the constraints of the Highlands regulations.

To this end, the Township will amend its code in the R-1 and R-3 zones to permit this conversion of one unit as follows:

Section 105-62.1 – Additional uses in the R-1 zone should be amended to provide under Subsection A(12) – Conversion of a single family home in existence as of the date of this code amendment to accommodate occupancy by a group home as regulated by the New Jersey Department of Community Affairs including homes for the developmentally disabled, shared senior housing and other similar alternative arrangements.

6. SUMMARY

In summation, the following points (based largely on the 2000 census) may be made:

1. With few exceptions, the housing stock of Liberty Township is acceptable.
2. The majority of the housing stock in Liberty was constructed since 1970, and reflects a 50.5 percent increase since 1980. In absolute numbers, the population has not increased significantly; an increase of 272 over ten years – 27 persons per year.
3. Liberty is a bedroom community and has not participated proportionately in the economic growth of the West Central Region.
4. Housing in the township is generally not available to low or moderate income households.
5. No sewer or water utility systems exist or are proposed.
6. No development applications currently active provide for low or moderate-income housing.
7. The twenty-six (26) unit COAH fair share assigned Liberty for Rounds 1 and 2 has been realized through rehabilitation of existing substandard housing and low/moderate credits for the Hulse's Rest Home. Efforts shall be made to utilize alternative, innovative approaches as they become available.

7. **PRESENT AND PROSPECTIVE FAIR SHARE**

The third round obligation for Liberty Township is estimated at two units. The Township already has one credit in excess of its prior round obligations, leaving one unit to be accommodated. The Township will work with the Highlands Commission along with COAH to identify options available to it to meet its third round obligation.

FAIR SHARE HOUSING PLAN

The Council on Affordable Housing (COAH) determined that the Township of Liberty had a fair share obligation of twenty-six housing units for the 1986-1999 period. This included an indigenous need of twenty-two units, and a reallocated present and prospective need of four units. The latter is Liberty Township's portion of the need for the Northwest Housing Region composed of Morris, Essex, Union and Warren Counties.

Liberty Township completed this obligation. The Township will continue to promote awareness of the following:

A. Rehabilitation

Indigenous needs may be met through a number of activities, among which is rehabilitation. Liberty Township proposes to monitor the need to aid in rehabilitating single-family homes owned and resided in by low and moderate-income households. The Township has rehabilitated eleven homes under this program. This program is similar to programs operated by other municipalities in Warren and Sussex County.

Applicants will be provided grants or low interest loans, depending on their income status. The program will be operated by a part-time program manager appointed by the Township Committee who will oversee the application process, the preparation of work estimates, contractor qualifications, competitive bidding and administration.

Funding could come from several sources.

1. Grant programs operated by the New Jersey Department of Community Affairs (DCA).
2. Adoption by Liberty Township of a program to assess development fees on new residential and non-residential construction, as allowed for in NJAC 5:93-8. These funds would be placed in a Liberty Township Housing Trust which could be used for rehabilitation as well as other low and moderate-income housing programs.
3. Monies designated in the regular budget of Liberty Township by the Township Committee to be placed in the Housing Trust.

B. Conversion

Older large single-family dwellings located in the R-1 and R-3 zones may be approved for conversion into two housing units, one of which shall be for low and moderate income housing if they meet the following conditions.

1. Dwelling unit density shall not be increased by more than 150 percent above the allowable density for single-family detached units in the applicable zone.

2. All bulk height and setback requirements shall be met after the conversion takes place.
3. The minimum size of a housing unit shall be 650 square feet.
4. Each housing unit, after conversion, shall have a living room, bedroom, full kitchen, full bath and a separate entrance from the exterior.
5. The designated low and moderate-income unit shall have rental and tenancy controls which meet the requirements of NJAC 5:93-9.
6. On site sewer and water facilities must be certified to be adequate to accept the anticipated load.
7. Parking must be provided which meets the development codes of the Township.
8. The minimum size lot acceptable for conversion is 30,000 square feet.

C. Accessory Housing

Liberty Township has recently adopted a conditional use provision in the R-2 and R-3 residential zones to allow an accessory apartment in a single-family house, or for a separate housing (ECHO) unit on the same lot, for close relatives not able to live independently. If approved, the accessory use is to be temporary and must be reconverted upon the discontinuance of the tenancy.

It is recommended that the ordinance's jurisdiction be extended to the MFD and R-4 zones with the minimum size lot being 30,000 square feet or the minimum single family lot in the zone, whichever is the greater.

Neither of these is sufficient to generate COAH credits.

D. Multi-Family Development (MFD) Zone

The MFD zone in Liberty Township allows for multi-family development and planned residential development if the service infrastructure (central water and sewer, etc.) are available. Otherwise, the permitted uses and lot sizes are those of the R-1 zone.

There is one area designated MFD. The area is located in the northeast quadrant of the Township adjacent to the Mountain Lake area – the most densely developed area of Liberty Township.

The MFD zone, along with the remainder of Liberty Township, is not designated in the Liberty Township Wastewater Plan as a future area to be sewerred. It is not likely, therefore, that this property will be developed as a multifamily project in the foreseeable future.

E. Alternative Living

Liberty Township hosts Hulse's Rest Home, an assisted living facility of 23 residents; housed in 12 bedrooms. All residents fall below the definition of low or moderate-income as promulgated by COAH. This is a private facility which receives indirect government assistance as its residents receive SSI assistance. The Township has made arrangements, now in process to fund certain water and sanitary waste treatment repairs on the property. The operator has agreed to record a thirty-year deed restriction on the property and facility to guarantee that it will remain in operation and will continue to serve income eligible residents during that time period. The thirty-year period will run from the date of COAH approval. Under this plan, the Township has been declared eligible for thirteen credits, one of the bedrooms qualifying for rental credit

F. Developer's Fees

Liberty Township shall consider requiring a growth share fee of \$20,000 per unit constructed as a means to finance improvements to a group home or an RCA. This one-eighth share is consistent with the required value of an RCA unit plus the costs of administration. See attached draft.