

AFFORDABLE HOUSING BRIEF 11/08/19 –

Overview – Round Three

What is happening?

Hanover along with the majority of municipalities in New Jersey has received a court order mandate to advance affordable housing opportunities in our community. Your Township Committee has worked diligently for the past 2 years to develop a plan that satisfies this court obligation while at the same time doing it in a manner that is supportive of the planning needs of Hanover Township.

Highlights of Hanover's affordable housing plan are as follows:

- An overall affordable housing obligation of 975 new affordable units.
- In evaluating this 975-unit obligation, the Township successfully demonstrated that it lacks sufficient suitable land to meet this obligation. The Township demonstrated a “realistic development potential” of 550 units, which it could address through various development projects and through the application of other crediting mechanisms that did not result in the construction of new housing.
- The actual number of new affordable units to be constructed is actually less than 550, since the Township will receive credits for past affordable housing activity and other credits that do not require new units to be constructed.
- The primary means of strategically addressing this “realistic development potential” is through four projects, plus bonus credits and other credits from prior housing activity. The four projects would result in the creation of 294 affordable units, a significant majority of which are 1- or 2-bedroom units, and 92 of which would be age-restricted or special needs units. The four projects are as follows:
 1. River Park – Once home of the Whippany Paper board company which has been undergoing cleanup efforts since the early '80s. The River Park site will be redeveloped as a mixed use village combining residential market and affordable units, retail shops and restaurants.
 2. Pine Plaza – A shopping center that has failed and is in need of redevelopment. This will also become a mixed use site combining senior affordable housing, town homes and retail shopping featuring shops and restaurants.
 3. Corporate Mailings – This vacated industrial site on Parsippany Road is in need of significant environmental cleanup. This location will have multifamily units, both market rate and affordable.

4. Airport Road – This location will be exclusively multifamily residential units.
- The balance of the 550-unit “realistic development potential” is to be addressed through surplus units from past housing activity and bonus credits for rental housing.
 - After addressing the 550-unit obligation, the court mandated that the Township had to show efforts to address an “unmet need” of 425 units of affordable housing (975 unit total – 550 unit realistic development potential). The court mandated that the Township provide overlay zoning on underdeveloped sites. In response, the Township has proposed two “overlay zones” on Parsippany Road that would permit the development of multifamily housing, of which 20% would be affordable units.

These zones are called “overlay” zones, because they are an “overlay” on top of the existing R-40 zoning. The zones do not require that property owners sell or develop their property; they may continue to be used as currently or they may be developed for single family lots under the existing R-40 zone standards. The overlay would provide a third option, to develop the properties for multifamily housing under the overlay standards. The two zones are as follows:

1. AH-2 overlay zone includes Lots 3, 4 and 7 in Block 8503 on the tax map. The lots are currently developed with a used auto parts junkyard, a trucking facility and other commercial operations. This overlay would allow for age-restricted (senior) multifamily housing.
2. AH-3 overlay zone includes Lots 6, 7.01 and 8 in Block 8305 on the tax map. This overlay would allow for multifamily housing with no age-restriction.

Why do this?

Given the nature of the court ordered Fair Share settlement, the Township Committee believes this agreement with the court advances the interests of Hanover Township in that it;

- ✓ Complies with a court ordered mandate to address affordable housing needs, while greatly reducing exposure to the number of units, and bedrooms
- ✓ Advances redevelopment and environmental cleanups in blighted parts of our town such as Pine Plaza and River Park
- ✓ Maintains local planning involvement as opposed to being subjected to builder’s driven remedy actions
- ✓ Protects home rule in that it provides court immunity or defense against builder-initiated zone change requests

What's Next?

The Township Committee, during its October 10, 2019 regular meeting introduced the following ordinances which will be considered for public hearing and final passage on Thursday evening, November 14, 2019 in the Main Meeting Room at the Municipal Building starting at 8 p.m. or as soon thereafter as the ordinances appear on the formal agenda.

- **Ordinance 42-2019**: An ordinance establishing a new Chapter 200 under Part II: General Legislation of the Code of the Township of Hanover to be entitled "Funding Received From Financial Agreements Related to Redevelopment Projects and Financial Agreements Pursuant to N.J.S.A. 40A:20-1 et seq. Also Known As Payment In Lieu of Taxes or PILOT" which shall be dedicated to taxpayer relief.
- **Ordinance 43-2019**: An ordinance amending and supplementing Chapter 166 of the Code of the Township entitled 'Land Use and Development Legislation' with the establishment of a new Article XXIXF entitled "AH-2 Affordable Housing Overlay District" and all related regulations and amending the Township's Zone Map to include the new overlay district.
- **Ordinance 44-2019**: An ordinance amending and supplementing Chapter 166 of the Code of the Township entitled 'Land Use and Development Legislation' with the establishment of a new Article XXIXG entitled "AH-3 Affordable Housing Overlay District" and all related regulations and amending the Township's Zone Map to include the new overlay district.
- **Ordinance 45-2019**: An ordinance amending and supplementing Chapter 166 of the Code of the Township entitled 'Land Use and Development Legislation' with the establishment of a new Article XXIXD1 entitled "RM-6 Residence District" and all related regulations and amending the Township's Zone Map to include the new overlay district.
- **Ordinance 46-2019**: An ordinance amending and supplementing Chapter 166 of the Code of the Township entitled 'Land Use and Development Legislation' by rezoning a portion of Block 4301, Lot 2.01 as set forth in the Tax Map of the Township of Hanover from the B-P2 Business and Professional District to the R-M Residence District and amending the Township's Zone Map to reflect the rezoning.
- **Ordinance 47-2019**: An ordinance amending and supplementing Chapter 166 of the Code of the Township entitled 'Land Use and Development Legislation' by repealing Article XVIIIA related to the Township's Growth-Share Obligation for Affordable Housing and establishing in its place a new Article XVIIIIA entitled "Affordable Housing Set-Aside Requirements" with new regulations.