MORRISTOWN HOUSING ELEMENT & FAIR SHARE PLAN

What is the Housing Element & Fair Share Plan?

Morristown Demographics and Affordability as they pertain to the “Fair Share Obligation” by COAH

Approval Process & Next Steps...
WHY MAKE A HOUSING PLAN?

1) To protect the town from “builders remedy” lawsuits

[The town has never submitted one before]
WHY MAKE A HOUSING PLAN?

2) To protect the town’s affordable housing trust fund from the state, which by law can take funds from municipalities that don’t have a certified plan.
WHY MAKE A HOUSING PLAN?

3) To allow us to spend these funds on new units to develop new affordable housing units in Morristown.
WHAT IS THE HOUSING ELEMENT & FAIR SHARE PLAN?
PURPOSE:
To confirm and address Morristown’s “present” affordable housing requirements
COUNCIL ON AFFORDABLE HOUSING

1987 - 2004
Round Two “Prior Round Obligation”

2004 - 2010
Round Three “Growth Share Methodology”
(Invalidated October 2010)

*No longer exists - FHA now governed by the NJ Department of Community Affairs
HOUSING ELEMENT & FAIR SHARE PLAN

- guides
- to create
- and inform

- HOUSING TRUST FUNDS
- NEW UNITS & SUBSIDIZED RENT
- LAND USE & TRANSPORTATION POLICY

overseen by ADMINISTRATIVE AGENT
WHO WE ARE
Households and Housing in Morristown
## Affordability according to HUD

### Maximum Gross Rent by Bedroom Size

<table>
<thead>
<tr>
<th></th>
<th>0</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>30%</td>
<td>461</td>
<td>494</td>
<td>593</td>
<td>685</td>
<td>765</td>
<td>843</td>
</tr>
<tr>
<td>40%</td>
<td>616</td>
<td>660</td>
<td>792</td>
<td>914</td>
<td>1020</td>
<td>1125</td>
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<tr>
<td>50%</td>
<td>770</td>
<td>825</td>
<td>990</td>
<td>1143</td>
<td>1275</td>
<td>1406</td>
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<tr>
<td>60%</td>
<td>924</td>
<td>990</td>
<td>1188</td>
<td>1371</td>
<td>1530</td>
<td>1688</td>
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<tr>
<td>80%</td>
<td>1127</td>
<td>1208</td>
<td>1450</td>
<td>1675</td>
<td>1868</td>
<td>2016</td>
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### Population Growth

<table>
<thead>
<tr>
<th></th>
<th>1930</th>
<th>2010</th>
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<tbody>
<tr>
<td>Morristown</td>
<td>15,197</td>
<td>18,411</td>
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<tr>
<td>Morris County</td>
<td>110,445</td>
<td>492,276</td>
</tr>
<tr>
<td>New Jersey</td>
<td>4,041,334</td>
<td>8,791,894</td>
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</table>

Source: U.S. Census Bureau
Income Distribution
2005-09

MORRISTOWN

- $200,000 or more
- $150,000 to $199,999
- $100,000 to $149,999
- $75,000 to $99,999
- $50,000 to $74,999
- $35,000 to $49,999
- $25,000 to $34,999
- $15,000 to $24,999
- $10,000 to $14,999
- Less than $10,000

Source: U.S. Census Bureau
**Median Household Income and Size Since 2000**

- **Morristown**
  - Decrease in household size: -1.5%

- **Morris County**
  - Decrease in household size: -1.2%

- **NJ**
  - Decrease in household size: 0%

Source: U.S. Census Bureau
Household Type by Relationship
Morristown

18,411 PEOPLE

7,417 HOUSEHOLDS
3,765 NON-FAMILY HOUSEHOLDS
3,652 FAMILIES
2,875 LIVING ALONE (non family)
890 NOT LIVING ALONE (non-family)

Decrease in household size: -1.2%

890
Housing Type / Year Built

8,172 UNITS

- 2,983 (34%) pre-1939
- 3,110 (36%) 1940-1969
- 2,408 (28%) 1970-1999
- 247 (3%) after 2000

Source: U.S. Census Bureau
Tenure

8,172 units

- Own: 2,863 (35%)
- Rent: 4,554 (56%)
- Vacant: 755 (9%)

Source: U.S. Census Bureau
Units In Structure

8,172 UNITS

1 (detached)
8% (attached)
2
12%
3 - 4
12%
5 - 9
12%
10 - 19
12%
20 +
12%

Source: U.S. Census Bureau
Units In Structure
Change Since 2000

+557 NEW UNITS

Source: U.S. Census Bureau
WHAT IS AFFORDABLE?
3,560 households (48%) spend more than 30% of their income on housing in Morristown.
49% of renters spend more than 30% of their income on rent
48% of homeowners spend more than 30% of their income to own and live in their homes.

Source: U.S. Census Bureau
Demographic Summary

1. There is little disparity between renting and owning in terms of affordability.

2. Half of Morristown’s existing housing units are affordable (less than 30% of income).

3. New development is trending towards more, smaller units occupied by single people.
PLANNING FOR MORRISTOWN’S FAIR SHARE OBLIGATION

Determining the obligation and present need
REHABILITATION SHARE

“present”

PROSPECTIVE OBLIGATION [TBD]

PRIOR ROUND OBLIGATION
Allocation of Rehabilitation and Prior Round Obligation Units

SUMMARY

<table>
<thead>
<tr>
<th>Morristown Obligation</th>
<th>Units</th>
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<tbody>
<tr>
<td>Adjusted Rehabilitation Share</td>
<td>9</td>
</tr>
<tr>
<td>Inter-local Agreement with Morris County (proposed)</td>
<td>9</td>
</tr>
<tr>
<td>Remaining Rehab Share</td>
<td>0</td>
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<tr>
<td>Prior Round Obligation</td>
<td>227</td>
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<tr>
<td>COAH downward adjustment</td>
<td>&lt;83&gt;</td>
</tr>
<tr>
<td>29 Ann Street</td>
<td>&lt;70&gt;</td>
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<tr>
<td>77 West Valley Drive</td>
<td>&lt;3&gt;</td>
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<td>68 Madison Avenue</td>
<td>&lt;5&gt;</td>
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<tr>
<td>Habitat for Humanity</td>
<td>&lt;13&gt;</td>
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<tr>
<td>Church of God in Christ</td>
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<td>The Highlands</td>
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<td>Homeless Solutions, Inc.</td>
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<tr>
<td>Epstein's Rehabilitation</td>
<td>&lt;10&gt;</td>
</tr>
<tr>
<td>Franklin Village</td>
<td>&lt;19&gt;</td>
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<tr>
<td>Remaining Prior Round Obligation</td>
<td>0</td>
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</tbody>
</table>

- = 1 rehab unit
- = 1-9 prior round units
X = x prior round units (>10)
Affordable Housing Spending Plan

**Housing Trust Funds**

**Revenues**
Source: Residential and non-residential development fees
Current balance - $810,000
Projected revenues by 2013 ≈ $1.35 million

**Expenditures**
30% towards affordability assistance;
20% administrative costs / gap subsidy

**Neighborhood Revitalization**
Public-private partnerships with qualified developers (for and non-profit) to transform vacant parcels
Next Steps

Planning Board – Adoption and Incorporation into the Master Plan as the Housing Element and Fair Share Plan, by resolution.

Governing Body – Endorsement and recommendation for Housing Element to be submitted to COAH for substantive certification, by resolution. Note: COAH will only review applicable components so the plan will be amended when prospective obligation methodology is resolved.

COAH – Town will prepare a petition and assemble all the necessary documents. Then COAH/DCA will review for substantive certification and approval of spending plan.

Implementation – retain administrative agent to manage Morristown’s housing program.
For More Info Contact:
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