

**Governing Body Resolution Petitioning with an
Adopted Housing Element and Fair Share Plan**

WHEREAS, the Planning Board of Egg Harbor City, State of New Jersey, adopted the Housing Element of the Master Plan on March 16, 2010; and

WHEREAS, a true copy of the resolution of the Planning Board adopting the Housing Element is attached pursuant to N.J.A.C. 5:96-2.2(a)2; and

WHEREAS, the Planning Board adopted the Fair Share Plan on March 16, 2010; and

WHEREAS, a true copy of the resolution of the Planning Board adopting the Fair Share Plan is attached pursuant to N.J.A.C. 5:96-2.2(a)2.

NOW THEREFORE BE IT RESOLVED that the Governing Body of Egg Harbor City, State of New Jersey, hereby endorses the Housing Element and Fair Share Plan as adopted by the Egg Harbor City Planning Board; and

BE IT FURTHER RESOLVED that the Governing Body of Egg Harbor City, pursuant to the provisions of N.J.S.A. 52:27D-301 et seq. and N.J.A.C. 5:96-3.2(a), submits this petition for substantive certification of the Housing Element and Fair Share Plan to the Council on Affordable Housing for review and certification; and

BE IT FURTHER RESOLVED that a list of names and addresses for all owners of sites in the Housing Element and Fair Share Plan has been included with the petition; and

BE IT FURTHER RESOLVED that notice of this petition for substantive certification shall be published in a newspaper of countywide circulation pursuant to N.J.A.C. 5:96-3.5 within seven days of issuance of the notification letter from the Council on Affordable Housing's Executive Director indicating that the submission is complete and that a copy of this resolution, the adopted Housing Element and Fair Share Plan and all supporting documentation shall be made available for public inspection at the Egg Harbor City municipal clerk's office located at 500 London Avenue, Egg Harbor City, NJ 08215, during the hours of 9:00 AM to 4:00 PM on Monday through Friday for a period of 45 days following the date of publication of the legal notice pursuant to N.J.A.C. 5:96-3.5.



Meg Steeb
Municipal Clerk



Date

File: EHC HEFSP&SP Resolution



**EGG HARBOR CITY
HOUSING ELEMENT, FAIR SHARE PLAN
AND SPENDING PLAN**

DECEMBER 2009

**Adopted by the Planning Board: March 16, 2010
Governing Body Resolution: April 8, 2010**

**EGG HARBOR CITY
ATLANTIC COUNTY, NEW JERSEY**

PREPARED BY:

**TIMOTHY D. MICHEL, P.P.
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THE ORIGINAL OF THIS DOCUMENT HAS BEEN SIGNED AND SEALED IN ACCORDANCE WITH LAW

TABLE OF CONTENTS

INTRODUCTION	3
HOUSING STOCK	5
Age of Housing	5
Condition of Housing.....	5
Purchase or Rental Value.....	6
Occupancy Characteristics.....	6
Housing Type.....	7
DEMOGRAPHIC CHARACTERISTICS.....	8
Population Trend.....	8
Household Size and Type	8
Age Characteristics	8
Income Level and Poverty Status	9
EMPLOYMENT CHARACTERISTICS	11
Job Growth.....	11
Worker Class.....	11
Workers by Industry	11
Place of Work	13
Travel Time to Work	13
FAIR SHARE PLAN	15
Rounds I and II COAH Analysis:	15
Round III COAH Analysis:	17
Rehabilitation Component	17
Residential Component.....	17
Non-Residential Component.....	18
Plan Proposals:.....	20
SUPPORTIVE AND SPECIAL NEEDS HOUSING.....	20
INCLUSIONARY ZONING/ REDEVELOPMENT	21
100% AFFORDABLE HOUSING DEVELOPMENT	21
ACCESSORY APARTMENT PROGRAM.....	22
DEVELOPMENT FEES.....	22
BONUS PROVISIONS	22
Implementation Schedule.....	24
SPENDING PLAN	25
Introduction.....	25
Revenues for Certification Period.....	25
Administrative Mechanism To Collect And Distribute Funds	26
Description Of Anticipated Use Of Affordable Housing Funds.....	27
New construction programs and projects.....	27
Affordability Assistance	27
Administrative Expenses	28
Excess Or Shortfall Of Funds	28
Summary	28

INTRODUCTION

This Housing Element and Fair Share Plan is intended to address Egg Harbor City's fair share of low and moderate income housing as determined necessary by the New Jersey Council on Affordable Housing (COAH) based upon the Fair Housing Act of 1985 and subsequent Mount Laurel decisions.

Egg Harbor City has not previously adopted a Housing Element and Fair Share Plan. The current plan will accommodate the requirements previously determined as the City's current obligation as well as projected future needs.

The components of an affordable housing plan consist of:

1. Rehabilitation share.
2. Prior round obligation or the remaining obligation from prior rounds that was not previously constructed or provided for.
3. Growth share obligation.
 - Residential – Among every five residential units built, one affordable housing unit must be provided.
 - Non-residential – For every 16 jobs created, one affordable unit must be provided. Job growth is measured by construction square footage by UCC Code.

COAH has determined Egg Harbor City's rehabilitation share and the prior round new construction. The actual figures are presented in the Fair Share Plan. A municipality may accept COAH's projection, calculate a municipal alternative (providing the municipal projection is greater than COAH's), or request a growth projection adjustment to COAH's household/employment projections.

The Fair Housing Act and the Municipal Land Use Law (MLUL) require specific components.

C. 52:27D-310 Essential components of municipality's housing element.

A municipality's housing element shall be designed to achieve the goal of access to affordable housing to meet present and prospective housing needs, with particular attention to low and moderate income housing, and shall contain at least:

- a. An inventory of the municipality's housing stock by age, condition, purchase or rental value, occupancy characteristics, and type, including the number of units affordable to low and moderate income households and substandard housing capable of being rehabilitated, and in conducting this inventory the municipality shall have access, on a confidential basis for the sole

purpose of conducting the inventory, to all necessary property tax assessment records and information in the assessor's office, including but not limited to the property record cards;

b. A projection of the municipality's housing stock, including the probable future construction of low and moderate income housing, for the next ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands;

c. An analysis of the municipality's demographic characteristics, including but not necessarily limited to, household size, income level and age;

d. An analysis of the existing and probable future employment characteristics of the municipality;

e. A determination of the municipality's present and prospective fair share for low and moderate income housing and its capacity to accommodate its present and prospective housing needs, including its fair share for low and moderate income housing; and

f. A consideration of the lands that are most appropriate for construction of low and moderate income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low and moderate income housing, including a consideration of lands of developers who have expressed a commitment to provide low and moderate income housing.

L.1985,c.222,s.10; amended 2001, c.435, s.2.

Once a municipality has prepared and adopted a Housing Element and Fair Share Plan they may file a copy with COAH and they may also petition COAH for substantive certification of the plan. A petition request must be made by the Governing Body within two years from filing of the Plan with COAH. The purpose of filing a plan and receiving substantive certification is to protect a municipality from a "builder's remedy" law suit.

In addition to the essential components of a municipality's housing element as stated in the MLUL, COAH has established a Petition Application. This application includes checklists for each component of the plan and must be submitted with a petition for substantive certification. The petition must also include draft ordinances for implementation. These would include zoning ordinances, affordable housing ordinances and development fee ordinances as well as any other necessary item. A municipality must also adopt a resolution indicating their intent to bond for any component of the Fair Share Plan that may not receive the necessary funding as envisioned in the Spending Plan.

HOUSING STOCK

Age of Housing

The 2000 Census indicates Egg Harbor City had 1,770 housing units of which 1,658 are occupied by owners and renters. The data is tabulated below.

Year Constructed	Owner Occupied Number	Owner Occupied Percent	Renter Occupied Number	Renter Occupied Percent	Vacant Number	Vacant Percent	Total Number	Total Percent
1999 to 3/2000	0	0.0%	6	1.0%	0	0.0%	6	0.34%
1995-1998	16	1.5%	8	1.3%	8	7.1%	32	1.81%
1990-1994	5	0.5%	0	0.0%	0	0.0%	5	0.28%
1980-1989	63	6.0%	19	3.1%	34	30.4%	116	6.55%
1970-1979	76	7.2%	88	14.5%	8	7.1%	172	9.72%
1960-1969	99	9.4%	72	11.9%	9	8.0%	180	10.17%
1950-1959	235	22.3%	122	20.1%	15	13.4%	372	31.79%
1940-1949	132	12.5%	115	19.0%	25	22.3%	272	15.37%
1939 or earlier	426	40.5%	176	29.0%	13	11.6%	615	34.75%
Total	1,052	100.0%	606	100.0%	112	100.0%	1770	100.0%

Source: U.S. Census Bureau, Census 2000

The median age of owner-occupied units is 1948 which is slightly older than the median age of renter occupied housing units which is 1951. More than 91 percent of all housing in Egg Harbor City was built before 1980 and more than 34 percent was built before 1940. The 159 units built since 1980 represent approximately 5 new housing units per year.

Condition of Housing

Condition of housing is evaluated based upon age of housing stock, persons per room, lack of complete plumbing, lack of complete kitchen, home heating fuel and other similar characteristics. As noted the median age of the housing stock in Egg Harbor City is 1948. Units built before 1940 are more likely to have substandard conditions than newer housing units. More than 34 percent of Egg Harbor City's housing stock was built before 1940.

Having more than 1.01 persons per room is indicative of overcrowding. Egg Harbor City has a 73 renter occupied housing units and 27 owner occupied housing units for a combined total of 100 housing units that have more than 1 person living in a room. The 100 housing units having more than 1.01 persons per room is 6 percent of the total occupied housing units in Egg Harbor City.

There are no occupied housing units lacking complete plumbing facilities (shared plumbing or incomplete plumbing). The same is true for kitchen facilities, there are no occupied housing units lacking complete kitchen facilities (shared kitchen or lack of sink, stove or refrigerator).

In general the City's housing stock is well maintained. None of the occupied units were lacking complete plumbing or kitchen facilities. Units that were reported with overcrowded conditions (1.01 persons or more per room) consisted of 6% of the total occupied housing stock. Although these units represent a small portion of the total housing stock, continued efforts should be made to bring them up to standard.

Purchase or Rental Value

Council on Affordable Housing (COAH) regulations define low income households (those earning up to 50% of the moderate household income) and moderate income households (those earning from more than 50% to 80% of the moderate household income). The figures are adjusted for household size and the municipality's housing region.

Egg Harbor City is part of Region Six, which includes Atlantic, Cape May, Cumberland and Salem Counties. The 2008 COAH Regional Income Limits for Region Six (based on household size) range from \$22,678 (one person) to \$42,763 (eight persons) for the upper limit of low income families. Income limits range from \$36,284 (one person) to \$68,421 (eight persons) for the upper limit of moderate income. Median income for Region 6 in 2008 ranges from \$45,355 to \$85,527, the City's median income in 1999 was reported at \$32,956.

Occupancy Characteristics

Egg Harbor City has 1,770 housing units of which 6.3 percent were reported vacant by the US Census Bureau, 2000. The remaining 1,658 occupied units represent 93.7 percent of the total housing units.

Subject	Number	Percent
Occupancy Status		
Total Housing Units	1,770	100.00
Occupied Housing Units	1,658	93.7
Vacant Housing Units	112	6.3

Of the 1,658 occupied units in Egg Harbor City, 1,051 or 63.4 percent are owner occupied and 607 or 36.6 percent are renter occupied.

Subject	Number	Percent
Tenure		
Occupied Housing Units	1,658	100.0
Owner Occupied Housing Units	1,051	63.4
Renter Occupied Housing Units	607	36.6

Of the 112 vacant housing units in Egg Harbor City, 41 or 36.6 percent are for rent.

Subject	Number	Percent
Vacancy Status		
Vacant Housing Units	112	100.0
For Rent	41	36.6
For Sale	15	13.4
Rented or sold, not occupied	10	8.9
For seasonal, recreational, or occasional use	8	7.1
For migratory workers	0	0.0
Other Vacant	38	33.9

Housing Type

Of the 1,658 occupied housing units in Egg Harbor City, 1,117 or 67.4 percent are single family detached. Owner occupied single family detached housing accounts for 990 units or 94.1 percent of owner occupied housing. Renter occupied single family detached housing accounts for 127 units or 21.0 percent of renter occupied housing.

Subject	Number	Percent
Owner Occupied Housing Units	1,052	100.0
Single family detached	990	94.1
Single family attached	6	0.6
2 units	36	3.4
3 or 4 units	20	1.9
5 or more units	0	0

Subject	Number	Percent
Renter Occupied Housing Units	606	100.0
Single family detached	127	21.0
Single family attached	66	10.9
2 units	167	27.6
3 or 4 units	119	19.6
5 to 9 units	75	12.4
10 to 19 units	26	4.3
20 to 49 units	14	2.3
50 or more units	12	2.0

DEMOGRAPHIC CHARACTERISTICS

Population Trend

The 2000 Census reported Egg Harbor City's population was 4,545 which is a reduction of 38 people from the reported population of 4,583 from the 1990 Census.

Year	Population	Population change	Percentage change
1990	4,583	---	
2000	4,545	-38	0.8

The South Jersey Regional Transportation Planning Organization has projected that Egg Harbor City's population will increase by 22 and households will increase by 8 in the 10 year period extending from 2005-2015.

Year	Population	Households
2005	4,563	1,690
2015	4,584	1,698
2005-2015 Growth	+22	+8

Household Size and Type

The 2000 Census reported the average household size to be 2.70 persons. The average household size in Atlantic County was 2.52 and in New Jersey the average size was 2.68 persons. Single-family dwellings make up 65% of the City's housing stock. Twins (one-unit attached) make up 5% of the housing stock. The balance of the housing stock consists of two or more units, 30% of the total housing stock.

Age Characteristics

The 2000 Census reported the median age in Egg Harbor City was 34.9. Atlantic County median age was 38.0 and New Jersey median age was 36.7. The largest age group is 40 to 44 years. The population category of 65 and older is 633 people or approximately 13.9 percent of the population. The population by age cohort is shown below.

Egg Harbor City has a comparable population to Atlantic County and New Jersey. The age groups that demonstrate noticeable increases are the 5 to 19 years olds.

	Egg Harbor City	Egg Harbor City	Atlantic County	Atlantic county	New Jersey	New Jersey
Age	Total	Percent	Total	Percent	Total	Percent
Under 5 years	305	6.7	16,483	6.5	563,785	6.7
5 to 9 years	392	8.6	19,133	7.6	604,529	7.2
10 to 14 years	375	8.3	18,346	7.3	590,577	7.0
15 to 19 years	346	7.6	15,966	6.3	525,216	6.2
20 to 24 years	254	5.6	14,294	5.7	480,079	5.7
25 to 29 years	293	6.4	15,591	6.2	544,917	6.5
30 to 34 years	312	6.9	18,035	7.1	644,123	7.7
35 to 39 years	349	7.7	21,798	8.6	727,924	8.7
40 to 44 years	396	8.7	21,908	8.7	707,182	8.4
45 to 49 years	309	6.8	18,186	7.2	611,357	7.3
50 to 54 years	250	5.5	15,686	6.2	547,541	6.5
55 to 59 years	181	4.0	12,345	4.9	423,338	5.0
60 to 64 years	150	3.3	10,344	4.1	330,646	3.9
65 to 69 years	164	3.6	9,250	3.7	293,196	3.5
70 to 74 years	176	3.9	8,982	3.6	281,473	3.3
75 to 79 years	136	3.0	7,368	2.9	240,131	2.9
80 to 84 years	100	2.2	4,718	1.9	162,337	1.9
85 to 89 years	43	0.9	2,724	1.1	90,606	1.1
90 years and over	14	3.0	1,394	0.6	45,393	0.5
Total Population	4,545	100.0	252,552	100.0	8,411,350	100.00

Income Level and Poverty Status

The 2000 Census indicates the median household income in 1999 for Egg Harbor City was \$32,956. This is approximately 25 percent lower than the median income in Atlantic County which is \$43,933 and approximately 40 percent lower than the New Jersey which is \$55,146.

Per capita income in Egg Harbor City is lower than Atlantic County and the New Jersey. Egg Harbor City's per capita income in 1999 was \$15,151 which is approximately 28 percent below Atlantic County and approximately 44 percent below New Jersey. Egg Harbor City's poverty status is higher than figures for Atlantic County and New Jersey.

Income Characteristics

	Egg Harbor City	Atlantic County	New Jersey
Median household income (1999)	\$32,956	\$43,933	\$55,146
Median family income (1999)	\$40,040	\$51,710	\$65,370
Per capita income (1999)	\$15,151	\$21,034	\$27,006
Families below poverty level %	11.7	7.6	6.3
Individuals below poverty level %	13.1	10.5	8.5

As indicated above, the 2000 Census indicates the median household income in 1999 for Egg Harbor City was \$32,956. This is approximately 25 percent lower than the median income in Atlantic County which is \$43,933 and approximately 40 percent lower than the New Jersey which is \$55,146.

Household Income

	Egg Harbor City Total	Egg Harbor City Percent	Atlantic County Total	Atlantic County Percent	New Jersey Total	New Jersey Percent
Less than \$10,000	167	10.1	8,064	8.5	213,939	7.0
\$10,000 to \$14,999	97	5.8	5,306	5.6	143,783	4.7
\$15,000 to \$19,999	141	8.5	5,523	5.8	142,069	4.6
\$20,000 to \$24,999	166	10.0	6,206	6.5	146,537	4.8
\$25,000 to \$29,999	167	10.1	6,346	6.7	152,012	5.0
\$30,000 to \$34,999	152	9.2	6,049	6.4	153,437	5.0
\$35,000 to \$39,999	67	4.0	5,353	5.6	150,757	4.9
\$40,000 to \$44,999	135	8.1	5,715	6.0	150,538	4.9
\$45,000 to \$49,999	93	5.6	5,088	5.4	136,078	4.4
\$50,000 to \$59,999	122	7.4	9,651	10.2	260,375	8.5
\$60,000 to \$74,999	169	10.2	10,787	11.4	347,869	11.3
\$75,000 to \$99,999	95	5.7	10,847	11.4	413,928	13.5
\$100,000 to \$124,999	64	3.9	5,006	5.3	252,890	8.2
\$125,000 to \$149,999	23	1.4	2,059	2.2	138,233	4.5
\$150,000 to \$199,999	0	0.0	1,335	1.4	130,492	4.3
\$200,000 or more	1	0.1	1,690	1.8	132,837	4.3
Households	1,659	100.0	95,025	100.0	3,065,774	
Median Income	\$32,956		\$43,933		\$55,146	

EMPLOYMENT CHARACTERISTICS

Job Growth

South Jersey Transportation Planning Organization (SJTPO) reports 2,463 jobs in Egg Harbor City in 2005. In 2015 SJTPO estimates 2,751 jobs or 288 additional jobs representing an 11.7 percent increase over the 10 year period.

Worker Class

The 2000 Census reports on employed civilian population 16 years of age and older. Approximately 18.6 percent of the residents work in the public sector and 81.4 percent work in the private sector.

Class of Worker	Number	Percent
Private for-profit wage and salary workers	1,425	72.7
Private not-for profit wage and salary workers	122	6.2
Local government workers	174	8.9
State government workers	127	6.5
Federal government workers	63	3.2
Self-employed workers	49	2.5
Unpaid family workers	0	0.0
Total employed residents	1,960	100.00
Total unemployed residents	1,248	36.4
Total residents in labor force	2,177	63.6

Workers by Industry

According to the 2000 Census, approximately 52.7 percent of the residents in Egg Harbor City are employed in service, sales and office occupations. The 2000 Census also shows Atlantic County having approximately 56.3 percent in the same category. Egg Harbor City has noticeably lower employment in management, professional and related occupations showing 15.2 percent compared to Atlantic County which has 25.6 percent.

Employed Civilian Population by Occupation - 16 Years and Over

Occupation	Egg Harbor City Total	Egg Harbor City Percent	Atlantic County Total	Atlantic County Percent
Management, professional and related occupations	297	15.2	29,690	25.6
Service occupations	455	23.2	35,142	30.3
Sales and office occupations	579	29.5	30,149	26.0
Farming, fishing and forestry occupations	0	0.0	506	0.4
Construction, extraction and maintenance occupations	242	12.3	9,980	8.6
Production, transportation and material moving operations	387	19.8	10,584	9.1
Total	1,960	100.0	116,051	100.0

The 2000 Census shows 1,960 people age 16 years and older are employed in Egg Harbor City. The largest industry employing residents is the arts, entertainment, recreation, accommodation and food services with over 20 percent. Education follows with 17.9 percent. Retail trade and manufacturing are the third and fourth largest industries showing 14.7 percent and 12.8 percent.

Employed Civilian Population by Industry - 16 Years and Over

Occupation	Egg Harbor City Total	Egg Harbor City Percent	Atlantic County Total	Atlantic County Percent
Agriculture, forestry, fishing and hunting and mining	16	0.8	766	0.7
Construction	58	3.0	7,600	6.5
Manufacturing	250	12.8	4,946	4.3
Wholesale trade	36	1.8	2,742	2.4
Retail trade	289	14.7	12,304	10.6
Transportation and warehousing, and utilities	89	4.5	4,845	4.2
Information	48	2.4	1,992	1.7
Finance, insurance, real estate, and rental and leasing	108	5.5	5,015	4.3
Professional, scientific, management, administrative, and waste management services	127	6.5	7,602	6.6
Educational, health and social services	350	17.9	20,073	17.3
Arts, entertainment, recreation, accommodation and food services	399	20.4	37,202	32.1
Other services (except public administration)	92	4.7	4,594	4.0
Public administration	98	5	6,370	5.5
Total	1,960	100.0	116,051	100.00

Place of Work

Most workers are employed in the state and county. Similar proportions of residents work outside the county and outside of the state.

Employment Area	Egg Harbor City Total	Egg Harbor City Percent	Atlantic County Total	Atlantic County Percent	New Jersey Total	New Jersey Percent
Worked in state of residence	1,845	97.9	109,464	97.2	3,396,785	87.6
Worked in county of residence	1,694	89.9	96,032	85.2	2,126,179	54.8
Worked outside county of residence	151	8.0	13,432	11.9	1,270,606	32.8
Worked outside state of residence	40	2.1	3,195	2.8	479,648	12.4
Total Employed	1,885		112,659		3,876,433	

Travel Time to Work

The mean commute time for Egg Harbor City residents is 26.4 minutes with 11.7 percent having a travel time of less than 10 minutes. By contrast, Atlantic County residents have a mean commute time of 23.7 minutes with 14.1 percent having a travel time of less than 10 minutes. New Jersey residents have a mean commute time of 30.0 minutes with 11.9 percent having a travel time of less than 10 minutes.

Commute Time

Travel Time	Egg Harbor City Total	Egg Harbor City Percent	Atlantic County Total	Atlantic County Percent	New Jersey Total	New Jersey Percent
Less than 10 minutes	219	11.7	15,614	14.1	446,839	11.9
10 to 14 minutes	118	6.3	17,227	15.6	482,988	12.8
13.5	356	19.0	19,824	17.9	510,571	13.5
20 to 24 minutes	337	18.0	20,336	18.4	497,467	13.2
25 to 29 minutes	117	6.3	7,398	6.7	210,226	5.6
30 to 34 minutes	405	21.6	13,052	11.8	492,539	13.1
35 to 44 minutes	109	5.8	4,597	4.2	265,719	7.0
45 to 59 minutes	93	5.0	5,096	4.6	352,609	9.4
60 to 89 minutes	75	4.0	4,101	3.7	335,777	8.9
90 or more minutes	43	2.3	3,224	2.9	175,142	4.6
Did not work at home	1,872	99.3	110,469	98.1	3,769,877	97.3
Worked at home	13	0.7	2,190	1.9	106,556	2.7
Total	1,885	100.0	112,659	100.00		100.0
Mean travel time	26.4		23.7		30.0	

Fair Share Plan

Rounds I (1987-1993) and II (1993-1999) COAH Analysis:

The City's prior round fair share number has been determined by utilizing data provided by the Council On Affordable Housing (COAH) for Region 6. This obligation is cumulative from 1987 through 1999. Details are as follows:

<u>Allocation Category</u>	<u>Units</u>
Indigenous Need	38
+ Reallocated Present Need	6
Present Need 1993: Total	44
+ Prospective Need 1993-1999	35
Total Need 1993-1999	79

CREDITS AND ADJUSTMENTS:

Prior Cycle Prospective Need	18
+ Demolitions	1
Subtotal	19
- Filtering	11
- Conversions	7
- Spontaneous Rehabilitation	2
Subtotal	-1
Total Need 1993-1999	79
+ Credits and Adjustments	-1
Pre-Credited Need	78

TOTAL	78
Total Units - Round III Adjustment	42

The components of calculated housing need are outlined as follows:

Indigenous Need is the number of dwellings that are substandard and inhabited by a low and moderate income household. Indigenous Need is a part of Present Need. This number is calculated from U.S. Census surrogates that stand in for the actual count since data at the minor civil division level is not available. Egg Harbor City's Indigenous Need number is 38 units.

Reallocated Present Need is equal to the dwelling units assigned to municipalities from a regional pool of indigenous need. Each housing region has a regional average of all of its indigenous need units. If a municipality has more than the regional average, then the amount above the average is placed in a regional pool and reassigned to other municipalities within the region. The Reallocated Present Need number for Egg Harbor City is 6 units.

Present Need 1993 is the total of Indigenous Need and Reallocated Present Need. Both Reallocated Present Need and Prospective Need (see below) are distributed to municipalities

through a formula that includes the municipal share of the regional undeveloped land, equalized nonresidential property valuation, change in equalized nonresidential property valuation, and aggregate household income differences. For Egg Harbor City, Present Need 1993 equals 44 units (38 + 6).

Prospective Need 1993-1999 is the share of future households of low and moderate incomes allocated to Egg Harbor City, which will require affordable housing not provided by the normal housing market. The Prospective Need 1993-1999 number is 35 units.

Present and Prospective Need 1993-1999 together are called Total Need and equal 79 units. The Present Need of 44 units is added to Prospective Need from the first round, which is 35 units, for a two round cycle (1987-1999) of 79 units. This number in turn is modified by several factors intended to account for normal housing market adjustments. These factors are:

- Demolition – the number of units that are expected to be removed from the housing stock in the second round. In Egg Harbor City, one unit is expected to be demolished. This number would then be added to the prior cycle total.
- Filtering – an adjustment that assumes over time the typical household will move up in price in the housing market, thereby selling a lower priced house to another household. In turn, the second household sells a still lower priced house to a third party, and so on. The process of filtering creates housing opportunities for low and moderate income households. Filtering subtracts eleven units from the City's total.
- Residential Conversion – the process of providing affordable housing by the conversion of larger single family homes to two or more dwellings; or, the conversion of previously nonresidential buildings to residential uses. Conversion subtracts seven units from the City's total.
- Spontaneous Rehabilitation – the reconstruction of the existing substandard housing stock to meet building and housing code requirements outside of governmental programs. This adjustment is based on per capita income. Spontaneous Rehabilitation removes two units from the City's total.

Pre Credited Need is the sum of all of the preceding components and is equal to 78 units. From this number are subtracted the credits and inclusionary zoning in place to produce affordable housing. This number is further reduced to 42 units as part of the Round III rules adopted by COAH.

Round III (1999-2014) COAH Analysis:

Rehabilitation Component

Egg Harbor City's rehabilitation share is calculated based on COAH guidelines. Using the number of units built before 1940, the number of housing units lacking adequate plumbing and kitchen facilities is added to determine the deteriorated housing. The figure is then multiplied by the low-moderate deterioration share to determine the rehabilitation share. Adjustments are made to arrive at the final adjusted rehabilitation share.

The City of Egg Harbor has a rehabilitation requirement of 38 units. The City works with Atlantic County Improvement Authority to rehabilitate properties. This program is funded by a variety of sources through HUD and NJ Small Cities program. Since April of 2000 the City and the County have rehabilitated a total of 30 units. The City of Egg Harbor has an 8 unit remaining rehabilitation obligation. This will be addressed through the end of Round III by continuing the program with the Atlantic County Improvement Authority.

Residential Component

There are two elements in calculating the City's affordable obligation generated by residential development: an obligation based upon Certificates of Occupancy which have already been issued, and a projected obligation based upon anticipated future residential development.

The following table identifies the total residential certificates of occupancy and demolition permits which have been issued from 2004 to March 2009. This development has generated an affordable housing obligation of 7.5 units, 6 if demolition permits are deducted. Pursuant to an amendment to N.J.A.C. 5:97-2.5(a)v. the City may deduct from its growth share obligation any unit that was demolished and replaced by the same owner. The City will provide the necessary documentation to permit the exclusion of the demolition permits as permitted under N.J.A.C. 5:97-2.5(a)v. as part of any required monitoring reports.

Residential Certificates of Occupancy and Demolition Permits								COAH
	2004	2005	2006	2007	2008	March 2009	SUM	Obligation
COs Issued	10	7	4	7	2	0	30	7.5
Demolitions	0	0	0	0	6	0	6	N/A
Net	10	7	4	7	-4	0	24	6

COAH has estimated that the City of Egg Harbor will create 117 new housing units between 2004 and 2018. This would generate a projected growth share obligation of 23.4 units based on residential development. In 2004 there were 10 certificates of occupancy issued for residential structures in the City. In 2008 there were only 2 CO's issued. Over the four-year span from 2004 to 2008 the residential growth in the City dropped by 80%. To further illustrate the changes in the residential growth in the City, in the first quarter of 2009 no CO's were issued. This is a considerable change in growth patterns in the City and reflects a future growth rate much less than anticipated by the COAH projections.

However, proposed redevelopment may change this trend when the economic conditions improve with plans for approximately 1,800 units near the train station. The City will accept COAH's residential growth projections and continue to monitor new residential development.

Non-Residential Component

An analysis of non-residential development in Egg Harbor City has also been conducted. The following table identifies the total square footage of non-residential development which certificates of occupancy and demolition permits have been issued for from 2004 through 2008, please note that there is no activity reported for the first quarter of 2009. Accordingly, the City has realized an obligation of 9.15 affordable housing units from non-residential development based upon a growth of 146 jobs over four years.

COAH has estimated that Egg Harbor City will create 638 jobs between 2004 and 2018. This would generate a projected growth share obligation of 39.88 units based on non-residential development. The City believes this projection is high given the past non-residential growth in Egg Harbor City and the land available to accommodate this growth.

If we look at the average non-residential growth from 2004 through 2008 you would create 36 new jobs per year. Extrapolating that over the next 10 years would result in 360 new jobs, for a total of 506 jobs. This is 20% less than the growth projected by COAH. The City has limited area available for non-residential development, primarily in the Industrial Park and as part of the Downtown Redevelopment. Taking into consideration the additional potential for development at the Industrial Park (212,000 square feet) would only create 254 more jobs. This is more consistent with the City's non-residential growth projection and projections prepared by SJTPO. The regional planning entity reports 2,463 jobs in Egg Harbor City in 2005. In 2015 SJTPO estimates 2,751 jobs or 288 additional jobs representing an 11.7 percent increase over the 10 year period.

The City will use the COAH figures for the Round III obligation even though a creditable argument can be made that the figures should be lower. The combined Round III COAH residential component of 23.4 units and the COAH non-residential component of 39.88 units results in 63 units as the Round III obligation.

Jobs Gained/Lost & Net Non-Residential Development by Sq. Ft. & Use Group											
	2004		2005		2006		2007		2008		
Use Group: B (Office)	Square Feet	Jobs	Total Jobs								
COs Issued		-	12,000	34	1,750	5		-		-	13,750
Demolitions		-		-		-		-		-	
Net (Use Group: B)		-	12,000	34	1,750	5		-		-	39
Use Group: F (Factory)											
COs Issued	480	1	33,250	40	9,800	12		-		-	43,530
Demolitions		-		-		-		-		-	
Net (Use Group: F)		1		40		12		-		-	52
Use Group: S (Storage)											
COs Issued		-	4,100	4		-		-	2,700	3	6,800
Demolitions		-		-		-		-		-	
Net (Use Group: S)		-		4		-		-		3	7
Use Group: A2 (Assembly)											
COs Issued		-		-		-		-	160	1	160
Demolitions		-		-		-		-		-	
Net (Use Group: A2)		-		-		-		-	160	1	1
Use Group: A3 (Assembly)											
COs Issued		-		-		-	30,200	48		-	30,200
Demolitions		-		-		-				-	
Net (Use Group: A3)		-		-		-	30,200	48		-	48
TOTAL JOBS											146
TOTAL AFFORDABLE UNITS (Total Jobs/16)											9.13

Source: Egg Harbor City Certificates of Occupancy, 2004-2008

Note: The spread sheet rounded the total jobs down to 146, rather than the actual sum of 147.

Plan Proposals:

The City of Egg Harbor has a total estimated COAH obligation between Rounds II and III of 105 units (42 units in Round II and 63 estimated units in Round III). The following programs will be utilized to satisfy this obligation. The City anticipates creating a total of 223.25 affordable housing credits of which 140 would be applied to Rounds II and III and the remaining 83.25 would be surplus units for future COAH plans.

According to COAH regulations 25% of the growth share obligation must be rental units; equal to an estimated 16 rental units (63 x 25%). N.J.A.C. 5:97-3.4 requires that 50% of the rental units are family units; 8 units. Egg Harbor City proposes utilizing the accessory apartment program to meet the family rental housing requirement. The balance of the rental units will be through an age-restricted development at the Rittenberg School site for a total of 83 units, the excess will be assigned to future obligations.

COAH regulations also limit the maximum number of age-restricted units to 25% of the total obligation. For Egg Harbor City this is 26 units (105 x 25%) between Rounds II and III. The City proposes an age-restricted housing development of 83 rental units and 16 age-restricted units in the downtown redevelopment area. This will exceed the City's age-restricted housing cap and the surplus will be applied to future COAH obligations.

The City estimates creating a total of 223.25 COAH credits including bonuses. The City has included 99 age-restricted units in the plan, of which only 26 would qualify for credits. Thus, of the 223.25 credits only 140 would qualify under Rounds II and III. Since the City's estimated obligation is 105 units there would be a surplus of 35 credits (this does not include the 83.25 age-restricted units that are not counted in this plan). This surplus would be applied to future COAH obligations or be used to off-set any changes in the economy if growth exceeds projections.

SUPPORTIVE AND SPECIAL NEEDS HOUSING

The City of Egg Harbor is home to several supportive and special needs housing facilities. Career Opportunity Development Incorporated runs two facilities currently. The first is located at 711 White Horse Pike and was given a certificate of occupancy on May 31, 2000. This facility contains 5 bedrooms for very low-income individuals. The facility is licensed under the Division of Mental Health Services (DMHS).

The second facility operated by Career Opportunity Development, Inc. is located at 52 Liverpool Avenue. This is a licensed group home with four-bedrooms for very low-income residents. The facility received a certificate of occupancy on October 17, 2006. This facility is licensed under DMHS.

Attached hereto are completed Supportive and Special Needs Housing Surveys for the above referenced facilities.

Total Affordable Housing Credits: 9 very low-income credits.

INCLUSIONARY ZONING/ REDEVELOPMENT

Downtown Redevelopment Area
Various Blocks and Lots
Acreage to be Determined

The City of Egg Harbor has adopted a Redevelopment Area in 2003 along Philadelphia Avenue near the New Jersey Transit rail stop. It is anticipated that this development would create approximately 1,872 new dwelling units of which 100 units would be restricted as affordable housing units. This 100 unit affordable housing figure anticipates development occurring through year 2018. Development in the Downtown Redevelopment Area will be required to provide a balanced mix of affordable and market rate housing in each phase or section of development to be undertaken. The first phase of this project includes 188 units. Due to economic conditions the redevelopment has not begun.

Total Affordable Housing Credits: 100 credits.

Renaissance Plaza - South Jersey Economic Development District
Block 206, Lots 19 & 20
145-147 Philadelphia Avenue
12,000 square feet

The City of Egg Harbor is working with South Jersey Economic Development District (SJEDD is an independent public agency) to create a mixed use project on Philadelphia Avenue. The project will consist of a two-story and four-story buildings containing approximately 24,000 square feet of commercial uses, offices and 16 affordable senior citizen housing units. This property is located in the Downtown Redevelopment area and is known as Parcel 17.

Total Affordable Housing Credits: 16 credits.

100% AFFORDABLE HOUSING DEVELOPMENT

Rittenberg School Site
Block 314, Lot 1
2.07 Acres

The City of Egg Harbor is working with a non-profit affordable housing developer to construct an 83-unit age-restricted affordable housing development. This property is currently zoned RC –

Retail Commercial and the housing is not a permitted use. The City has adopted a redevelopment plan and will be requesting RFP's from an affordable housing developer.

Total Affordable Housing Credits: 83 credits.

ACCESSORY APARTMENT PROGRAM

In order to satisfy the rental obligation the City of Egg Harbor intends to create an accessory apartment program consistent with the requirements of N.J.A.C. 5:97-6.8. The City will insure that a minimum subsidy of \$20,000 for moderate-income units or \$25,000 for low-income units. All units will have ten-year deed restrictions and meet all UHAC (Uniform Housing Affordability Controls) requirements. The City proposes to allow for 13 accessory apartments, a waiver is required to allow for more than 10% of the City's total obligation as accessory apartments. In accordance with N.J.A.C. 5:97-6.8(b)1 no more than 10 units or an amount equal to 10% of the fair share obligation can consist of accessory apartments. With an estimated obligation of 105 units a maximum of 10 accessory apartments would be permitted. The City is requesting a total of 13 accessory apartments.

Total Affordable Housing Credits: 13 credits.

DEVELOPMENT FEES

The City of Egg Harbor intends to amend their land use ordinances to allow for development fees for all major subdivisions. This would allow the City to collect development fees for an estimated 230 residential units through 2018. At an estimated average value of \$200,000 per unit and a development fee of 1.5% of equalized value this would generate approximately \$690,000 for the City's Affordable Housing Trust Fund. This money would be utilized to fund the accessory apartment program. This would yield approximately \$53, 076.00 for the 13 very low income housing unit obligation.

BONUS PROVISIONS

In accordance with N.J.A.C. 5:97-3.20 the City of Egg Harbor can anticipate bonus credits for up to 25% of the projected growth share obligation. Thus with a projected growth share obligation of 63 units the City can earn up to 15.75 bonus credits.

The City of Egg Harbor estimates qualifying for 2.25 bonus credits for supportive housing units for the two CODI group homes in accordance with N.J.A.C. 5:97-3.6(a)2. The bonus credits are highlighted in Table 27 – COAH Obligation.

Total Estimated Bonus Credits: 2.25 credits.

The following Table summarizes and illustrates Egg Harbor City's fair share plan with bonuses and very low-income units.

Egg Harbor City COAH Obligation										
	Age Restricted		Rental Units					Bonuses	Very Low Income	
	Max 25% Age Restricted	25% Rental Units	Max. Senior Apartments (50% of Rental Units)	Supportive and Special Needs Units	Supportive and Special Needs Units Bonuses	Min. Family Rental Units (50% of Rental Units)	Family Rental Units Bonuses	Max. Bonus	13% Very Low Income Units	50% Family Very Low Income Units
Round 2	42	10.5	10.5	5.25			5.25	10		
Round 3	63	15.75	15.75	7.88			7.88	15	8.19	4.10
Total Obligation	105	26.25	26.25	13.13			13.13		8.19	4.10

Project	Credits	Age Restricted	Rental Units	Senior Rental Units	Supportive and Special Needs Units	Bonus	Family Rental Units	Bonus	Very Low Income Units	50% Family Very Low Income Units
100% Sites										
Rittenberg School Site	83	83	83	83						
Supportive Housing										
CODI 711 WHP	5		5		5	1.25			5	
CODI Liverpool Ave	4		4		4	1			4	
Inclusionary Housing										
Redevelopment Area	100									4
Renaissance Plaza	16	16								
Misc. Provisions										
Accessory Apartments	13		13				13			
Sum	221	99	105	83	9	2.25	13	0	9	4
Plus Bonuses	2.25									
Balance	223.25									
Less Excess Senior Units	83.25									
Final Balance	140									

Implementation Schedule

In accordance with N.J.A.C.5:97-3.2(a)4 the City has created the following implementation schedule. This schedule is approximate at best and the timing of any of the proposed developments is dependant upon market conditions.

Please note that the projected obligation is based upon the City generating an obligation of 6 units per year between 2010 through 2018. Using COAH projections of 63 units of which 12 units are already obligated, from 2004 through 2009. (63-12 = 51 and 51/8 = 6.375 units per year)

TABLE 28 - IMPLEMENTATION SCHEDULE											
Project	Credits	2000-2009		2010		2011		2012		2013	
		Obligation	Units + Bonus	Projected Obligation	Units + Bonus	Projected Obligation	Units + Bonus	Projected Obligation	Units + Bonus	Projected Obligation	Units + Bonus
100% Sites											
Rittenberg School Site	83								50		33
Supportive Housing											
CODI 711 WHP	5		5								
CODI Liverpool Ave	4		4								
Inclusionary Housing											
Redevelopment Area	100										10
Renaissance Plaza	16						8		8		
Misc. Provisions											
Accessory Apartment	13				2		2		2		2
Sum		54	9	60	2	66	10	72	60	78	45
Total Affordable Credits	221		9		11		21		81		126
Project		2014		2015		2016		2017		2018	
		Projected Obligation	Units + Bonus								
100% Sites											
Rittenberg School Site											
Supportive Housing											
CODI 711 WHP											
CODI Liverpool Ave											
Inclusionary Housing											
Redevelopment Area			10		20		20		20		20
Renaissance Plaza											
Misc. Provisions											
Accessory Apartments			1		1		1		1		1
Sum		84	11	90	21	96	21	102	21	108	21
Total Affordable Credits			137		158		179		200		221

SPENDING PLAN

Introduction

Egg Harbor City has prepared a Housing Element and Fair Share plan that addresses its regional fair share of the affordable housing need in accordance with the Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.), the Fair Housing Act (N.J.S.A. 52:27D-301) and the regulations of the Council on Affordable Housing (COAH) (N.J.A.C. 5:97-1 et seq. and N.J.A.C. 5:96-1 et seq.).

All development fees, payments in lieu of constructing affordable units on site, funds from the sale of units with extinguished controls, and interest generated by the fees will be deposited in a separate interest-bearing affordable housing trust fund for the purposes of providing affordable housing. These funds shall be spent in accordance with N.J.A.C. 5:97-8.7-8.9 as described in the sections that follow.

Revenues for Certification Period

To calculate a projection of revenue anticipated during the period of third round substantive certification, Egg Harbor City considered the following:

- (a) Development fees:
 1. All projects currently before the planning and zoning boards for development approvals that may apply for certificates of occupancy; and
 2. Future development that is likely to occur based on historical rates of development and/or projected development in accordance with COAH projections.
 3. Revenues from the 2.5% non-residential, for all commercial development
- (b) Projected interest: Interest on the projected revenue in the municipal affordable housing trust fund at the current average interest rate has been 2% percent, but it does change each year.

	2010	2011	2012	2013	2014	2015	2016	2017	2018	Total
Development fees:										
Projected Development	\$72,781	\$77,777	\$77,777	\$77,777	\$77,777	\$77,777	\$77,777	\$77,777	\$72,779	\$690,000
Total										\$690,000

The above projected revenues are based upon projected residential development. This anticipates 230 new residential units from 2010 to 2018 with an average value of \$200,000. The anticipated development fee revenue for each unit is \$3,000. This results in projected revenue of approximately \$78,000 per year.

Egg Harbor City projects a total of \$690,000 in revenue to be collected between 2010 and December 31, 2018. All interest earned on the account shall accrue to the account to be used only for the purposes of affordable housing.

Administrative Mechanism to Collect and Distribute Funds

The City's Finance Office will be responsible for the day-to-day management of the Affordable Housing Trust Fund. The Manager and Chief Financial Officer will review all fund requests and approves the disbursement of funds from the Fund. The following procedural sequence for the collection and distribution of development fee revenues shall be followed by Egg Harbor City:

(a) Collection of Development Fee Revenues:

1. The Planning and Zoning Board Administrator will notify the construction code official when a preliminary or final approval is granted for a development application.
2. When a request is made for a building permit, the construction office determines whether the project is subject to the imposition of a mandatory development fee. If so, the construction office obtains a preliminary assessment of the project from the City Tax Assessor who calculates the fee.
3. Before a building permit is issued one hundred percent (100%) of the estimated development fee is paid to the Construction Office at the time a building permit is issued. The funds are then forwarded to the Finance Office for deposit into the Affordable Housing Trust Fund.
4. The Manager monitors this process and provides, as needed an annual report to the Governing Body.

(b) Distribution of Development Fee Revenues:

The Governing Body reviews the request for consistency with the spending plan and adopts a resolution recommending the expenditure of development fee revenues as set forth in this fee-spending plan.

The use and release of funds requires the adoption of a resolution in accordance with the spending plan. Once a request is approved, the Chief Financial Officer releases the revenues from the trust fund for the specific use pursuant to the resolution issued by the governing body.

Description of Anticipated Use of Affordable Housing Funds

COAH regulations permit the use of revenues generated by a development fee ordinance for activities that address the municipal fair share obligation including, but not limited to, rehabilitation, new construction, improvement to land, roads and infrastructure for affordable housing, assistance to render units more affordable, and administrative costs of housing plan implementation.

New construction programs and projects

Egg Harbor City will dedicate funds to new construction programs in accordance with N.J.A.C.5:97-8.7 (see detailed descriptions in Fair Share Plan) in order to implement the proposed Accessory Apartment program.

Affordability Assistance

The City commits to providing affordability assistance in accordance with the COAH requirements (N.J.A.C. 5:97-8.8).

Egg Harbor City will dedicate money as required from the affordable housing trust fund to render units more affordable, including money to render units more affordable to households earning 30 percent or less of median income by region. The City will also create opportunities for down payment assistance, security deposit assistance, rental assistance and assistance with emergency repairs for the balance of the funds required to be used as affordability assistance.

In accordance with the projections for new development, the City has prepared a table projecting the minimum affordability assistance requirement. The following table has been prepared solely to meet the requirements of N.J.A.C.5:97-8.8:

Development fees projected* 2008-2018	+	\$690,000
Interest projected* 2008-2018	+	\$
Less housing activity expenditures through 6/2/2008	-	\$0
Total	=	\$690,000
30 percent requirement	x 0.30 =	\$207,000
Less Affordability Assistance expenditures through 12/31/2004	-	\$0
PROJECTED MINIMUM Affordability Assistance Requirement 1/1/2005 through 12/31/2018	=	\$207,000
PROJECTED MINIMUM Very Low-Income Affordability Assistance Requirement 1/1/2005 through 12/31/2018	÷ 3 =	\$69,000

Administrative Expenses

Egg Harbor City projects that 20% of the Housing Trust Fund Balance will be available to be used for administrative purposes (N.J.A.C. 5:97-8.9). Projected administrative expenditures, subject to the 20 percent cap, are as follows:

AHTF Estimate	\$ 690,000.00
Administrative – Max 20%	\$ 138,000.00

Administration includes such items as supplies that are used to assist to all affordable units, salaries, and benefits for municipal employees or consultant fees necessary to develop or, implement a new program, a Housing Element and Fair Share Plan, and/ or an affirmative marketing program. Administrative funds can also be used to income qualify households, monitor the turnover of a sale and rental units, and comply with COAH'S monitoring requirements.

Excess or Shortfall of Funds

The City of Egg Harbor does not intend to realize a shortfall in funds for the programs in this plan. The City will closely monitor the Housing Trust fund balance and will only expend those funds that are available. Pursuant to the Housing Element and Fair Share Plan, the Governing Body will adopt a resolution with Intent to Bond for Unanticipated Shortfall in Funding should any shortfall of funds required for implementing the Spending Plan. In the event that a shortfall of anticipated revenues occurs, Egg Harbor City will bond for the amount necessary to complete the programs.

In the event of excess funds, any remaining funds above the amount necessary to satisfy the municipal affordable housing obligation will be used for programs as permitted under N.J.A.C.5:97-8.1.

Summary

Egg Harbor City intends to spend affordable housing trust fund revenues pursuant to N.J.A.C. 5:97-8.7 through 8.9 and consistent with the housing programs outlined in the housing element and fair share plan.