

# Town of Westfield, NJ Master Plan

## Housing Element & Fair Share Plan

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Prepared  
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A signed and sealed copy of this Master Plan element is on file with the Planning Board Secretary and Town Clerk.

# **TOWN OF WESTFIELD** **HOUSING ELEMENT & FAIR SHARE PLAN**

## **INTRODUCTION**

This affordable housing plan is presented in two parts consistent with revised regulations of the New Jersey Council on Affordable Housing (COAH) adopted in 2008 and the New Jersey Fair Housing Act. Part 1 is the ***Housing Element***, which contains information on the Town's housing stock, demographics, employment characteristics and a determination of the Town of Westfield's fair share obligation. Part 2 is the ***Fair Share Plan***, which describes how the Town will provide a realistic opportunity for the rehabilitation and construction of affordable housing consistent with the Fair Housing Act, COAH rules and sound planning principles.

## **Goals & Objectives**

The goal of this plan is to comply with the constitutional fair housing mandate consistent with the Town's ability to accommodate growth, Westfield's Master Plan and State planning goals, the Fair Housing Act and sound planning principles. The following objectives are intended to fulfill this important goal.

1. Obtain credit for affordable housing established within the community in satisfaction of the Town's fair share housing obligation.
2. Provide a realistic opportunity for property owners to rehabilitate deficient housing located within the community.
3. Provide a realistic opportunity for the construction of new affordable housing within the community to satisfy an adjusted growth share obligation based on available land capacity in accordance with the Fair Housing Act and COAH rules.

## **Historical Overview of Westfield's Fair Share Obligation**

Pursuant to the New Jersey Fair Housing Act, adopted in 1985, COAH establishes municipal affordable housing ("fair share") obligations on a periodic basis - originally every six years - now every ten years. The fair share obligation is comprised of the need for rehabilitation of substandard housing located within the community (based on the most recent Census) plus the municipality's fair share of the region's need for new affordable housing units.

### **First Round Obligation and Court-approved Affordable Housing Plan**

In 1986 COAH determined that the Town of Westfield had a fair share obligation ("pre-credited need") of 414 units for the "first round" cycle from 1987 to 1993. The obligation was comprised of two components: 105 housing units in Westfield that were in need of rehabilitation (known then as "indigenous need") plus 309 new affordable units. Pursuant to a Court Order issued on November 8, 1991, the Town received credit for 89 units of completed rehabilitation and the new construction component was adjusted from 309 to 51 units because the Court found that there was insufficient vacant developable land to accommodate the obligation (known as a "vacant land adjustment").

The Court-approved compliance plan had four components. A 16-unit rehabilitation program satisfied the remainder of indigenous need. The 51-unit adjusted new construction obligation was to be satisfied by transferring 21 units via a Regional Contribution Agreement, the construction of 133 units of senior citizens housing (13 units in satisfaction of the adjusted obligation), and the rezoning of two sites for new non-age-restricted inclusionary housing to produce 17 affordable units. In all, 187 units were provided under the Town's compliance plan.

**COURT-APPROVED AFFORDABLE HOUSING PLAN**

Court-adjusted First Round Fair Share Obligation	Affordable Units Required
Rehabilitation (after 89 credits)	16
New construction (based on developable vacant land)	51
Court-approved First Round Compliance Plan	Affordable Units Addressed
Rehabilitation Program	16
Regional Contribution Agreement	21
100% Affordable Senior Citizens Housing	133
Inclusionary Zoning:	
Tract 1 (Williams): 52 total units	10
Tract 2 (Myrtle Ave): 34 total units	7
<b>Total Affordable Units</b>	<b>187</b>

To implement the compliance plan, the Town participated in the County's rehabilitation program to address the rehabilitation obligation and accomplished the following: (1) a Regional Contribution Agreement transferring 21 affordable units was executed with the City of Elizabeth; (2) a 131-unit affordable senior citizens rental development<sup>1</sup> was constructed by the Westfield Senior Citizens Housing Corporation on a Town-owned site, and (3) two areas in Westfield were rezoned to provide for the construction of 86 dwelling units, including a total of 17 affordable units. The Judgment extended to November 1997.

**Second Round Obligation**

In 1993 COAH published "second round" fair share obligations for all New Jersey municipalities. The obligation was combined with the first round and covered the cumulative period from 1987-1999. The agency evaluated the 1990 Census and growth that took place during the preceding years and adjusted many municipal obligations, including Westfield's, because growth levels were generally below predicted levels. COAH determined that Westfield's cumulative first and second obligation was 143 units of rehabilitation and 139 units of new construction (as compared to the first round new construction component of 309 units). In fact, the cumulative second round new construction obligation was less than the number of affordable units approved by the Court in the first round. In publishing the obligation, COAH also acknowledged that the Town had been granted a vacant land adjustment. The Town continued its participation in the Union County rehabilitation program throughout the 1990's.

**Third Round Obligation**

Although the second round cycle ended in 1999, COAH delayed issuing third round fair share obligations so that it could evaluate the 2000 Census. The agency also considered potential methodologies for determining affordable housing goals. In 2004 COAH adopted new rules

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<sup>1</sup> 133 units were originally proposed in this project.

establishing the “growth share” methodology to cover the third round cycle from 2004 to 2014, by which affordable housing obligations would be projected by the municipality and accrue in proportion to new development as certificates of occupancy are issued. As a result of court challenges filed by developers and others in early 2005, many important aspects of the rules were invalidated by the Appellate Court in a decision handed down on January 25, 2007.<sup>2</sup>

In response to the 2007 Appellate Court Decision, COAH adopted new regulations in 2008 establishing its own growth projections for municipalities throughout the state, higher growth share ratios, and extended the third round cycle through 2018. Under the revised third round rules, the Town’s obligation is comprised of three components: (1) the **rehabilitation share**, based on the 2000 Census, is 41 units; (2) the **prior round obligation** (the combined first and second round new construction component) of 139 units is a continuing obligation; and (3) the **growth share obligation** is 180 affordable units (before adjustment) based on COAH’s projection of growth from 2004 through 2018.

#### **Vacant Land Adjustment**

COAH rules recognize the prior round Court-approved vacant land adjustment, and that developed communities may not have sufficient vacant land to accommodate the growth it predicts will occur during the third round. The rules permit an adjustment of the third round growth projections based on an analysis, described in greater detail later in this plan, which attributes hypothetical development to the remaining vacant parcels in the Town, not including those that were analyzed as part of the prior round vacant land adjustment. Under COAH’s methodology, the Town’s third round growth share obligation should be adjusted to 90 units.

### **Summary of Third Round Obligation and Fair Share Plan**

This Housing Element and Fair Share Plan represents the Town of Westfield’s plan for satisfying its third round fair housing obligation, summarized as follows.

#### **Rehabilitation Share: 41 Units**

The third round rehabilitation share, based on the 2000 Census, replaces all prior rehabilitation requirements. To address the Town’s 41-unit rehabilitation obligation, the Fair Share Plan (Part 2 of this plan) provides for a rehabilitation program to encourage property owners to rehabilitate deficient units (occupied, or to be occupied, by income eligible owners or renters) situated within Westfield.

#### **Prior Round Obligation: 139 Units**

Because the Court approved a vacant land adjustment in the first round, the prior round obligation of 139 units is broken down into two components. The Town’s prior round “realistic development potential” (RDP) represents the Court-adjusted new construction obligation of 51 units. The balance of the obligation is referred to as “unmet need” (88 units). The entire prior round obligation is satisfied with credits for housing that has been established for individuals with special needs, a regional contribution agreement completed in 1994, and senior citizens housing completed in 1995.

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<sup>2</sup> “In the Matter of the Adoption of NJAC 5:94 and 5:95 by the New Jersey Council on Affordable Housing” (A-1960-04T3); Appellate Division; January 25, 2007.

### **Adjusted Growth Share: 90 Units**

Since Westfield is a developed community, the Court-approved prior round vacant land adjustment remains valid. COAH's future growth projections should be adjusted based on an assessment of the realistic additional development potential of land not previously considered by the Court as part of the prior round obligation. Based on the Town's analysis and requirements of COAH's third round rules, Westfield's third round growth share obligation should be lowered from the COAH-projected 180 units to 90 units, which is based on an adjustment of projected growth from 2004 through 2018.

As described in Part 2, the Fair Share Plan, the adjusted growth share obligation will be satisfied with credits for housing established for individuals with special needs, completed senior citizens housing, permanent supportive housing, the continuation of inclusionary zoning for prior round sites not yet developed, and rezoning for transit-oriented inclusionary development.

## **Part 1: HOUSING ELEMENT**

The Municipal Land Use Law (MLUL) requires a Housing Element, containing the following information, to be adopted as part of the municipal Master Plan.

1. An inventory and analysis of the municipality's housing stock, demographic characteristics, and existing and future employment characteristics;<sup>3</sup>
2. A projection of future housing construction;
3. A determination of the municipality's present and prospective fair share of low and moderate income housing and its capacity to accommodate low and moderate income housing; and
4. A consideration of the land that is most appropriate for the construction of low and moderate income housing including land owned by developers who have expressed a commitment to provide affordable housing.

COAH's third round rules require the following additional items to be addressed in the element.

1. The household growth projection from Appendix F of COAH rules (which may be adjusted in accordance with COAH procedures).
2. The employment growth projection from Appendix F of COAH rules (which may be adjusted in accordance with COAH procedures).
3. The Town's prior round obligation from Appendix C of COAH rules.
4. The Town's rehabilitation share from Appendix E of COAH rules.
5. The projected growth share obligation in accordance with the procedures contained in COAH rules.

### **Inventory of Housing Stock**

#### **Housing Types**

The 2000 Census reports a total of 10,819 housing units in Westfield, an increase of 231 units, or 2.2%, since 1990. The following table displays the types of housing available in the Town.

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<sup>3</sup> The demographic data included in this Housing Element and Fair Share Plan was prepared by Judith Thornton, PP/AICP.

Housing Types		
Units in Structure	Number	Percent
Single Family		
1 Unit, Detached	8,401	77.65
1 Unit, Attached	214	1.98
Multi-Family		
2 Units	840	7.76
3-4 Units	443	4.09
5-9 Units	239	2.21
10-19 Units	87	0.80
20-49 Units	177	1.64
50 or More Units	410	3.79
Other		
Mobile Home	8	0.07
Boat, RV, Van, etc.	0	0.00
<b>Total</b>	<b>10,819</b>	<b>100.00</b>

Source: 2000 US Census

In 2000 there were 8,401 detached single-family residential units, comprising nearly 78% of total housing stock. Of the overall increase since 1990, 90 units (or 39%) were one-family detached homes. The bulk of the increase (141 units, or 61%) consisted of multi-family units, including two-family homes.

#### **Occupancy Characteristics**

At the time of the 2000 Census, 10,622 units (98%) in the Town were occupied while the remaining 197 housing units (1.8%) were vacant. Amongst occupied housing units, 8,674 (82%) were owner-occupied and 1,948 (18%) were rentals.

#### **Age of Housing**

The age of residential structures in Westfield reflects the character of an older community with most development occurring during the early settlement of the community, the housing expansion of the post-WWII years, the “baby boom” era and growth that occurred throughout the 1960s. The 2000 Census indicates that nearly 42% of Westfield’s housing was constructed prior to 1940, while another 47% was built between 1940 and 1969. At the time of the Census just 12% of all Westfield housing units were less than 30 years old.

Age of Housing Units		
Year Built	Number	Percent
Built 1999 to March 2000	43	0.4%
Built 1995 to 1998	178	1.6%
Built 1990 to 1994	85	0.8%
Built 1980 to 1989	406	3.8%
Built 1970 to 1979	540	5.0%
Built 1960 to 1969	1,218	11.3%
Built 1950 to 1959	2,710	25.0%
Built 1940 to 1949	1,111	10.3%
Built 1939 or earlier	4,528	41.9%
<b>Total</b>	<b>10,819</b>	<b>100.0%</b>

Source: 2000 US Census

**Condition of Housing and Substandard Dwellings in Need of Rehabilitation**

Generally, the condition of housing in Westfield is excellent. However, the US Census reveals that a small number of dwelling units exhibit indicators of housing deficiency, such as the overcrowding of older units and units lacking complete plumbing or kitchen facilities. According to the municipal level data contained in Appendix B of COAH’s third round rules,<sup>4</sup> there were 19 dwelling units in Westfield that were over-crowded and built before 1950, 16 dwelling units lacked complete plumbing facilities, and 23 units had incomplete kitchens. COAH has determined that 41 units are in need of rehabilitation in Westfield.

**Housing Values**

The 2000 Census reports a median specified owner-occupied housing unit value of \$346,000. “Specified” housing units include only 1-family homes on lots of less than 10 acres. Median contract rent (excluding utilities) for renter-occupied housing units in Westfield was \$981 in 2000. That figure represents an increase of 30% over 1990 levels. The following table displays housing values (owned and rented units) in Westfield.

Values of Specified Owner-Occupied Housing Units		
Value	Number	Percent
Less than \$100,000	75	0.9
\$100,000 to \$249,999	1,922	24.0
\$250,000 to \$499,999	4,311	53.9
\$500,000 to \$749,999	1,298	16.2
\$750,000 to \$999,999	254	3.2
\$1,000,000 or more	144	1.8
Total	8,004	100.0
Median Value: \$346,000		
Rents of Specified Renter-Occupied Housing Units		
Gross Rent	Number	Percent
Less than \$100	6	0.3
\$100 to \$249	59	3.0
\$250 to \$499	82	4.2
\$500 to \$749	411	21.1
\$750 to \$999	421	21.6
\$1,000 to \$1,249	556	28.5
\$1,250 to \$1,499	198	10.1
\$1,500 to \$1,999	118	6.0
\$2,000 or more	33	1.7
No Cash Rent	68	3.5
Total	1,952	100.0
Median Contract Rent: \$981		

Source: 2000 US Census

**Number of Affordable Housing Units in Westfield**

There are two 100% affordable housing developments in Westfield, which are subject to affordability controls. Westfield Senior Citizens Housing Corporation (WSCH) developed its first project, comprised of 172 units, in 1977. In implementing the prior round affordable housing

<sup>4</sup> Appendix B, Council on Affordable Housing, Rehabilitation Share Methodology; December 10, 2007; page 124.

plan, the Town supported WSCH in the construction of an additional 131 units of affordable senior citizens housing, which was completed in 1995. In addition, as described in detail in the Fair Share Plan, there are three homes for individuals with special needs and two units of permanent supportive housing in Westfield, all of which is affordable to low income households.

## Demographic Characteristics

### Population Trends

According to the 2000 Census, Westfield's population saw a slight increase over the 1990's, rising from 28,870 in 1990 to 29,644 by the year 2000. The change marked the first increase in Westfield's population since the early 1970s. Throughout the remainder of the 1970s and 1980s the population had actually declined.

Population Growth: 1930-2000			
Year	Population	Numerical Change	Percent Change
1930	15,801		
1940	18,458	2,657	16.82
1950	21,243	2,785	15.09
1960	31,447	10,204	48.03
1970	33,720	2,273	7.23
1980	30,447	-3,273	-9.71
1990	28,870	-1,577	-5.18
2000	29,644	744	2.68

Source: US Census

### Household Size and Type

The average size of households in Westfield declined by only a fraction between 1990 and 2000. The proportion of one- and two-person households remained steady, at 50%. The declines of prior decades attributed to aging of the population, lower fertility rates, later marriages, and increasing divorce rates appear to have come to an end.

Average Household Size 1960-2000					
Year	Total Population	In Group Quarters	In Households	Total Households	Persons per Household
1960	31,447				3.55
1970	33,720				3.42
1980	30,447	114	30,300	10,271	2.95
1990	28,870	240	28,630	10,289	2.78
2000	29,644	267	29,377	10,622	2.77

Source: US Census

### Age Characteristics

While the median age of Westfield residents increased between 1990 (37.6 years) and 2000 (38.6 years), the increase was significantly less than that of each of the prior decades. At the same time, the number and percentage of youth in the population is rising. This fact coincides with recent efforts undertaken by the Board of Education (BOE) to relieve overcrowding in the Town's elementary and intermediate schools. The BOE cites steadily increasing elementary and intermediate school enrollment since 1996, with its current kindergarten enrollment being the highest in 36 years. The Board projects that school enrollment figures will continue to



increase through at least 2010. Age data for males and females for the Town of Westfield appear below.

Age Characteristics: Males/Females: 2000						
	Male		Female		Total	
	Number	Percent	Number	Percent	Number	Percent
Under 5 years	1,191	8.4	1,178	7.6	2,369	8.0
5 to 19 years	3,314	23.3	3,110	20.1	6,424	21.7
20 to 29 years	942	6.6	1,030	6.7	1,972	6.7
30 to 39 years	2,340	16.5	2,563	16.6	4,903	16.5
40 to 49 years	2,494	17.6	2,680	17.4	5,174	17.5
50 to 59 years	1,813	12.8	1,907	12.4	3,720	12.5
60 to 69 years	993	12.8	1,907	12.4	2,070	7.0
70 to 79 years	756	5.3	1,110	5.0	1,875	6.3
80 years and over	366	2.6	771	5.0	1,137	3.8
Total	14,209	100.0	15,435	100.0	29,644	100.0

Source: 2000 US Census

### **Income Levels**

Median household income reported in the Census for income in 1999 was \$98,390 compared to \$66,760 in 1989. The data indicate that family households (two or more related individuals) had a median income of \$112,145, while that for non-family households (including singles and/or groups of unrelated individuals) was \$41,395.

1999 Household Income		
Income	Number	Percent
Less than \$10,000	305	2.9
\$10,000 to \$14,999	212	2.0
\$15,000 to \$24,999	653	6.1
\$25,000 to \$34,999	580	5.5
\$35,000 to \$49,999	815	7.7
\$50,000 to \$74,999	1,472	13.8
\$75,000 to \$99,999	1,350	12.7
\$100,000 to \$149,999	2,324	21.8
\$150,000 to \$199,999	1,143	10.7
\$200,000 or more	1,785	16.8
Total	10,639	100.0
Median Household Income: 1999		
Westfield	Union County	New Jersey
\$98,390	\$55,339	\$55,146

Source: 2000 US Census

### **Employment Characteristics of Westfield Residents**

Westfield residents primarily work in the private sector, as the table below demonstrates. Proportionately, the breakdown on private v. government workers is quite similar to that at both the County and the State level. The tables below display information relative to residents of Westfield, Union County and the state as a whole. All data reflects information on employed residents who were 16 years of age or older at the time of the 2000 Census.

Employment Class of Residents: 2000				
Class of Worker	Westfield		Union Co.	New Jersey
	Number	Percent	Percent	Percent
Private for-profit wage and salary	10,550	72.4	76.5	74.4
Private not-for-profit wage and salary	1,092	7.5	6.1	6.4
Local/County government	1,330	9.1	7.8	7.9
State government	427	2.9	3.1	3.8
Federal government	181	1.2	1.9	2.2
Self-employed (not incorporated)	942	6.5	4.5	5.0
Unpaid family	53	0.4	0.2	0.2
<b>Total</b>	<b>14,575</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: 2000 US Census

Occupational characteristics of Westfield residents appear in the table below. In comparison to both Union County and the state as a whole, Town residents are significantly more likely to work in management and professional occupations.

Employment of Residents by Occupation: 2000				
Occupation	Westfield		Union Co.	New Jersey
	Number	Percent	Percent	Percent
Management, business and finance	3,742	25.7	14.7	15.6
Professional and related	5,069	34.8	20.7	22.4
Service occupations	1,102	7.6	13.3	13.6
Sales and office	3,510	24.1	28.4	28.5
Farming, fishing, and forestry	8	0.1	0.1	0.2
Construction, extraction, and maintenance	484	3.3	7.6	7.8
Production, transportation, material moving	660	4.5	15.3	12.0
<b>Total</b>	<b>14,575</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: 2000 US Census

As indicated in the table below, the 2000 Census shows that Westfield residents are largely employed in the information, finance, professional, management, insurance and real estate sectors, with fewer residents employed in the construction, manufacturing, wholesale and retail trade sectors.

Employment of Residents by Industry: 2000				
Industry	Westfield		Union Co.	New Jersey
	Number	Percent	Percent	Percent
Agriculture, forestry, fisheries, mining	10	0.1	0.1	0.3
Construction	452	3.1	5.0	5.6
Manufacturing	1554	10.7	15.0	12.0
Wholesale trade	580	4.0	4.7	4.4
Retail trade	1032	7.1	10.2	11.3
Transportation & warehousing	505	3.5	6.8	5.1
Utilities	44	0.3	0.7	0.8
Information	801	5.5	4.5	4.4
Finance, insurance, and real estate	2184	15.0	9.6	8.9
Professional, scientific, management	2616	17.9	11.4	11.5
Educational, health, social services	3278	22.5	18.4	19.8
Arts, entertainment, recreation, food serv.	647	4.4	5.4	6.9
Other services	470	3.2	4.5	4.4
Public administration	402	2.8	3.8	4.5
<b>Total</b>	<b>14,575</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: 2000 US Census

The 2000 Census contains information on the place of employment and extent of travel time to work. The vast majority of residents (82%) work outside of Westfield, with over 40% of them working outside Union County. The percentage of commuters in the 60-minute or greater commute category is nearly 20%.

Place of Employment, Employed Residents		
Place	Number	Percent
Westfield	2,593	18.0
Union County, Outside Westfield	4,160	29.0
State of NJ, Outside Union County	4,978	34.6
Outside of New Jersey	2,637	18.4
<b>Total</b>	<b>14,368</b>	<b>100.0</b>
Travel Time to Work, Employed Residents		
Travel Time	Number	Percent
Less than 5 minutes	432	3.0
5 to 9 minutes	1,359	9.5
10 to 14 minutes	1,746	12.2
15 to 19 minutes	1,398	9.7
20 to 24 minutes	1,347	9.4
25 to 29 minutes	695	4.8
30 to 34 minutes	1,483	10.3
35 to 39 minutes	393	2.7
40 to 44 minutes	716	5.0
45 to 59 minutes	1,278	8.9
60 to 89 minutes	2,107	14.7
90 or more minutes	715	5.0
Worked at Home	699	4.9
<b>Total</b>	<b>14,368</b>	<b>100.0</b>

Source: 2000 US Census

## Characteristics of Existing and Outlook for Future Employment

The US Census Bureau's "County Business Patterns" series provides a detailed breakdown of employment by sector and size in municipalities. Data from 2005 indicate that at that time there were a total of 8,190 employees working at 989 Westfield (private) business establishments of varying sizes. The vast majority of businesses are small, in the 1-4 employee category, while standout industry classifications include, retail, professional, health care, and other services.

Number of Westfield Establishments by Industry Sector and Employment Size: 2005								
Industry Code Description	1-4	5-9	10-19	20-49	50-99	100-249	250-499	Total
Utilities	0	0	0	0	1	0	0	1
Construction	55	12	7	1	0	0	1	76
Manufacturing	4	0	3	2	0	0	0	9
Wholesale trade	24	2	0	2	0	0	0	28
Retail trade	68	32	18	12	3	0	1	134
Transportation & warehousing	3	1	1	1	0	0	0	6
Information	8	2	0	1	0	0	0	11
Finance & insurance	36	18	8	4	0	0	0	66
Real estate & rental & leasing	30	6	2	0	0	0	0	38
Professional, scientific, technical	141	24	9	7	3	1	0	185
Management of companies	2	0	0	0	1	0	0	3
Waste mgt, remediation services	40	8	3	2	0	1	0	54
Educational services	8	4	3	0	0	0	0	15
Health care and social assistance	85	44	30	11	2	3	0	175
Arts, entertainment & recreation	15	4	2	1	1	0	1	24
Accommodation & food services	26	16	10	5	1	0	0	58
Other services (except pub admin)	64	17	9	10	3	0	0	103
Unclassified establishments	3	0	0	0	0	0	0	3
Totals (no.)	612	190	105	59	15	5	3	989
Totals (%)	61.9%	19.2%	10.6%	6.0%	1.5%	0.5%	0.3%	100%

Source: US Census, 2005 County Business Patterns, Industry Code Summary.

### **Employment Trends and Future Employment Outlook**

COAH's growth data contained in the report entitled "Task 1 – Allocating Growth to Municipalities," indicates that there were 10,608 jobs in Westfield in 2002, 10,990 jobs in 2004, and an additional 642 jobs predicted between 2004 and 2018 based on modeling.<sup>5</sup> These increases are not necessarily related to any increase (past or projected) in the square footage of

<sup>5</sup> NJAC 5:97 Appendix F.

uses devoted to nonresidential uses in the Town. The NJ Department of Labor reports the number of jobs covered by unemployment compensation available in the Town from 2004 through 2007, as displayed in the table below.

EMPLOYMENT TREND: 2003-2006  
(Jobs Covered by Unemployment Insurance)

Covered Employment	2004	2005	2006	2007
Total Annual Average Covered Employment	11,172	9,734	9,335	9,668
Annual Average Private Sector Employment	9,583	8,134	7,706	8,034
Annual Average Federal Gov't Employment	119	108	102	101
Annual Average Local/State Gov't Employment	1470	1492	1,527	1,533

Source: NJ Department of Labor website: <http://lwd.dol.state.nj.us/labor/lpa/employ/qcew-index.html>

The table above clearly displays a declining trend of employment in Westfield for the three years in a row: 2004, 2005, and 2006, with a slight increase in 2007. Overall, employment was 13.4% less in 2007 as compared to 2004. Given the current trend of rising unemployment due to the deepening recession, employment is likely to decline further over the next several years.

It is important to understand, however, that reported employment doesn't necessarily have anything to do with the expansion or contraction of nonresidential development, as measured by added or lost square footage devoted to nonresidential uses. COAH's affordable housing requirements are predicated on projected job creation, but are determined by measuring new development for various types of nonresidential uses. From a land use planning perspective, there is no significant new development potential in areas of the Town zoned for nonresidential purposes. Therefore, the Town does not anticipate that any significant growth share obligation will be derived from nonresidential development.

### **COAH's Projection of the Present and Prospective Need for Affordable Housing**

The MLUL requires a determination of the municipality's present and prospective affordable housing need. COAH has determined the present need or rehabilitation share for all communities and developed projections of housing construction and employment growth by which a municipality may calculate its prospective need or growth share.

#### **Present Need (Rehabilitation Share)**

According to Appendix B of the revised third round rules, COAH has determined that Westfield has a rehabilitation share of 41 units. In other words, according to the 2000 Census, COAH has determined that there are 41 units of deficient housing in the Town occupied by low or moderate income households that are in need of rehabilitation.

#### **Prospective Need (Growth Share)**

Prospective need, or the growth share obligation, is calculated by applying COAH's growth share ratios to the agency's growth projections contained in Appendix F of the revised third round rules. The ratios are: one affordable unit among five projected residential units; and one affordable unit for every 16 projected jobs, as measured by new or expanded nonresidential development. Appendix F indicates that 701 new housing units are projected to be constructed and 642 new jobs are projected to be created between 2004 and 2018 in Westfield. This translates to a fair share obligation of 180 affordable units as shown in the following table.

COAH-PROJECTED GROWTH SHARE OBLIGATION: 2004-2018	
701 projected dwellings divided by 5 =	140 affordable units
642 projected new jobs divided by 16 =	40 affordable units
Total growth share obligation =	180 affordable units

### **Growth Share Obligation Based on Capacity to Accommodate Growth (Vacant Land Adjustment)**

COAH rules recognize that its growth projections may exceed the development capacity of a community. In such cases, the municipality may seek an adjustment of the projections based on an analysis of its remaining vacant land. Based on COAH's adjustment procedure, Westfield's third round growth share obligation should be 90 units.

#### **Procedure to Adjust Growth Projections**

COAH's growth projections may be adjusted if the Town's vacant land analysis results in a growth projection that is at least 10% lower than COAH's. The growth projection is based on development that has taken place since 2004 plus the amount of hypothetical development of remaining vacant land based on COAH density criteria. The process of adjusting the growth projections involves several steps, as described below, pursuant to NJAC 5:97-5.6.

Step 1: The rules require the calculation of the amount of residential and nonresidential development that has taken place since January 1, 2004 based on the issuance of certificates of occupancy (COs). The NJ Department of Community Affairs (DCA) website reports that from January 1, 2004 through December 31, 2008, a total of 271 COs were issued for new dwellings in Westfield. The Town Construction Department reports that two COs were issued for new dwellings in the first 2½ months of 2009, for a total of 273 new dwellings from January 1, 2004 - March 16, 2009. In addition, as of March 16, 2009 there were 27 open permits for new dwellings.

Over the last several years, as in many areas of the State, Westfield experienced housing demolition and replacement. This phenomenon is not expected to continue due to the sharp downturn in the economy and severe recession, which is expected to be prolonged due to the credit and banking crisis. In its 2007 Decision overturning important aspects of the third round rules, the Appellate Court found it reasonable that COAH did not count replacement housing as new growth, but COAH reversed this rule in 2008. In March 2009, COAH again amended its rules to permit the subtraction of a limited amount of replacement housing. The new rule permits the subtraction of replacement housing if demolition was undertaken by an owner-occupant who resided in the house at least one year prior to demolition. A review of the Town's records indicates that since 2004, 21 homes replaced units that were demolished by qualified homeowners.<sup>6</sup> The net number of new dwellings based on development since January 1, 2004, plus open permits, therefore equals 279 units.

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<sup>6</sup> Where ownership was established for at least one year prior to demolition.

Residential Development: 1/1/04 – 3/16/09	
	Units
COs issued for new dwellings (2004-2008)	271
COs issued for new dwellings (1/1/09-3/16/09)	2
Open permits for new dwellings as of 3/16/09	27
Residential units replaced after demolition	-21
<b>TOTAL NET NEW DWELLINGS</b>	<b>279</b>

SOURCES:

1. New dwellings 2004-2008: NJ Department of Community Affairs.
2. COs issued in 2009 and open permits: Westfield Construction Dept.
3. Replacement housing data: Westfield Town Clerk and Town Assessor.

DCA's website indicates that since January 1, 2004 COs were issued for a total of 142,903 sq. ft. in connection with nonresidential uses that COAH has determined will contribute to growth share. DCA also records demolition activity, but not the square footage. Westfield's site plan approval records indicate that an automobile dealership (with buildings totaling 12,152 sq. ft.) was demolished in 2004 and replaced with a commercial bank the same year. For the purpose of projecting employment growth (or loss), COAH rules require that added (or demolished) nonresidential square footage be multiplied by a specified number of jobs per 1,000 square feet for each type of use. The net additional nonresidential square footage displayed below equates to hypothetical employment growth of 295 jobs. According to the Westfield Construction Department, as of March 16, 2009, there were no open permits for nonresidential development that would contribute to the Town's growth share obligation.

Nonresidential Development : 1/1/04 – 3/16/09			
Use Group (Uniform Construction Code)	Square Footage	Jobs/1,000 Sq. Ft.	Total Jobs
Added Square Footage			
B	78,290	2.8	219.21
M	53,083	1.7	90.24
F	0	1.2	0
S	0	1.0	0
H	0	1.6	0
A1	1,968	1.6	3.15
A2	700	3.2	2.24
A3	8,862	1.6	14.18
A4	0	3.4	0
A5	0	2.6	0
I	0	2.6	0
R1	0	1.7	0
Demolished Square Footage			
B	-12,152	2.8	-34.03
<b>NET EMPLOYMENT GROWTH</b>			<b>294.99</b>

SOURCE: NJ Department of Community Affairs (DCA) and Westfield Construction Department. Note that DCA indicates that a CO was issued for a 121,947 sq. ft. building in 2008. The Westfield Construction Department has not issued a CO for such development and the square footage matches a residential condominium.

Step 2: Step two requires that an inventory of all municipal and privately-owned vacant land be prepared to determine the Town's remaining development capacity. COAH rules stipulate that the parcels analyzed as part of a prior round vacant land adjustment are to be excluded from this analysis because they were factored into the determination of the prior round fair share obligation. Westfield's prior obligation (the prior round realistic development potential) was

based on a comprehensive analysis, by the Special Master appointed by the Court, of all vacant parcels comprised of two or more acres, consistent with the original COAH rules. Therefore, for the third round vacant land analysis, the universe of parcels includes those comprised of less than two acres.

Step two involves assigning a density of 8 units/acre or 80 jobs/acre (depending upon the underlying residential or nonresidential zoning) to the developable portion of vacant parcels to obtain the hypothetical development potential. Environmental constraints are deducted to determine the developable portion of each parcel. COAH recognizes that some parcels may simply be too small to support development. In the case of residential development, if the application of the COAH density to a small parcel does not produce at least one dwelling unit, COAH allows the parcel to be excluded from the projection of growth. At the required 8-units/acre density required in Planning Area 1, this equates to a minimum-sized residential parcel of at least 0.125 acres. Although COAH rules do not cite a minimum parcel size for hypothetical commercial development, from a planning standpoint, clearly some parcels may be too small to allow sufficient area for a reasonably sized building and on-site parking. Nonetheless, the few remaining nonresidentially-zoned parcels that comprise the Town's nonresidential vacant land inventory have been assessed a growth share obligation (jobs projection) despite their very small size (0.2 acres+/-).

The application of these criteria to Westfield's remaining vacant land inventory indicates hypothetical development potential for 61 dwelling units and 50 jobs. It is important to recognize that this is a hypothetical exercise, because in actuality some of the parcels are owned by the Town and the privately-owned parcels are governed by current zoning, not COAH's hypothetical development densities.

Step 3: The hypothetical dwelling and job growth projection is then added to the calculated development that has taken place since 2004. If the combined growth levels are at least 10% lower than COAH's estimates, the COAH projection may be adjusted. As indicated below, the projections are approximately half of COAH's.

Projected Residential Growth 2004-2018 COAH Projection: 701	
	Units
New dwellings and open permits 1/1/04 – 3/16/09	279
Projected hypothetical development based on land capacity and COAH density	61
<b>TOTAL PROJECTED RESIDENTIAL GROWTH</b>	<b>340</b>
Projected Nonresidential Growth 2004-2018 COAH Projection: 642	
	Jobs
Job creation as measured by added square footage 1/1/04 – 3/16/09	295
Projected hypothetical job growth based on land capacity and COAH job criteria	50
<b>TOTAL PROJECTED NONRESIDENTIAL GROWTH</b>	<b>345</b>

Step 4: According to NJAC 5:97-5.6(f) the adjusted growth projections are then utilized to calculate the projected growth share obligation, which according to NJAC 5:97-2.4, is calculated



by dividing the total residential projection by five and the total job growth projection by 16. The result is a total projected growth share obligation of 90 affordable units. The breakdown of the residential and nonresidential obligations is displayed in the following table.

Projected Residential Growth Share: 2004-2018	
	Units
Projected dwellings based on existing development since 2004 and land capacity based on COAH density	340
Divided by growth share ratio	5
<b>PROJECTED RESIDENTIAL GROWTH SHARE</b>	<b>68</b>
Projected Nonresidential Growth Share: 2004-2018	
	Jobs
Projected job growth based on existing development since 2004 and land capacity based on COAH job criteria	345
Divided by growth share ratio	16
<b>PROJECTED NONRESIDENTIAL GROWTH SHARE</b>	<b>21.56</b>
<b>TOTAL PROJECTED GROWTH SHARE OBLIGATION (68 + 21.56 = 89.56)</b>	<b>90</b>

### **Consideration of Land Appropriate for the Construction of Affordable Housing**

The Municipal Land Use Law requires that the Town consider land that is most appropriate for the construction of low and moderate income housing. Since Westfield is a developed community, no realistic opportunities exist for conventional large-scale inclusionary development. When the Court-appointed Special Master reviewed the vacant land analysis twenty years ago, he concluded that, at that time, only five vacant parcels were of sufficient size to be suitable for inclusionary housing. The Master’s analysis led to the establishment of the Town’s realistic development potential of 51 units in the first COAH cycle.

Currently, most of the remaining vacant lots in Town are very small parcels ranging from about 2/10<sup>ths</sup> to 2/3<sup>rds</sup> of an acre, some of which are bisected by streams or have environmental constraints, are encumbered by easements, are very irregularly shaped, or are landlocked. For these reasons, the Town’s Fair Share Plan should involve compliance mechanisms that provide a realistic opportunity for new affordable housing in a manner appropriate to the developed character of the community. This objective can largely be achieved by enacting new zoning to encourage the re-use of land along the mass-transit corridor (referred to by COAH as “smart growth”) for residential development, including a substantial percentage of affordable housing.

### **Planning Area Designation**

The State Planning Commission has designated the entire Town of Westfield within Planning Area 1 (PA-1). PA-1 is known as the “Metropolitan Planning Area,” which includes a variety of community types ranging from densely populated urban centers to 19<sup>th</sup> Century towns shaped by commuter rail and post-WWII suburbs. PA-1 areas have received significant public investments in infrastructure, including streets and highways, schools and other public institutions, and public water and waste disposal systems. The Town of Westfield is served by public water and sewer systems with adequate capacity to accommodate the growth projected in this Housing Element & Fair Share Plan.

## **PART 2: FAIR SHARE PLAN**

This part of the Housing Element and Fair Share Plan describes the completed and proposed mechanisms that will be utilized to address the Town's third round fair share obligation based on the adjusted growth projections described in Part 1. The plan also includes an implementation schedule for the delivery of affordable housing during the third round. The Governing Body is responsible for enacting ordinances and providing funding to implement this Fair Share Plan.

### **Third Round Fair Share Obligation**

According to COAH rules, the third round affordable housing obligation actually covers the entire period from 1987 through 2018 and is the sum of three components:

1. The rehabilitation share;
2. The prior round obligation; and
3. The growth share obligation.

Westfield's rehabilitation share of 41 units is based on the 2000 Census, and it replaces the rehabilitation obligations of the first and second rounds. The prior round obligation is 139 units, which represents the new construction portion of the *cumulative* first and second round obligation. Since the Court approved a vacant land adjustment in 1991, the prior round obligation is now described under COAH rules as being comprised of two components: 51 units representing the Town's prior round "realistic development potential" (RDP), as approved by the Court, and 88 units of "unmet need."<sup>7</sup>

The adjusted growth share obligation is projected to be 90 units based on development that has taken place since January 1, 2004, plus the amount of hypothetical development that is possible on the remaining vacant land. The following table displays the three components of the Town's third round fair share obligation.

**THIRD ROUND FAIR SHARE OBLIGATION**

Component	Units
Rehabilitation share (COAH rules, Appendix B)	41
Prior round obligation (COAH rules, Appendix C = 139 units) based on Court-approved vacant land adjustment	
• Realistic development potential (RDP)	RDP: 51
• Unmet Need	Unmet Need: 88
Growth share obligation based on adjusted growth projections	90

### **Fair Share Plan Parameters**

COAH rules set forth a number of parameters and restrictions that every fair share plan must satisfy as follows:

- At least 25% of the growth share obligation must be addressed with rental housing and at least 50% of the rental requirement must be housing for families.
- At least 50% of the affordable units provided must be available to low income households.

<sup>7</sup> The concept of "unmet need" was introduced with COAH's second round rules; it is the portion of the obligation that could not be addressed due to a lack of vacant land.

- At least 13% of the affordable units provided must be available to households with incomes not to exceed 30% of median income (included within the 50% low income housing requirement).
- Not more than 25% of the growth share obligation may be age-restricted housing and at least 50% of the units provided must be available to families.

### Overview of Fair Share Plan

The total fair share obligation (rehabilitation share, prior round obligation and adjusted growth share obligation) may be addressed with credits for rehabilitated or completed new affordable housing, as well as other affordable housing that has been established in the community, and proposed new housing. The following table displays how the Town's prior round obligation (i.e. the RDP and unmet need) and the projected growth share obligation are addressed in this plan. There are no rehabilitation credits to be applied to the rehabilitation share, so the Town will address its entire need for rehabilitation with a rehabilitation program, which is described in the section that follows this tabular summary.

#### UNITS AND CREDITS ADDRESSING THE PRIOR ROUND AND PROJECTED GROWTH SHARE OBLIGATIONS

Affordable Housing (Units and Bonuses)	Units/Credits Addressing Prior Round Obligation (139 units)		Units/Credits Addressing Growth Share
	RDP: 51	Unmet Need: 88	Projected Growth Share: 90
Prior cycle credits - ARC special needs housing established in 1982: 4 bedrooms (BR)	4		
ARC special needs housing established in 1989: 4 BR	4		
Rental bonus - prior round: 1/BR	4		
Our House special needs housing established in 2001: 6 bedrooms	2		4
Rental bonus: prior round = 1/BR	2		
3 <sup>rd</sup> round = 0.25/BR			1
Regional Contribution Agreement executed in 1994: 21 units	21		
Senior citizens rental housing completed in 1995: 131 units	13	87	22
Rental bonus: 0.33/unit for 6 units	2		
HomeFirst permanent supportive housing established in 2009			2
Rental bonus: 3 <sup>rd</sup> round = 1/unit			2
Inclusionary Zoning (Court-approved)			
Williams Tract: 10			17
Myrtle Avenue Tract: 7			
Proposed zoning for transit-oriented development w/ rental option			43
<b>TOTAL UNITS AND CREDITS</b>	<b>52</b>	<b>87</b>	<b>91</b>
<b>TOTAL FAIR SHARE OBLIGATION ADDRESSED</b>	<b>139</b>		<b>91</b>

The allocation of senior citizens units (131 total units completed) to the prior round RDP (13 units), unmet need (87 units) and growth share (22 units) leaves a balance of 9 units that may be applied to future obligations, subject to COAH limitations on age-restricted housing. Each component of the Fair Share Plan is described in the sections that follow.

### **Plan to Address Rehabilitation**

Based on the 2000 Census, COAH has determined that the Town has an obligation to address a rehabilitation share of 41 units during the third round cycle. The Town will participate in the Union County rehabilitation program to satisfy the need for rehabilitation, provided that adequate funding is available for owner-occupied and rental housing, and further provided that ten-year affordability controls are incorporated in the program.

If the County's rehabilitation program lacks sufficient funds or does not meet COAH requirements, the Town will institute a local program to be administered by a qualified consultant or Town employee, and will provide sufficient funding for an average of \$10,000 per unit for the "hard cost" of needed repairs, as required by COAH rules. The administrator will prepare a program manual, market the program, qualify applicants and develop the scope of work for each unit in cooperation with the Town's Construction Department. Based on 41 units, the total hard cost of the rehabilitation program equals \$410,000. The Town will allocate all revenue obtained pursuant to a growth share ordinance enacted in 2006 to the program, with the balance of funding provided from development fee revenue or, if required, from general appropriations (see the section entitled "Funding Requirements and Development Fee Ordinance" at the end of this plan).

All funding for rehabilitation will be allocated as a low interest or forgivable loan. Eligible applicants will include:

- Owner-occupants of deficient housing with a total household income (adjusted for family size) that is either low or moderate income (i.e. less than 80% of median); and
- Owners of deficient rental housing occupied by low or moderate income tenants.

Ten-year controls on affordability shall be placed on all participating units. If a rehabilitated unit is sold to a non-income eligible purchaser prior to the expiration of controls, the rehabilitation funds shall be reimbursed to the Town and made available for another unit. Controls on rental units shall include requirements to abide by rent limits consistent with COAH rules and shall remain in place during the entire 10-year period. Only income-eligible renters shall be permitted to occupy rehabilitated rental units during the period of affordability controls.

### **Affordable Housing Addressing the Prior Round Obligation**

Based on the vacant land adjustment, the 139-unit prior round obligation is comprised of the 51-unit RDP and 88 units of unmet need. Most of the affordable housing proposed under the Town's Court-approved affordable housing plan has been completed. In addition, the Town has determined that additional affordable housing has been established, for which the Town may obtain credit under COAH's rules. The allocation of units and credits to address the prior round RDP and unmet need is displayed in the following table and described in the sections that follow.

**AFFORDABLE HOUSING ADDRESSING  
THE PRIOR ROUND OBLIGATION**

Affordable Housing (Units and Bonuses)	Units/Credits Addressing Prior Round Obligation (139 units)	
	RDP: 51	Unmet Need: 88
Prior cycle credits - ARC special needs housing established in 1982: 4 bedrooms (BR)	4	
ARC special needs housing established in 1989: 4 BR Rental bonus - prior round: 1/BR	4 4	
Our House special needs housing established in 2001: 6 BR Rental bonus: prior round = 1/BR	2 2	
Regional Contribution Agreement executed in 1994: 21 units	21	
Senior citizens rental housing completed in 1995: 131 units Rental bonus: 0.33/unit for 6 units	13 2	87
<b>TOTAL UNITS AND CREDITS</b>	<b>52</b>	<b>87</b>
<b>TOTAL FAIR SHARE OBLIGATION ADDRESSED</b>	<b>139</b>	

**Special Needs Housing**  
**(16 Prior Cycle and Post-1986 Credits)**

COAH rules [NJAC 5:97-4.2(c)] provide credit for affordable housing established after the 1980 Census and before COAH was established. These “prior cycle credits” may be granted for housing developed between April 1, 1980 and December 15, 1986 if established for households whose incomes do not exceed 80% of median income. Prior cycle credits may satisfy a portion of the prior round obligation and group homes established for individuals with special needs are eligible for one credit for each bedroom. Group homes established after 1986 (“post-1986 credits”) may also satisfy a portion of the prior round obligation, based on the number of bedrooms in the facility, and are eligible for a 1:1 rental bonus consistent with prior round rules.

The ARC of Union County, Inc. established a 4-bedroom group home in 1982 and another 4-bedroom group home in 1989 to serve individuals with developmental disabilities. The 1982 group home qualifies as a “prior cycle” credit, but does not qualify for a rental bonus. In addition, in 2001 Our House, Inc., a special needs housing provider based in Murray Hill, NJ, established a 6-bedroom group home for individuals with developmental disabilities. None of the group homes is age-restricted and all are funded by the NJ Department of Human Resources Division of Developmental Disabilities.

Credits for both 4-bedroom ARC homes (plus four rental bonus credits for the 1989 home) and two out of six credits (plus two rental bonus credits) related to the Our House group home are allocated to the prior round obligation. The table below displays the special needs housing addressing the prior round obligation. A total of 16 credits address the prior round obligation.

SPECIAL NEEDS HOUSING  
ADDRESSING THE PRIOR ROUND OBLIGATION

Sponsoring Organization	Date Established	Address	Bedrooms in Facility	Bedrooms Allocated to Prior Round	Rental Bonus	Total Credits Allocated to Prior Round
ARC of Union Co.	1982	478 Whittier (Poet's Place)	4	4	n/a	4
ARC of Union Co.	1989	56 Mohawk Trail	4	4	4	8
Our House, Inc.	2001	506 Boulevard	6	2	2	4
TOTAL CREDITS APPLIED TO THE PRIOR ROUND						16

**Regional Contribution Agreement (21 Units)**

Pursuant to the Judgment of Compliance, the Town of Westfield entered into an agreement with the City of Elizabeth to transfer 21 affordable units at a cost of \$17,000 per unit. COAH approved the proposed RCA on August 4, 1993 and a contract was executed on October 29, 1993. The funds were transferred in two payments on March 8, 1994 and September 17, 1994. All 21 units are allocated to address the prior round obligation.

**100% Affordable Senior Citizens Housing (13 Rental Units and 2 Rental Bonuses)**

Based on the adjusted obligation of 51 units, the number of units that could be age-restricted in the prior round was set by the Court based upon the Special Master's recommendations. The COAH limit was 11 units based on the formula established in COAH's initial rules: 25% of the fair share obligation after credits and adjustments, less units transferred in a RCA. Stated simply, the 51-unit RDP plus the 16-unit rehabilitation obligation, less the 21-unit RCA equals 46 units; 25% of 46 equals 11 age-restricted units. A slightly higher number of units were permitted to be age-restricted (13 units out of the proposed 133-unit project were counted toward the adjusted obligation or RDP) because the Court determined that there was a significant public benefit derived from the Town's support for the construction of 133 rental units for senior citizens on an 8-acre site located at the end of Grandview Avenue.

Although a total of 133 units were proposed in the first round plan, Westfield Senior Citizens Housing Corporation (WSCH) constructed 131 affordable rental units. A total of 13 units are allocated to the prior round obligation and 109 of the remaining 118 units will be allocated to address unmet need and the growth share obligation.

COAH's third round rules award bonus credits for completed affordable rental housing addressing the prior round obligation (NJAC 5:97-3.5). Senior citizens housing is limited, however, to a bonus of 0.33 credits per unit, for up to 50% of the prior round rental obligation. Under the third round rules, the prior round rental obligation is based on the formula: 51-unit RDP x 25% = 12.75 or 13 units. The senior rental bonus is limited to half of the rental requirement, or 6 units. Therefore the rental bonus is 6 senior units x 0.33 or 2 bonus credits, which are allocated to the prior round obligation.

**Prior Round Unmet Need**  
**(87 Senior Citizens Units)**

Based on the 51-unit RDP, unmet need equals 88 units. Since the RDP is addressed with 52 credits, 87 additional units are needed to satisfy the remainder of unmet need. NJAC 5:97-5.3(b)6 stipulates that completed age-restricted (senior citizens) units may be credited in satisfaction of the prior round unmet need without regard to the normal limitation (25%) on age-restricted housing. Therefore, 87 units of the senior citizens development completed in 1995 fulfills the balance of unmet need.

**Affordable Housing Addressing the Growth Share Obligation**

This plan addresses the projected 90-unit growth share obligation with homes established for individuals with special needs, senior citizens and permanent supportive housing, and inclusionary zoning to promote the realistic opportunity for the construction of new affordable units. Inclusionary zoning for two prior round sites will be continued and new zoning is proposed for transit-oriented development to encourage the re-use of sites adjacent to the rail corridor for residential development, including affordable housing. Supportive and special needs housing units are eligible for a total of three rental bonus credits. In total, the plan addresses the obligation with 91 credits. The table below displays the types of units proposed, which are described in the sections that follow.

UNITS AND CREDITS ADDRESSING THE GROWTH SHARE OBLIGATION

Affordable Housing (Units and Bonuses)	Units/Credits Addressing Growth Share	Units Addressing the Rental Reqt.	Age-restricted Units	Family Units (i.e. not age-restricted, not group home)
Our House special needs housing established in 2001: 6 bedrooms (2 bedrooms allocated to prior round) Rental bonus: 0.25/BR	4 1	4		
Senior citizens rental housing completed in 1995: 131 units	22	22	22	
HomeFirst permanent supportive housing established in 2009 Rental bonus: 1/unit	2 2	2		2
Inclusionary Zoning (Court-approved) Williams Tract: 10 Myrtle Avenue Tract: 7	17			17
Proposed zoning for transit-oriented development w/ rental option	43	Rental Option: 46		43
<b>TOTAL FAIR SHARE OBLIGATION ADDRESSED</b>	<b>91</b>	<b>74</b>	<b>22</b>	<b>62</b>

NOTE: Zoning for transit-oriented developments will generate 43 "for-sale" units or 46 rental units under the rental development option to be included in the zoning for these sites.

**Special Needs Housing**  
**(4 Bedrooms Plus 1 Rental Bonus)**

Credit for four of the six bedrooms in the Our House group home is allocated to the growth share obligation. As indicated previously, the Murray Hill-based special needs housing provider

established the home in 2001 for individuals with developmental disabilities. As explained later in this plan, the rental requirement is exceeded by a substantial margin, so this portion of the project is eligible for a rental bonus of 0.25 credits per bedroom, or one rental bonus credit.

**100% Affordable Senior  
Citizens Housing (22 Units)**

Senior citizens (age-restricted) housing is limited to no more than 25% of the growth share obligation, or 22 units. Of the 131 units constructed by Westfield Senior Citizens Housing Corporation (WSCH) in 1995, 22 units are allocated to address the growth share obligation. Nine remaining units in this project will be “banked” for credit toward any future fair share obligation, subject to applicable limitations on age-restricted housing.

**Permanent Supportive Housing  
(2 Units Plus 2 Rental Bonuses)**

HomeFirst Interfaith Housing and Family Services has established two units of permanent supportive housing in Westfield. The Plainfield-based service provider has developed a COAH-compliant affordable housing model and obtained funding to establish several homes in the region. On February 27, 2009 HomeFirst purchased a two-family dwelling located at 550 Trinity Place and has rented the units to two very low income households. The property is not age-restricted and HomeFirst has indicated a willingness to reserve the two units for very low income tenants to address the statutory very low income housing requirement. These units are eligible for a rental bonus of 1.0 credit per unit (for a total of two rental bonus credits) since this plan addresses rental housing in excess of the rental requirement.

**Retention of Prior Round Sites Zoned  
for Inclusionary Housing (17 units)**

Two sites (the Williams property and the Myrtle Avenue site) were designated in the Town’s first round housing plan, and approved by the Court, to be rezoned for inclusionary housing to generate a total of 17 affordable units. These sites have not been developed since the zoning was enacted in 1991. COAH evaluates undeveloped prior round sites to determine whether the zoning continues to provide a realistic opportunity for the construction of affordable housing. The evaluation centers on market conditions and COAH’s site suitability criteria as follows:

1. The site has clear title and is free of encumbrances which preclude the development of affordable housing;
2. The site is adjacent to compatible land uses and has access to appropriate streets;
3. The site has access to adequate water and sewer and capacity;
4. The site can be developed consistent with the NJ Residential Site Improvement Standards.
5. Sites designed to produce affordable housing shall be consistent with the NJ State Development and Redevelopment Plan.

**Williams Property:** This site (Block 1905 Lot 13) was identified as a developable and suitable property for affordable housing by the Court-appointed Master in his report to the Superior Court dated March 17, 1989. The property is 6.5 acres in size and is located along the east side of Springfield Avenue. The property is zoned for 8 units/acre to permit a total of 52 multifamily units including a 20% affordable housing setaside, generating ten affordable units. This property was at that time, and continues to be used today, as a garden supply and nursery business. The following outline addresses COAH’s suitability criteria.



1. *The site has clear title and is free of encumbrances which preclude the development of affordable housing.* The Town is not aware of any issues that would preclude the development of affordable housing on this property.
2. *The site is adjacent to compatible land uses and has access to appropriate streets.* The property has frontage along Springfield Avenue, a County road. Zoning to the north, south and east is RS-16 single family residential requiring 16,000 square foot minimum lot size. To the north and west, adjacent to the site is the Union County Nomahegan Park. Across Springfield Avenue lies the border between Westfield and the Borough of Mountainside. The property in Westfield is zoned RS-40 single family residential, and the land within Mountainside is a continuation of the County Nomahegan Park. The Court Master's 1989 report mentions the particular suitability of this site, due in part to its access to the park.
3. *The site has access to adequate water and sewer and capacity.* Public water and sewer infrastructure is available to service this property. New Jersey American Water provides water service and sewage disposal is handled by Rahway Valley Sewage Authority.
4. *The site can be developed consistent with the NJ Residential Site Improvement Standards (RSIS).* There are no known site constraints that would prohibit development of this site in conformance with the RSIS.
5. *Sites designed to produce affordable housing shall be consistent with the NJ State Development and Redevelopment Plan.* The entire Town is designated within Planning Area 1 by the State Planning Commission. The development of inclusionary housing in PA-1 designated areas is consistent with state planning policies.

Myrtle Avenue Tract: The properties making up this tract were identified in the Court Master's 1989 report as comprising an area suitable and developable for affordable housing. The six lots comprise 4.143 acres. The Town rezoned this area in 1991 (RA-5B) for a density of 8 units/acre permitting the construction of a total of 34 dwellings, including 7 affordable units. COAH's site criteria are discussed below.

1. *The site has clear title and is free of encumbrances which preclude the development of affordable housing.* The Town is not aware of any issues that would preclude the development of affordable housing on properties in this zone. The RA-5B zone is made up of six tax lots as indicated in the following table.

MYRTLE AVENUE TRACT

Block and Lot	Ownership (private or public)
Block 4005 Lot 1 Lot 2	Westfield Board of Ed. State of New Jersey
Block 4006 Lot 1 Lots 2 and 3	Town of Westfield Private ownership
Block 4007 Lot 13	Town of Westfield

Recent efforts have been made by the owner of Lots 2 and 3 in Block 4006 to purchase the adjacent Town-owned Lot 1 to consolidate these three lots for the development of

inclusionary housing. A preliminary site analysis reveals a small isolated wetland on the common property line of Lots 1 and 3. A tributary to Garwood Brook traverses the westerly portion of Lots 1 and 2. A preliminary site plan has been developed indicating that 18 townhouses could be constructed on Lots 2 and 3. Under this plan, the Town-owned lot could remain undeveloped, but its inclusion in the project provides the minimum lot area needed to achieve the project's density. The Town will continue to work with the property owner to facilitate the development of this area for inclusionary housing during the third round.

2. *The site is adjacent to compatible land uses and has access to appropriate streets.* All of the lots in this zone have adequate access to public streets. With the exception of State-owned Lot 2 in Block 4005, all of the lots are vacant. The state-owned lot is paved and used as a staging area for a NJ Motor Vehicle Inspection Station, which is located across Windsor Avenue (but is not included in the inclusionary RA-5B Zone). The surrounding area is predominantly single-family residential with properties averaging 7,000 square feet in size. Across Grandview Street from the subject tract is a private indoor tennis facility. The RA-5B zone is adjacent to the Town boundary with Garwood and is just south of the sites proposed in this Fair Share Plan to be zoned for Transit-oriented Development.
3. *The site has access to adequate water and sewer and capacity.* Public water and sewer infrastructure is available to service this property. New Jersey American Water provides water service and sewage disposal is handled by Rahway Valley Sewage Authority.
4. *The site can be developed consistent with the NJ Residential Site Improvement Standards (RSIS).* Some site constraints have been identified as indicated above, but with clustering and proper site design it appears that the properties can be developed. There are no apparent constraints that would preclude development in accordance with the RSIS.
5. *Sites designed to produce affordable housing shall be consistent with the NJ State Development and Redevelopment Plan.* The entire Town is designated within Planning Area 1 by the State Planning Commission. The development of inclusionary housing in PA-1 designated areas is consistent with state planning policies.

Expansion of Myrtle Avenue RA-5B Zone: In 1991, when the RA-5B Zone, encompassing the Myrtle Avenue lots, was established to provide the opportunity to develop the tract for inclusionary housing, a small sliver of land at the end of Myrtle Avenue was left in the RM-6 Zone. This property contains a single-family dwelling and may extend into the adjacent Borough of Garwood. The lot is approximately 0.113 acres in size (less than 5,000 sq. ft.), and should be rezoned to include it in the inclusionary housing RA-5B Zone district.

**Transit-Oriented Development**  
**(43 Units; 46 Units with Rental Option)**

Since the Town is virtually fully developed, this plan proposes to satisfy a portion of the growth share obligation using "smart growth" techniques encouraged by COAH's third round rules. "Smart growth" refers to "transit-oriented development" (TOD) in Planning Areas 1 and 2 and designated centers (NJAC 5:97-3.18). To encourage this form of development, COAH offers a smart growth bonus of 1.33 credits for each affordable unit that has been approved, built, or is the subject of a firm commitment at the time of submission to COAH.<sup>8</sup>

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<sup>8</sup> The TOD proposals do not satisfy the bonus criteria at this time since there is no firm commitment in place.

COAH rules define “transit-oriented development” as an individual development located within a one-quarter to one-half-mile radius of a transit station (bus, train, light rail, or ferry) within a larger, pedestrian-friendly, transit-supportive neighborhood core or center. According to COAH’s definition, a TOD “is usually characterized by a mix of uses, compact, higher densities than typical development and designed using transit-supportive design guidelines.”

Proposed Zoning: The Town will rezone three distinct areas located within a ½ mile radius or less of the Westfield and Garwood NJ Transit stations for transit-oriented development with requirements for on-site affordable housing. All three areas are immediately adjacent to the transit corridor and are all currently zoned for commercial purposes. New zoning will be enacted permitting residential densities of 15 to 16 units per acre depending on whether the housing will be for sale or for rent.

The base zoning for each TOD will permit residential development at a density of 15 units/acre with a 25% setaside of affordable housing (“for-sale” units) to be provided onsite. The orientation of each of these sites to the rail corridor suggests, however, that developers may be interested in developing all or a portion of a site for rental housing. Current market conditions (i.e. a “glut” of for-sale housing on the market) suggest that rental housing may be an attractive option to developers, as well as those in need of affordable housing, especially in view of high credit standards being imposed on homebuyers by lending institutions. Therefore, the Town will zone the TOD parcels with a rental development option allowing an increase in density to 16 units/acre to encourage the provision of affordable rental housing. Under the rental option, an additional 27 market rate units would be permitted and three additional affordable units would be generated as shown in the table on the next page.

Current Conditions: Each of the TOD areas is presently used primarily for nonresidential purposes and off-street parking, but could be re-developed under new zoning permitting high density residential development. The three areas are ideally suited for transit-oriented development in view of their proximity to train stations in both Westfield and Garwood and their adjacency to Westfield’s pedestrian-friendly central business district and retail area, which is within walking distance of all three sites. All three areas have extensive street access and are served by public water and sewer systems with available capacity to support new development. The size and general characteristics of each site are described below and displayed in the table on the following page.

1. New Street TOD: This site is approximately 2.0 acres (inclusive of the New Street right-of-way) in size and is comprised of six tax lots bisected by New Street. The Town will vacate the right-of-way as part of any development proposal for a transit-oriented development. Two of the lots in this TOD site are vacant, two contain vacated single-family homes and two contain vacated commercial buildings.
2. South Avenue TOD: This area is approximately 5.8 acres in size and is comprised of six tax lots, all of which are developed commercial properties. Current uses include multiple buildings associated with the Sevell vehicle repair, used car sales and towing businesses, including large areas used for parking and truck/construction equipment and related storage. In addition, one lot contains a building occupied by two businesses: a construction company and a water softening distribution company. The smallest parcel in this area is approximately ¼ -acre in size and is triangular-shaped with roads on two sides (out of three) of the property. South Avenue and Windsor Avenue separate this small parcel from the other lots in this proposed TOD. Zoning for the development should take these factors into

account and allow for a density transfer from this parcel to others within the TOD. If that is accomplished, the parcel could serve as a small park.

3. **North Avenue TOD:** This area is comprised of approximately 4.5 acres and includes two tax lots. Both properties are developed with older nonresidential uses: a small manufacturing company and a hardware store/lumberyard. This site is situated across the street from Gumbert Park, making it a particularly attractive site for residential purposes.

Zoning for TOD sites will require that all affordable units be provided onsite. All affordable housing will also be required to comply with Uniform Housing Affordability Controls (UHAC regulations - NJAC 5:80-26.1 et seq.), and the statutory requirement that at least 13% of the units be reserved for very low income households earning less than 30% of median income. The following table displays each site, the current zoning as well as proposed zoning density and number of units provided to address the growth share obligation. It is worth noting that if the rental option is selected, the number of affordable units will be increased from 43 to 46 units, and a total of 94 units will be provided to address the Town’s growth share obligation.

**SITES PROPOSED FOR  
TRANSIT-ORIENTED DEVELOPMENT (TOD)**

TOD AREA, CURRENT ZONING, SITE SIZE			TOD "FOR SALE" HOUSING DEVELOPMENT OPTION			TOD RENTAL HOUSING DEVELOPMENT OPTION		
Name/Location Block/Lot	Current Zoning	Size (Acres)	Permitted Density "For Sale" Units	Total Units in TOD	Affordable "For Sale" Units (25%)	Permitted Density for Rental Units	Total Units in TOD	Affordable Rentals (25%)
<b>New Street</b> Block 3208 Lots 1.02, 2 and Block 3207 Lots 1-4	GB-3	2.0	15	30	8	16	32	8
<b>South Ave</b> Block 3307 Lots 1-3; Block 4005 Lots 3,4; Block 4004 Lot 17	C	6.74	15	101	25	16	108	27
<b>North Ave</b> Block 3305 Lots 4,5	C	2.6	15	39	10	16	42	11
			<b>TOTAL</b>	<b>170</b>	<b>43</b>	<b>TOTAL</b>	<b>197</b>	<b>46</b>

NOTE: The acreage of each site is approximate based on County MOD IV data. Unit counts are rounded to the nearest whole number, with 0.5 or greater rounded up.

**Compliance with COAH Parameters**

The following table displays COAH restrictions based on the Town’s projected 90-unit growth share obligation, which is satisfied with 88 units (including bedrooms in special needs housing) and three rental bonus credits.

## FAIR SHARE PLAN PARAMETERS

Growth Share Obligation, Credits, and Units	Units
Projected (adjusted) growth share obligation	90
Rental bonuses addressing growth share obligation	3
Number of units (net after bonuses) addressing growth share	88
COAH requirements and limitations	Units
Rental housing (min. 25% of 90-unit growth share)	23
Family rental housing (min. 50% of 23-unit rental reqt.)	12
Age-restricted housing (max. 25% of 90-unit growth share)	22
Family housing (min. 50% of 88 units provided)	44
Low income housing (min. 50% of 88 units units provided)	44
---Very low income (min. 13% of 88 units provided): 11 units	
Maximum rental bonus (only if rental housing exceeds the rental obligation and half of units are available for families, or if units are affordable to very low income households (max. 25% of growth share – only one type of bonus per unit) ---Family housing rental bonus: 1.0/unit ---Special needs housing rental bonus: 0.33/unit ---Smart growth bonus: 0.33/unit	22

### **Rental Requirement**

Every fair share plan is required to provide a realistic opportunity for the development of rental housing. The rental requirement is 23 units based on the 90-unit growth share projection. A total of 74 rental units are addressed in this plan, including proposed transit-oriented developments (TOD), which will be zoned with a rental development option, which generates 46 non-age-restricted rental units. The 12-unit family rental requirement is also substantially exceeded by the TOD zoning and permanent supportive housing units.

### **Rental Bonus**

Under the third round rules, a rental bonus is available for the number of non-age-restricted rental units exceeding the 23-unit rental requirement, up to 25% of the growth share obligation, subject to specific criteria. The units must be established after June 6, 1999 (the expiration of the second round) and at least half of the rental obligation must be satisfied with family rentals.

This plan provides or addresses 74 units of rental housing, including 46 units for families under the rental development option associated with the proposed transit-oriented developments. Since the rental requirement is exceeded, rental bonuses may be applied to the special needs and supportive housing. No rental bonus is available for age-restricted housing in the third round. Therefore, the four bedrooms in Our House group home allocated to the growth share obligation are eligible for a rental bonus of 0.25 per bedroom, or one rental bonus credit. HomeFirst Interfaith permanent supportive housing (two units) is eligible for a rental bonus of 1.0 per unit, or two rental bonus credits.

Since the zoning to promote rental housing on the TOD sites does not guarantee that a developer will choose the rental option, this plan does not rely on a rental or smart growth bonus for the proposed affordable units at this time. However, a bonus may be applicable in the future if the rental option is chosen when developers of these properties submit development applications.

### **Family Housing**

At least 50% of the units provided in the third round must be available to families. Based on 88 units provided (bonus credits are not counted for this purpose), the requirement is 44 family units. Supportive housing (two units) and the inclusionary zoning for prior round sites (17 units) plus zoning for transit-oriented developments (43 units – the “for sale” option) equals 62 family units.

### **Low and Moderate Income Unit Distribution**

COAH requires that at least half of the units provided in this plan be reserved for occupancy by low income households. Based on 88 units (rental bonuses are not counted for this purpose), this requirement is 44 units. Under recent amendments to the Fair Housing Act, at least 13% of the total units (13% of 88) must be reserved for occupancy by very low income households. Therefore 11 (of the required 44 low income units) must be restricted for occupancy by very low income households.

Homes for individuals with special needs housing (four bedrooms) is considered very low income housing and HomeFirst Interfaith has indicated a willingness to permanently reserve their supportive housing (two units) in Westfield for very low income households. In addition, the Town will enact updated affordable housing rules, consistent with COAH's third round rules and the Fair Housing Act, requiring all new affordable housing to comply with UHAC regulations, including a requirement that 13% of all affordable housing units be restricted for occupancy by very low income households.

### **Funding Requirements and Development Fee Ordinance**

This plan requires a commitment of funding to undertake the rehabilitation program. If the Town is unable to rely on its participation in the County's rehabilitation program, the Town will need to allocate funding to conduct the program locally. Pursuant to COAH rules, 41 units of rehabilitation will require an appropriation of \$410,000 to cover the average \$10,000/unit in hard costs for repairs of substandard dwellings. In addition, the Town may retain the services of a qualified housing rehabilitation administrator, which could be expected to cost about \$2,000/unit according to COAH, for a total program cost of \$492,000.

The Town will first allocate the revenue generated by the growth share ordinance adopted in 2006 (approximately \$200,000) toward the cost of this program and will fund the balance from development fees (see below) or, if required, from general appropriations. At least half of the funding for the program will be made available by the mid-point of substantive certification.

The Town plans to repeal the 2006 growth share ordinance and enact a development fee ordinance to generate funds to pay for the cost of the rehabilitation program and future affordable housing programs. A Spending Plan will be prepared and submitted to COAH with revenue projections and anticipated expenditures during the third round cycle.

### **Implementation Schedule**

COAH requires that the Fair Share Plan include an Implementation Schedule with a timetable to demonstrate the reasonable likelihood that the affordable housing included in the plan will be addressed during the period of substantive certification.

Actions to be undertaken to implement this plan include instituting a rehabilitation program and adopting ordinances to establish new zoning. The following table displays the actions needed to implement this fair share plan and the time frames associated with each.

**IMPLEMENTATION SCHEDULE:  
AFFORDABLE HOUSING PROGRAMS AND NEW UNITS**

Proposed Program or Affordable Housing Development	Action Required	Time Frame For Action	Units Provided or Addressed
Rehabilitation Program	<u>Town Action</u> Appropriate funding and retain administrator to establish program if County program is not qualified.	Within 45 days of substantive certification.	41
Our House Special Needs Housing	Housing is complete; no action required.		5 (including 1 rental bonus)
Senior Citizens Housing	Housing is complete; no action required.		22
HomeFirst Interfaith Permanent Supportive Housing	Housing is complete; no action required.		4 (including 2 rental bonuses)
Prior Round Inclusionary Zoning (Unbuilt Prior Round Sites)	Zoning is in place; no action required.		17
Zoning for Transit-oriented Development	<u>Town Action</u> Town Council to enact zoning ordinance.	Within 45 days of substantive certification.	43
<b>TOTAL UNITS</b>			<b>41 REHABILITATION 91 GROWTH SHARE</b>