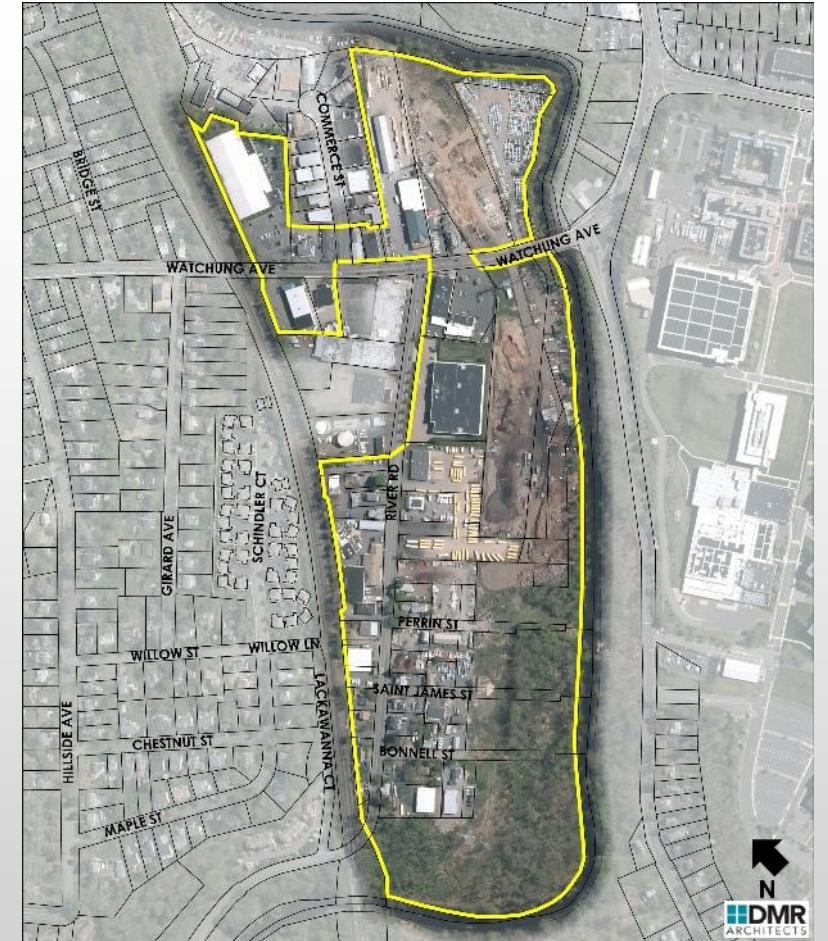


BOROUGH OF CHATHAM

AFFORDABLE HOUSING + REDEVELOPMENT OPTIONS

MARCH 11, 2024

DMR Architects + Kyle McManus Associates



Borough of Chatham

NJ AFFORDABLE HOUSING HISTORY:

❑ Pre 2015

- 1975 - Mt. Laurel I: constitutional obligation
- 1983-1985 – Mt. Laurel II: builders remedy, obligations + court approved plans
- 1986-2014 – COAH

❑ Post 2015 – Mt. Laurel IV – court approved plans



AFFORDABLE HOUSING CONCEPTS + TERMS:

- ❑ Declaratory Judgment (DJ) Action process
- ❑ Builders Remedy Lawsuit
- ❑ Intervener: Fair Share Housing Center (FSHC)
- ❑ Obligation – 1st/2nd/3rd Rounds
 - 1st +2nd – 1987-1999
 - 3rd – 1999-2025
- ❑ Vacant Land Analysis
 - Realistic Development Potential
 - Unmet Need
- ❑ Settlement Agreement
- ❑ Judgment of Repose



CHATHAM AFFORDABLE HOUSING HISTORY:

- ❑ 30+years of compliance (1988, 1998, 2008) participation
- ❑ 2015 – DJ action and FSHC intervention
- ❑ 2016 – Court approved plan
- ❑ 2020 – Mid-point review + challenge
- ❑ 2021 – Court approved amendment to FSHC SA



Who Qualifies For Affordable Housing + What Is Affordable:

2023 Region 2: Morris/Essex/Union/Warren Counties

Maximum Household Income				
	1 Person	2 Person	3 Person	4 Person
Median	\$86,680	\$99,063	\$111,446	\$123,829
Moderate	\$69,344	\$79,251	\$89,157	\$99,063
Low	\$43,340	\$49,532	\$55,723	\$61,914
Very Low	\$26,004	\$29,719	\$33,434	\$37,149

Affordable Home Sales Prices (Illustrative Low to Moderate)

- One-bedroom: \$75,000 - \$115,000
- Two-bedroom: \$91,000 - \$138,000
- Three-bedroom: \$104,000 - \$159,000

Affordable Rents (Illustrative Very Low to Moderate)

- One-bedroom: \$600 - \$1,195
- Two-bedroom: \$1,090 - \$1,430
- Three-bedroom: \$1,271 - \$1,650



CHATHAM BOROUGH AFFORDABLE HOUSING OBLIGATION

☐ Prior Round (1987-1999)

☐ 77 units

- 23 Realistic Development Potential
- 54 Unmet Need

☐ Third Round (1999 – 2025)

☐ 337 units

- 71 Realistic Development Potential
- 266 Unmet Need

☐ Total for 38 years (1987-2025)

☐ 414 units

- ☐ 94 Realistic Development Potential
- ☐ 320 Unmet Need



SATISFYING THE 3rd ROUND AH OBLIGATION

☐ Realistic Development Potential (RDP): 71 units

- ☐ Extension of Controls: 8 credits
- ☐ Inclusionary Zoning: 11-15 credits
 - ☐ AFD-4 District (Bowers Lane)
 - ☐ Gateway District (4 Watchung Ave)
- ☐ Redevelopment Project: 37 units
 - ☐ Ivy Development (Lots 9-12)
- ☐ Rental Bonuses: 17 credits

- ☐ Total: 73-77 credits



Chatham Borough has satisfied its 3rd Round RDP Requirements

SATISFYING THE 2nd + 3rd ROUND AH OBLIGATION

☐ Unmet Need: 320 units

☐ AH set-aside requirement

- ☐ M-1, M-3, B-2, B-4, Gateway districts

☐ Overlay Zoning

- ☐ Gateway Overlay 1 + 2 districts

☐ Redevelopment Zoning

- ☐ Bowers Court (BCUW)
 - ☐ 15 rental units (100% affordable)
- ☐ Gateway Overlay District Redevelopment
 - ☐ 75 units minimum

☐ Mandatory Set-Aside Ordinance





REDEVELOPMENT/REHABILITATION AREAS

BACKGROUND:

August 2020:

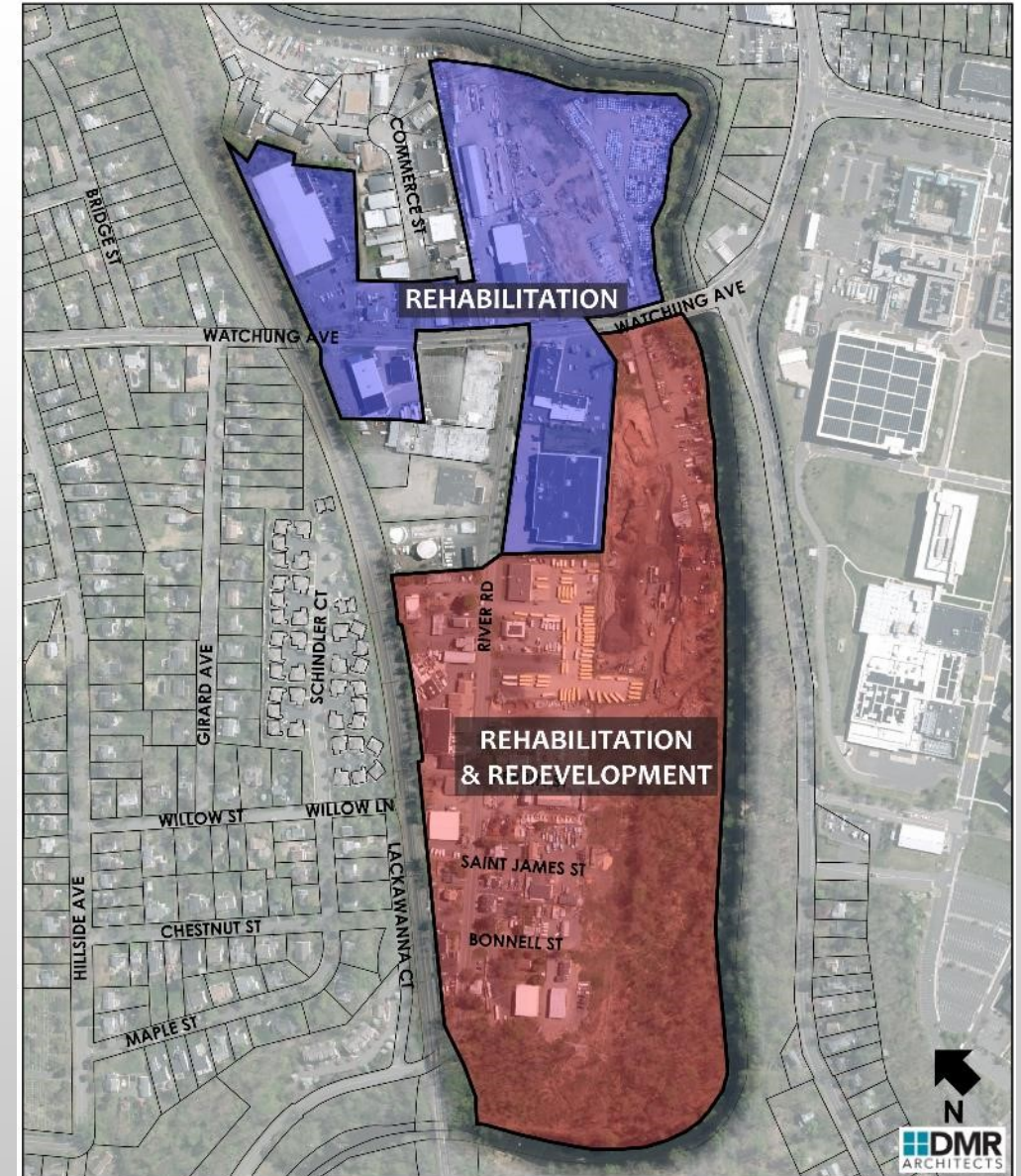
- DMR conducted investigation study:
- Study recommended Rehab and Redevelopment designations

August – September 2021:

- DMR presented findings to the Planning Board
- Properties were recommended for designation

Borough Designated Area through a Resolution:

- Redevelopment Area without condemnation
- Rehabilitation Area (no condemnation)



REDEVELOPMENT PROCESS:

STEP 1: Investigation Study:

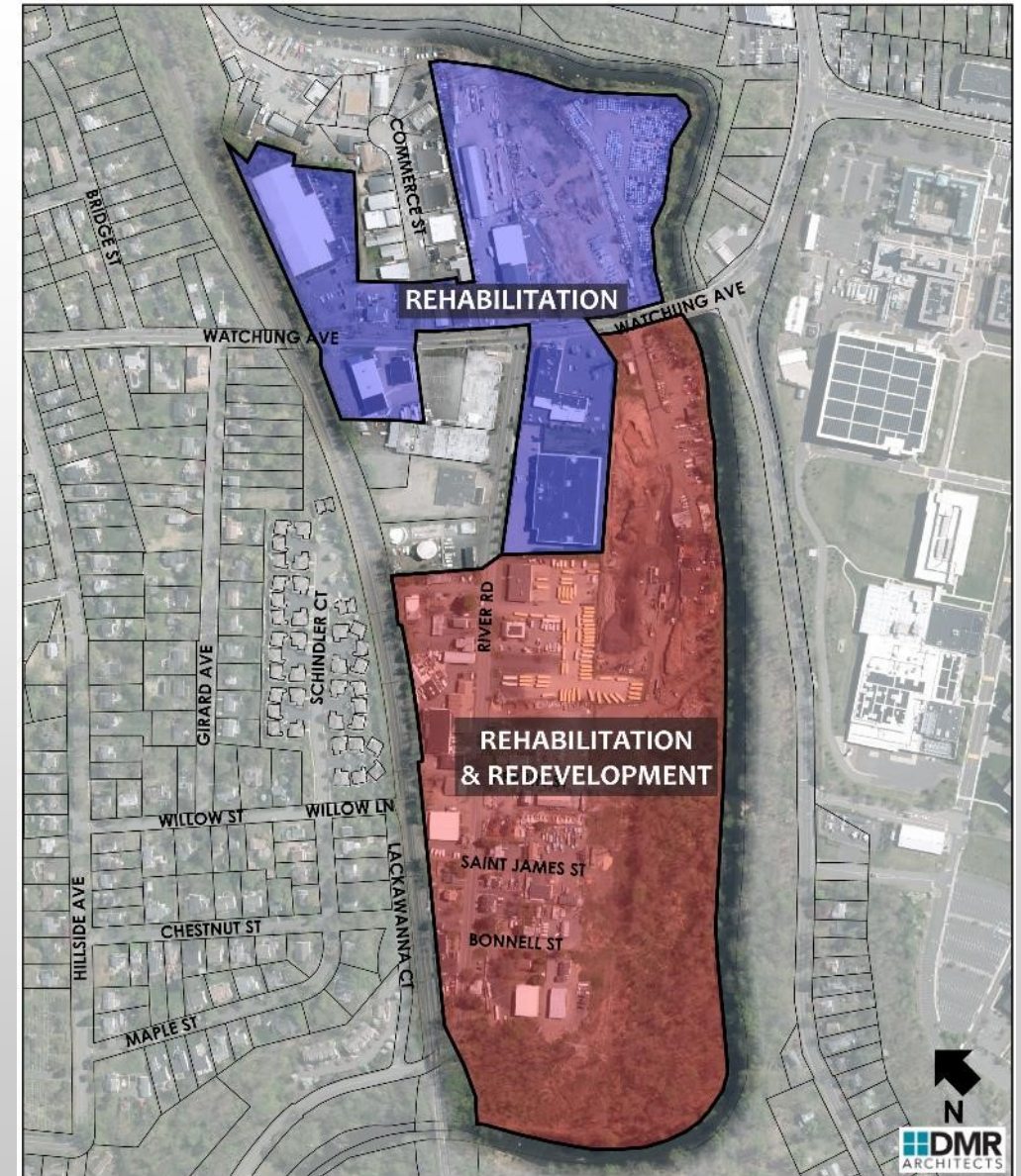
- Completed and Adopted
- Study recommended Rehab and Redevelopment designations
- Process may stop here: Step 2 is Optional

STEP 2: Redevelopment Plan (Optional):

- Under consideration (not required)
- Creates new zoning for the properties / area

STEP 3: Site Plan Application:

- Requires a developer to submit for site plan approval through the Planning Board
- Includes a Redeveloper Agreement
- Not required



BOROUGH SETTLEMENT AGREEMENT:

Gateway Overlay 1:

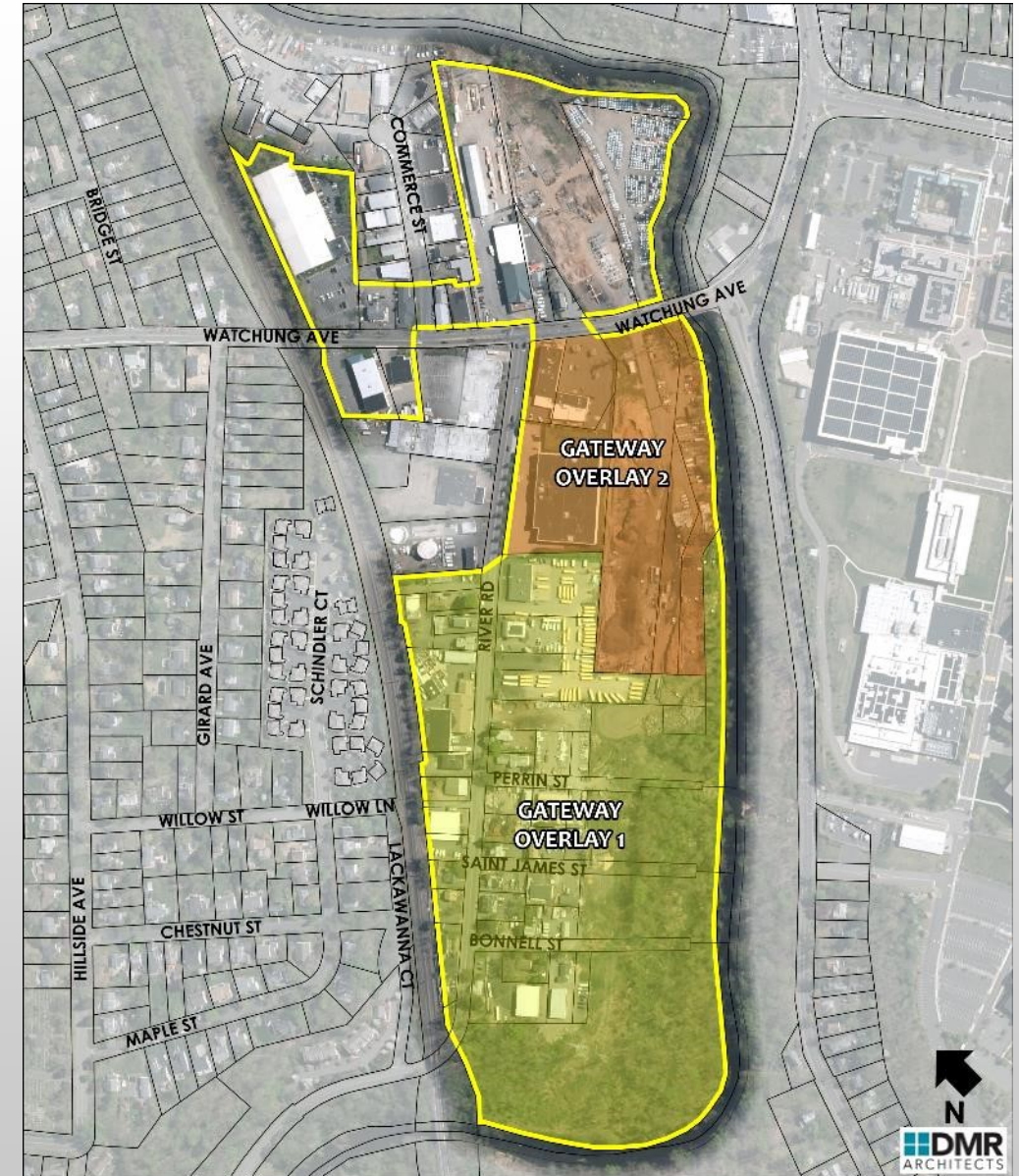
- a. 20.2 acres at 35 units per acre (permitted)
- b. 4 story buildings
- c. Up to approximately 700 units permitted
- d. 106-141 affordable housing units
- e. 15% set-aside required (20% for-sale)

Gateway Overlay 2:

- a. 9 acres at 18 units per acre (permitted)
- b. 4 story buildings
- c. Up to 162 units permitted
- d. 24-32 affordable housing units
- e. 15% set-aside required (20% for-sale)

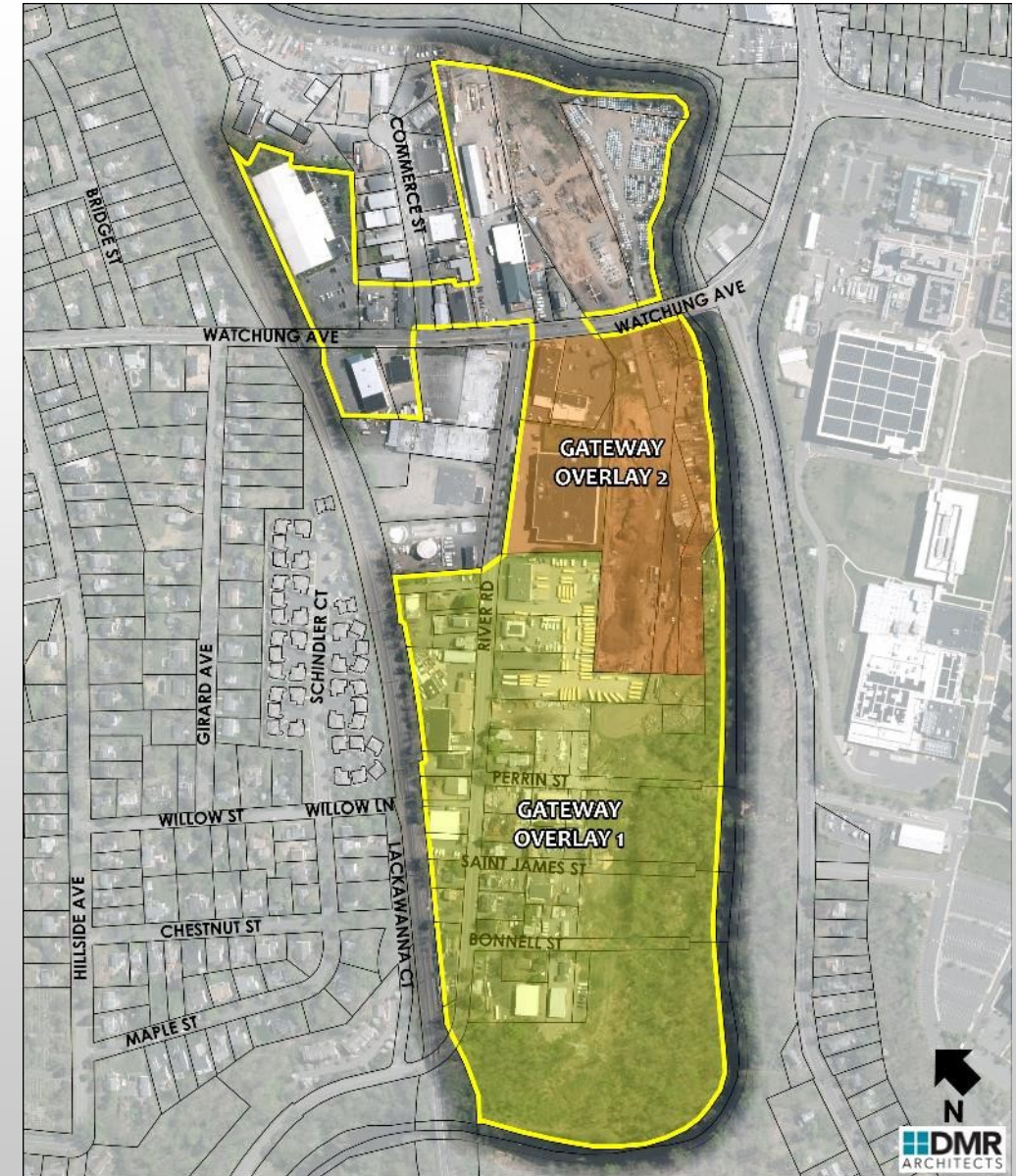
Settlement Agreement with a Redevelopment Plan (Gateway Overlay 1):

- a. Requires minimum 75 affordable family housing units in an inclusionary development
- b. Up to 500 units with 15% set-aside
- c. Up to 375 units with 20% set-aside



BENEFITS OF A REDEVELOPMENT PLAN:

- a. **Less Units** to meet the requirement
- b. **Creates a Vision** for the area (new zoning)
 - a. Settlement Agreement
- c. **Greater Design Control** over the existing zoning
 - a. Architectural design (style / height / uses)
 - b. Streetscape improvements (walkability)
 - c. Materials / finishes
- d. **Public Benefits** through Redeveloper Agreement
 - a. Public Amenities (Parks / Open space)
 - b. Resident Amenities
 - c. Infrastructure improvements (parking / storm water)
 - d. Municipal services / needs (fire truck, etc.)
- e. **Revitalization based on Community Input** - not zoning





QUESTIONS