

BOROUGH OF WATCHUNG
SOMERSET COUNTY, NEW JERSEY

**HOUSING ELEMENT
&
FAIR SHARE PLAN**

Adopted by the
Borough of Watchung Planning Board: June 9th, 2025

The original of this report was signed and
sealed in accordance with N.J.S.A. 45:14A-12.



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TABLE OF CONTENTS	
	<i>Page</i>
INTRODUCTION	1
HISTORY OF NEW JERSEY AFFORDABLE HOUSING LAW	1
<i>First and Second Rounds</i>	1
<i>Third Round</i>	1
<i>Fourth Round</i>	3
WATCHUNG'S COMPLIANCE HISTORY	4
NEED FOR SUBMITTAL OF A FOURTH ROUND HOUSING ELEMENT AND FAIR SHARE PLAN	6
HOUSING ELEMENT	9
CONTENTS OF A HOUSING PLAN	9
POPULATION DEMOGRAPHICS	10
HOUSING CHARACTERISTICS	15
EMPLOYMENT DEMOGRAPHICS	19
CAPACITY FOR FUTURE DEVELOPMENT	21
AVAILABILITY OF PUBLIC WATER AND SEWER INFRASTRUCTURE	21
CONSTRAINTS ON DEVELOPMENT	21
STATE DEVELOPMENT AND REDEVELOPMENT PLAN	22
FAIR SHARE PLAN	23
PRIOR (1987-1999) AND THIRD (1999-2025) ROUND OBLIGATIONS	23
<i>Prior Round Obligation</i>	23
<i>Prior Round Credits</i>	24
<i>Third Round Obligation</i>	26
<i>Third Round Credits</i>	26
FOURTH ROUND OBLIGATION	28
<i>Vacant Land Adjustment</i>	30
<i>Compliance Mechanisms – Prospective Need</i>	31
<i>Compliance Evaluation – Prospective Need</i>	39
UNMET NEED	43
PRESENT NEED (REHABILITATION) SHARE	45
SPENDING PLAN	45
HOUSING ADMINISTRATION	46
<i>Affordable Housing Ordinance</i>	46
<i>Development Fee Ordinance</i>	46
<i>Affordable Housing Trust Fund</i>	47
<i>Affordability Assistance Program</i>	47
<i>Municipal Housing Liaison</i>	47
<i>Affordable Housing Administrative Agent</i>	48

APPENDICES

- Appendix 1: Resolution R-2 Establishing Municipal Obligation and Opting into the Program
- Appendix 2: Watchung – Final Order – Settlement of Present and Prospective Need (Judge Mennen)
- Appendix 3: Vacant Land Adjustment Report
- Appendix 4: Draft Ordinance - "Route 22 Affordable Housing Overlay District – 2" zone
- Appendix 5: Crystal Ridge at Watchung Deed Restriction
- Appendix 6: Draft Ordinance regarding Extension of Controls - Crystal Ridge at Watchung
- Appendix 7: Affordable Housing Trust Fund Spending Plan
- Appendix 8: Developers Agreement and Resolutions – 1375 Plainfield Avenue
- Appendix 9: Resolution and Agreements – Our House, Inc Group Home
- Appendix 10: Resolution – 990 Somerset Street

INTRODUCTION**HISTORY OF NEW JERSEY AFFORDABLE HOUSING LAW**

In 1975 the New Jersey Supreme Court determined, in *Southern Burlington County NAACP v. Township of Mount Laurel* (“Mount Laurel I”) that every developing municipality in New Jersey had an affirmative obligation to provide a “realistic opportunity” for its fair share of low and moderate income housing. In 1983, frustrated with the lack of voluntary compliance, the Supreme Court sought to create an incentive for voluntary compliance in its “Mount Laurel II” decision. In this decision, the Court exposed municipalities that refused to comply voluntarily to the possibility of builder’s remedy relief. The Court also called for the state legislature to enact legislation that would save municipalities from the inefficiency of having the courts determine their affordable housing needs.

First and Second Rounds

In 1985 the Legislature adopted the Fair Housing Act (N.J.S.A. 52:27D-301 et. seq.) (“FHA”). The FHA created the New Jersey Council on Affordable Housing (COAH) and charged COAH with the responsibility of adopting regulations by which municipalities could determine their fair share responsibilities and the means by which they could satisfy those responsibilities. The Legislature also sought to promote voluntary compliance and empowered municipalities to submit to COAH’s jurisdiction and voluntarily comply under the protections of the COAH process.

Pursuant to the FHA, COAH adopted regulations for the first housing cycle in 1986; which covered the years 1987 through 1993 (“First Round”) and for the second housing cycle in 1994; which covered the years 1993 through 1999 (“Second Round”). Under both the First and Second Rounds, COAH utilized what is commonly referred to as the “fair share” methodology. COAH utilized a different methodology, known as “growth share,” beginning with its efforts to prepare Third Round housing-need numbers.

Third Round

COAH first adopted the Third Round rules in 2004; which were to cover the years 1999 through 2014. The “growth share” approach attempted to create a nexus between the production of affordable housing and future residential and non-residential development

within a municipality, based on the principle that municipalities should provide affordable housing opportunities proportionate to their market rate residential growth, and that along with employment opportunities there should be proportionate opportunities for affordable housing. Each municipality was required to project the amount of residential and nonresidential growth that would occur during the period 2004 through 2014 and prepare a plan to provide proportionate affordable housing opportunities. The regulations were challenged and in January 2007, the New Jersey Appellate Division invalidated key aspects of COAH's third round rules and ordered COAH to propose and adopt amendments to its rules to address the deficiencies it had identified.

COAH adopted new Third Round rules in May of 2008 and subsequently adopted amendments that became effective on October 20, 2008. Changes to the Fair Housing Act were also adopted in July of 2008 (P.L. 2008 c. 46 on July 17, 2008). The COAH rules and regulations adopted in 2008 were subsequently challenged, and in an October 2010 decision the Appellate Division invalidated the "Growth Share" methodology, and also indicated that COAH should adopt regulations pursuant to the "Fair Share" methodology utilized in the First and Second Rounds. The Supreme Court affirmed this decision in September 2013, invalidating the third iteration of the Third Round regulations and sustaining the invalidation of growth share, and directing COAH to adopt new regulations pursuant to the methodology utilized in the First and Second Rounds. In October of 2014 COAH was deadlocked and failed to adopt their newly revised Third Round regulations. Fair Share Housing Center, who was a party in the earlier cases, responded by filing a motion in aid of litigants' rights with the New Jersey Supreme Court. On March 20, 2015, the Court ruled that COAH was effectively dysfunctional, and consequently returned jurisdiction of affordable housing issues back to the trial courts as it had been prior to the creation of COAH in 1986.

Since the 2015 Mt. Laurel IV decision, municipalities turned to the courts to seek a declaratory judgement of their Third Round housing plans to determine whether they met their constitutional affordable housing obligations and were granted immunity from any "builder's remedy" lawsuits. With no COAH functioning and providing guidance to municipalities to determine their municipal fair share of statewide and regional obligations, a number of independent groups produced their own reports to determine individual obligations across the state. In several court decisions in 2016 and 2018, judges in Middlesex and Mercer County developed a methodology following closely one proposed by Fair Share Housing Center to determine municipal obligations. In the 2018 decision by Judge Jacobson,

it was further determined that the initial period of the Third Round which had not been addressed (1999 – 2015) known as the “gap period” is to be included in each municipality’s Third Round fair share calculations.

To achieve Third Round Compliance, municipalities addressed the obligations of the period from 1999 – 2025 through the courts, and through private settlement agreements with Fair Share Housing Center, ultimately leading to a judgement of compliance and repose from the courts for municipalities that could demonstrate full compliance with the requirements of the Fair Housing Act.

Fourth Round

In March of 2024, P.L. 2024, c.2 was signed into law establishing new procedures for determining statewide needs and municipal obligations for low- and moderate-income housing. This new law formally abolished COAH and established a new “Program” for resolving affordable housing disputes, as well as the authority to review and certify municipal fair share housing plans. The law required municipalities to determine their own fair share obligations by applying the methodology of the Jacobsen decision in Mercer County as it related to the Third Round, and adopt a binding resolution setting those obligation numbers. The law also provided revisions to the crediting structures for affordable units, with changes to the types of affordable units that are permitted to be granted bonus credits. The law established timelines for submission of documents to demonstrate compliance with the Fair Housing Act.

In addition to the revisions to low and moderate income housing crediting, the amended law established a new Affordable Housing Alternative Dispute Resolution Program. The Program is intended to adjudicate any disputes in affordable housing, and function as the administrative body responsible for reviewing and certifying municipal compliance with the Fair Housing Act. Through the Program and the Administrative Office of the Courts, municipalities seeking a judgment of compliance with Affordable Housing regulations must submit a motion for a declaratory judgment from the Program to retain immunity from any potential builders remedy lawsuits.

WATCHUNG'S COMPLIANCE HISTORY

A summary of Watchung's historic affordable housing timeline is included below:

- *September 26, 1988* - The Borough received Substantive Certification from the Council on Affordable Housing ("COAH") for the Borough's First Round fair share obligation under Mount Laurel and the FHA.

The Borough's First Round Substantive Certification obligation was 132 units and included inclusionary zoning for 60 affordable units, a 9 unit rehabilitation program, 6 rental bonus credits and a 57 unit Regional Contribution Agreement with the Town of Phillipsburg.

- *July 1, 1998* - The Borough received Substantive Certification from COAH for the Borough's Second Round obligation under Mount Laurel and the FHA.

The Borough's Second Round Substantive Certification obligation was 206 units, subject to a Vacant Land Adjustment ("VL") establishing the Borough's Realistic Development Potential ("RDP") at 169 units. The VLA reduced the Borough's obligation by 37 units from the original COAH calculation of 206 units. These 37 units became Unmet Need.

- *November 29, 2005* – The Borough adopted a Third Round HEFSP to address the 2004 COAH rules. These COAH rules were subsequently invalidated by the Court.
- *December 2, 2008* - The Planning Board adopted the Borough's Third Round Plan ("Third Round Plan") to meet the Borough's Third Round fair share obligation under Mount Laurel and the FHA.
- *December 11, 2008* - The Borough Council adopted a Resolution endorsing the Third Round Plan and authorized the submission of a Petition for Third Round Substantive Certification to COAH.
- *December 30, 2008* - The Borough submitted the Petition for Third Round Substantive Certification to COAH.

Borough of Watchung
Housing Element and Fair Share Plan

June 2025

- *February 9, 2009* - COAH declared the Borough's Petition for Third Round Substantive Certification complete.
- *July 20, 2010* - After mediation, the Borough adopted an Amended Third Round HEFSP which included a proposed Route 22 Affordable Housing Overlay District to address the Unmet Need.
- *September 26, 2011* - The 2010 Amended Third Round HEFSP was filed as a re-petition with COAH.
- *April 5, 2012* - Local Planning Services (substitute for COAH during effective period of Reorganization Plan No. 001-2011) acknowledged the Borough's re-petition and stated that at the end of the 45-day no objections were received. COAH did not take action to certify the Borough's Petition.
- *July 2, 2015* – Borough files a Declaratory Judgement with the Court.
- *August 25, 2015* – Court Order granted temporary immunity from exclusionary zoning litigation to Borough of Watchung. This immunity has been extended by the Courts continuing through 2018.
- *June 7, 2018* – Borough of Watchung and Fair Share Housing Center Settlement Agreement was adopted.
- *September 19, 2018* – Superior Court of New Jersey, Law Division, Somerset County granted an Order finding that the FSHC Settlement Agreement in the matter of a judgement of compliance had merit and is fair and reasonable.
- *April 2019* - The 2019 HEFSP was written and adopted in compliance with the terms of the Settlement Agreement. Thereafter, Watchung prepared and adopted the requisite compliance documents.
- *August 28, 2019* - The Final Compliance Hearing was held.

- *September 5, 2019* - Judge Miller issued the Borough the Final Judgment of Compliance and Repose ("JOR") Order with respect the Borough's Third Round plan.

NEED FOR A SUBMITTAL OF A FOURTH ROUND HOUSING ELEMENT AND FAIR SHARE PLAN

As summarized above, last year the State adopted updates to the State's affordable housing laws. The bill (A-4/S-50) establishes a new framework for determining and enforcing municipalities' affordable housing obligations under the New Jersey Supreme Court's Mount Laurel doctrine and the State's Fair Housing Act.

Importantly the bill requires that municipalities submit a new Housing Element and Fair Share Plan (HEFSP) addressing how they intend to address their "fourth round" affordable housing obligations for the period 2025-2035.

This HEFSP is submitted to address that requirement.

The bill set forth the various deadlines for key steps leading to State certification and implementation of a compliance Fourth Round HEFSP. These steps and the Borough's actions with respect to each are outlined below:

- *October 20, 2024* - Deadline for DCA to calculate Fourth Round regional need and municipal Present Need and Prospective Need fair share housing obligations
 - ACTION(S): The DCA issued a report which calculated the a Fourth Round (years 2025-2035) **Present Need** of **35** and a **Prospective Need** obligations of **119** for the Borough of Watchung.
- *January 31, 2025* - Deadline for municipalities to opt into the Affordable Housing Dispute Resolution Program (AHDRP) by adopting their determinations of Fourth Round Present Need and Prospective Need obligations by binding resolution committing the municipality to adopting a HEFSP

- **ACTION(S)**: The bill established a deadline of 1/31/25 for municipalities to opt into the Affordable Housing Dispute Resolution Program (AHDRP or the “Program”) by adopting their determinations of Fourth Round Present Need and Prospective Need obligations by “binding resolution” of the governing body. The bill indicates that adoption of this “binding resolution” will protect the Borough from exclusionary zoning litigation (aka, “builder’s remedy lawsuits”) and the Borough would retain this protection provided it continues to comply with subsequent requirements and deadlines (e.g., filing of the Fair Share Plan, etc.). The Borough adopted such a resolution (Resolution R2 – see Appendix 1) on January 30, 2025.

Per the bill, which permits a municipality to diverge from DCA’s calculations in determining its obligations as long as it adheres to the methodology established by the bill (hence the reason why DCA’s calculated obligations are referred to as being “non-binding”), the Borough established a Prospective Need obligation of 92. This figure was determined based on a report prepared by the Boroughs affordable housing planner using the same methodology outlined in the law and utilized by the DCA. The Borough’s affordable housing planner having found numerous errors in the DCA’s evaluation of the “land factor” (specifically the identification of vacant land) determined that the Borough’s **Prospective Need** should be **92** following the methodology and factors outlined in the law.

- *February 28, 2025* - Deadline for filing challenges to a municipality’s determination of its Fourth Round Present Need and Prospective Need obligations
 - **ACTION(S)**: After the Borough’s submittal, to the Program, of Resolution R2 (wherein the Borough established a Prospective Need obligation of 92), the Program received a challenge to the Borough’s calculation from the New Jersey Builders Association (who apparently challenged most, if not all, municipalities who established obligations that differed from DCA’s “non-binding” calculations).
- *March 31, 2025* - Deadline for the Affordable Housing Dispute Resolution Program (AHDRP) to resolve disputes over challenges to municipal fair share determinations
 - **ACTION(S)** - As indicated above, disputes about municipalities’ affordable housing obligations and plans to meet those obligations are to be resolved by the AHDRP.

Having received a challenge to the Borough's determination of its affordable housing obligation, the Borough engaged in settlement conference with the New Jersey Builders Association hosted by the assigned member in accordance with Directive and the statutory framework, Judge Thomas C. Miller, A.J.S.C. (Ret.), along with an independent special adjudicator affordable housing expert. At the conclusion of the settlement conference, the parties settled on a **Prospective Need** obligation of **111** (see Appendix 2). The **Present Need** obligation of **35** was not disputed by either party.

- *June 30, 2025* - Deadline for municipalities to adopt and file a Fourth Round HEFSP with the AHDRP
 - **ACTION(S)** - This HESFP has been prepared and adopted in response to this deadline and will be filed with AHDRP as required in the bill. This HEFSP addresses compliance with the settled obligations indicated above.
- *August 31, 2025* - Deadline for filing challenges claiming that an adopted HEFSP is not in compliance with the Fair Housing Act and the Mount Laurel Doctrine
- *December 31, 2025* - Deadline for a challenged municipality to commit to revising its HEFSP to settle the challenge, or explain why it will not make all of the requested changes; if a dispute remains at this point, then a county-level housing judge will schedule a summary proceeding in early 2026 to resolve
- *March 15, 2026* - Deadline for a municipality to amend its HEFSP to incorporate any changes from resolving challenges, if any, and adopt implementing ordinances and resolutions

HOUSING PLAN ELEMENT**CONTENTS OF A HOUSING PLAN**

The Municipal Land Use Law ("MLUL") requires that "the housing element 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." The Fair Housing Act (N.J.S.A. 52:27D-310) requires a Housing Element to contain at least the following items:

- 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.
- 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;
- An analysis of the municipality's demographic characteristics, including but not necessarily limited to, household size, income level and age;
- An analysis of the existing jobs and employment characteristics of the municipality, and a projection of the probable future jobs and employment characteristics of the municipality;
- 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
- A consideration of the land that is 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.

Additionally, the rules require the following items:

- A map of all sites designated by the municipality for the production of low- and moderate-income housing and a listing of each site that includes its owner, acreage, lot and block. The owner, acreage, lot and block are included in each site description.

- The location and capacities of existing and proposed water and sewer lines and facilities relevant to the designated sites.
- Copies of necessary applications for amendments to, or consistency determinations regarding, applicable area-wide water quality management plans, including waste water management plans.
- A copy of the most recently adopted municipal master plan and where required, the immediately preceding, adopted master plan¹.

POPULATION DEMOGRAPHICS

Historic and Project Population

The table below shows the historic population growth within the Borough since 1940. Based upon the 2020 U.S. Census data, Watchung Borough had a population of 6,452 in 2020.

As shown in the table, the time of the greatest population growth was between 1940 and 1980 during which time the Borough population increased by 350%. The 1950s, 60s and 70s saw the greatest increases in population. Since 1980, however, Borough population growth has slowed substantially, indicative of nearly fully-developed nature of the Borough.

Historic Population Growth			
Year	Population	Change	Percent
1940	1,158	-	-
1950	1,818	660	57%
1960	3,312	1,494	82%
1970	4,750	1,438	43%
1980	5,290	540	11%
1990	5,110	-180	-3%
2000	5,613	503	10%
2010	5,801	188	3%
2020	6,452	651	11%

Source: US Census

¹ <https://watchungnj.gov/government/master-plan>

Population projections provided by the North Jersey Transportation Planning Authority (NJTPA) project very minimal population growth in the Borough over the next few decades. The NJTPA projections are based on U.S. Census figures for population by age, sex and race, and fertility and mortality rates, and do not account for actual local conditions such as land availability. However, given the lack of available vacant land in the Borough these projections may prove to be accurate with the majority of population growth being attributable to developments intended to meet the Borough's affordable housing obligations (e.g., the 230-unit Bonnie Burn development that is currently under construction).

Projected Population Growth	
Year	Population
2030	6,402
2035	6,478
2040	6,531
2045	6,564
2050	6,570

Source: NJTPA

Age Distribution of Population

Census data reflects an aging of the Borough's population. The median age in Watchung is 46.4. This is higher than the median age of both Somerset County (41.9) and the State of New Jersey (40.4). While the median age remains consistent with the median age in the Borough in 2010 (47) it is higher than indicated in the 2000 Census (median age of 43).

In 2010, 16.2% of the Borough population was 65 or older whereas in 2020 28% of the Borough population was 65 years of age or older (compared to 17% in both the County and State). Thirty eight percent (38%) of the Borough population was 60 years of age or older.

The Borough's under 18 population of 21% is consistent with that of the County and State. However, the 18-64 population in the Borough (51%) is noticeably lower than the County (62%) and State (61%).

Borough of Watchung
Housing Element and Fair Share Plan

June 2025

Population by Age Range			
Age cohorts	Watchung	Somerset County	New Jersey
0-9	13%	11%	12%
10-19	10%	13%	13%
20-29	9%	11%	12%
30-39	9%	12%	13%
40-49	11%	14%	13%
50-59	10%	15%	14%
60-69	22%	13%	12%
70-79	9%	7%	7%
80+	7%	4%	4%

Source: US Census American Community Survey 2023

Race and Ethnicity

The table below provides the racial and ethnic composition of the Borough population in comparison to the County and State as a whole, showing that the Borough is less racially and ethnically diverse.

Race and Ethnicity			
Race/ Ethnicity	Watchung	Somerset County	New Jersey
White	73%	51%	52%
Black	1%	9%	12%
Asian	11%	19%	10%
Other	1%	1%	1%
Two or more	5%	3%	3%
Hispanic	9%	17%	22%

Source: US Census American Community Survey 2023

Income and Poverty Status

The median household income in the Borough is \$166,536 which is roughly 25% higher than the median household income in Somerset County (\$135,960) and roughly 50% higher than the median household income in the State (\$101,050). The per capita income in the Borough

Borough of Watchung
Housing Element and Fair Share Plan

June 2025

is \$85,269 which is about 20% higher than the County (\$70,321) and around 50% higher than the State (\$53,118). The table below shows the household income characteristics of the Borough in comparison to the County and the State.

The median income for family households in Watchung is \$207,981, while the median income for non-family households is \$58,038.

Household Income			
Household Income	Watchung	Somerset County	New Jersey
Under \$50k	14%	16%	25%
\$50k-\$100k	15%	20%	24%
\$50k-\$100k	28%	31%	30%
Over \$200k	43%	33%	21%

Source: US Census American Community Survey 2023

The table below shows the percentage of the Borough population (as well as children and seniors) living below the poverty line. The percentages in the Borough are significantly lower than the County and the State as a whole.

Percentage of Population Below the Poverty Line			
Population	Watchung	Somerset County	New Jersey
All persons	2.1%	5.5%	9.8%
Children (under 18)	3%	7%	13%
Seniors (65 and over)	4%	6%	9%

Source: US Census American Community Survey 2023

Household Size and Household Characteristics

There are 2,327 households in the Borough. The average household size is 2.7 persons which is comparable to that of County and State (each 2.6 persons per household). The average family size is 3.02 compared to 3.13 for New Jersey.

The table below shows the household characteristics of the Borough in comparison to that of the County and State as a whole.

Borough of Watchung
Housing Element and Fair Share Plan

June 2025

Population by Household Type			
Household Type	Watchung	Somerset County	New Jersey
Married couples	72%	71%	63%
Male householder	4%	5%	6%
Female householder	12%	11%	16%
Non-family	12%	13%	15%

Source: US Census American Community Survey 2023

The table below shows the marital status of the Borough population 15 years or older in comparison to that of the County and State as a whole. Overall 62% of the Borough adult population is married compared to 57% and 51% in the County and State respectively.

Marital Status			
	Watchung	Somerset County	New Jersey
Never Married: Male	30%	33%	37%
Never Married: Female	20%	29%	32%
Now Married: Male	64%	60%	54%
Now Married: Female	60%	54%	49%
Divorced: Male	4%	6%	7%
Divorced: Female	9%	9%	10%
Widowed: Male	2%	2%	3%
Widowed: Female	11%	8%	9%

Source: US Census American Community Survey 2023

Educational Attainment

Ninety-five percent (95%) of the Borough population over the age of 25 have a high school degree (compared to 94% and 91% for the County and State respectively, while 62.8% have a Bachelor's degree or higher (compared to 57% and 43% respectively for the County and State.

Borough of Watchung
Housing Element and Fair Share Plan

June 2025

Educational Attainment			
	Watchung	Somerset County	New Jersey
No degree	5%	6%	9%
High school	15%	18%	26%
Some college	18%	19%	22%
Bachelors	37%	31%	26%
Post-grad	25%	26%	17%

Source: US Census American Community Survey 2023

Place of Birth

Twenty-four percent (24%) of the Borough's population is foreign-born. This is similar to that in the County (27.5%) and the State (24.2%). The table below shows the composition of the Borough's foreign-born population compared to the County and State as a whole. Of the foreign-born population in Watchung 77% are Naturalized US Citizens while 23% are not US Citizens..

Place of Birth for Foreign-Born Population			
	Watchung	Somerset County	New Jersey
Europe	27%	12%	13%
Asia	15%	48%	32%
Africa	1%	5%	6%
Latin America	33%	34%	48%
North America	6%	1%	1%

Source: US Census American Community Survey 2023

HOUSING CHARACTERISTICS

General Housing Characteristics

There are 2,429 housing units in the Borough. Ninety-six (96%) of the units are occupied compared to 97% and 92% in the County and State as a whole, respectively.

Borough of Watchung
Housing Element and Fair Share Plan

June 2025

The table below shows the occupancy of the occupied housing units (i.e., owner- vs. renter-occupied) in the Borough in comparison to the County and State.

Ownership of Occupied Units			
	Watchung	Somerset County	New Jersey
Owner-occupied	87%	74%	64%
Renter-occupied	13%	26%	36%

Source: US Census American Community Survey 2023

The table below shows the types of residential structures in the Borough compared to the County and the State. The Borough has a higher proportion of single-family homes.

Types of Structure			
	Watchung	Somerset County	New Jersey
Single unit	83%	73%	63%
Multi-unit	17%	27%	36%
Mobile Home	0.0%	0.2%	0.9%

Source: US Census American Community Survey 2023

Value of Owner-Occupied Housing Stock

The median value of owner-occupied housing is \$833,300. This is about 1.5 times for the County as a whole (\$523,900) and about double that for the State (\$427,600). The table below shows the value of owner-occupied housing units in the Borough compared to the County and State.

Value of Owner-Occupied Housing Units			
	Watchung	Somerset County	New Jersey
Under \$100k	0.0%	1.6%	4.4%
\$100k - \$200k	1.6%	3.4%	7.9%
\$200k - \$300k	4%	9%	16%
\$300k - \$500k	1%	17%	17%
\$400k - \$500k	1%	17%	16%

Borough of Watchung
Housing Element and Fair Share Plan

June 2025

Value of Owner-Occupied Housing Units			
	Watchung	Somerset County	New Jersey
\$500k - \$1M	71%	42%	32%
Over \$1M	14%	8%	4%

Source: US Census American Community Survey 2023

Rents

The median gross rent in the Borough is \$2,571 (compared \$1,667 in New Jersey as a whole). The table below shows the breakdown of rents for occupied units in the Borough.

Occupied Units Paying Rent	
	Percent
Less than \$1,000	0%
\$1,000 - \$1,499	8%
\$1,500 - \$1,999	6%
\$2,000 - \$2,499	32%
\$2,500 - \$2,999	27%
\$3,000 and more	27%

Source: US Census American Community Survey 2023

Bedrooms

Nearly fifty-three percent (52.6%) of the occupied housing units in Watchung have four or more bedrooms (compared to 25.8% in New Jersey as a whole). The table below shows the number of bedrooms in occupied units in Watchung

Number of Bedrooms	
	Percent
No bedroom	4%
1 bedroom	1%
2 or 3 bedrooms	42%
4 or more bedrooms	53%

Source: US Census American Community Survey 2023

Geographic Mobility

It would appear that the Borough population is generally less mobile than the population of the County and State as a whole. In Watchung 7.6% of the population has moved residence since the previous year compared to 9.4% and 9.9% in the County and State as a whole. The table below provides a further breakdown.

Population Migration Since Previous Year			
	Watchung	Somerset County	New Jersey
Same house year ago	92%	91%	90%
From same county	3%	4%	5%
From different county	3%	4%	3%
From different state	0.1%	1.6%	1.8%
From abroad	1.2%	0.6%	0.8%

Source: US Census American Community Survey 2023

The table below presents similar data – that Watchung residents have resided in their existing homes longer than is typical of the County and State as a whole.

Year Moved-in, By Percentage of Population			
	Watchung	Somerset County	New Jersey
Before 1990	9%	8%	9%
1990s	16%	13%	11%
2000s	20%	21%	21%
2010-2017	35%	31%	31%
2018-2020	16%	20%	21%
Since 2021	3%	8%	8%

Source: US Census American Community Survey 2023

EMPLOYMENT DEMOGRAPHICS

The table below shows the industry, class and occupational characteristics of the Borough's civilian population over 16 years of age.

Industry	Percent of Workers
Educational services and health care and social assistance	21%
Manufacturing	13%
Professional, scientific and management, and administrative and waste management services	11%
Finance, and insurance, and real estate	11%
Retail trade	10%
Other services except public administration	8%
Construction	7%
Wholesale trade	6%
Public administration	5%
Arts, entertainment, and recreation, and accommodation and food services	4%

Source: US Census American Community Survey 2023

Class of Worker	Percent of Workers
Employee of private company	68%
Self-employed in own incorporated business	12%
Private not-for-profit wage and salary	5%
Local, state and federal government	10%
Self-employed in own not incorporated business and unpaid family	5%

Source: US Census American Community Survey 2023

Occupation	Number of Workers
Management, business, science and arts occupations	1,855
Sales and office occupations	617
Service occupations	298
Production, transportation and material moving occupations	247
Natural resources, construction, and maintenance occupations	106

Source: US Census American Community Survey 2023

The mean travel time to work for Borough residents is 32 minutes, which is slightly higher than residents of the County (31.5 minutes) and State (30.9 minutes) as a whole.

Means of Transportation to Work			
	Watchung	Somerset County	New Jersey
Drove Alone	63%	66%	64%
Carpooled	1%	6%	8%
Public Transit	7%	4%	9%
Bicycle	0%	0.2%	0.3%
Walked	1%	1%	3%
Other	0	2.4%	2.2%
Worked at Home	28%	21%	15%

Source: US Census American Community Survey 2023

Employment Projections

According to the NJTPA, as of 2015, there were 4,989 jobs in Watchung Borough. The table below shows NJTPA's estimates for future job growth in the Borough. It should be noted however that since these projections do not account for actual local conditions such as lack of vacant land or infrastructure limitations, the Borough anticipates far fewer jobs than the NJTPA projects.

Projected Employment Growth	
Year	Employment
2030	5,542
2035	5,890
2040	6,239
2045	6,390
2050	6,440

Source: NJTPA

CAPACITY FOR FUTURE DEVELOPMENT

The Borough anticipates that development will be limited in the future because of limited remaining vacant land available. As a built-out community, Watchung's zoning is primarily a derivative of existing development patterns. With limited vacant land for new construction, it is expected that construction will be through private commercial or mixed-use redevelopment or residential tear-downs. The current development patterns are expected to continue with higher density commercial along Route 22 corridor, mixed use development within the Somerset Street/Watchung Avenue triangle and low-density single-family residential development within most of the Borough. The existing affordable housing developments of the Point at Watchung, Villa Dominico (a.k.a. Lakeside Villas, Schmidt Circle) are the exceptions to this pattern and both are included in the 1998 Second Round Mt. Laurel certification. Another notable exception is the Bonnie Burn site, which addressed a significant portion of the Borough's third round obligation, as this site represented the last sizeable vacant and developable site in the Borough. That development is currently under construction.

AVAILABILITY OF PUBLIC WATER AND SEWER INFRASTRUCTURE

The Borough's third round HEFSP indicated that approximately 80 percent of the Borough is currently serviced by public sewer, which is treated by the Middlesex County Utilities Authority with a limited section of the Borough is sewerred through the Berkeley Township Wastewater Treatment Plant in Union County. This percentage will be increased as sewer is extended to serve the Bonnie Burn site which is currently under construction. The Borough is also within the New Jersey American Water Company franchise area, which provides water to the Borough.

CONSTRAINTS ON DEVELOPMENT

The primary constraint on development in Watchung is the lack of vacant land. Further, the majority of the remaining vacant lands are heavily encumbered with environmental features, such as wetlands or steep slopes, rendering them unbuildable. Additionally, many of the remaining vacant lands are also encumbered by a lack of road access.

STATE DEVELOPMENT AND REDEVELOPMENT PLAN

Sites that are located in Planning Areas 1 or 2 or located within a designated center or located in an existing sewer service area are the preferred location for municipalities to address their fair share obligation.

The entirety of the Borough is within the PA2 Suburban Planning Area. The properties addressing the Borough's housing obligation are thus located within PA2 Planning Area and are also located within areas served by public water and public sewer and therefore meet these requirements.

FAIR SHARE PLAN

Affordable Housing regulations define a “Fair Share Plan” as follows:

“Fair share plan” means the plan or proposal that is in a form which may readily be adopted, with accompanying ordinances and resolutions, pursuant to subsection f. of section 3 of P.L., by which a municipality proposes to satisfy its obligation to create a realistic opportunity to meet its fair share of low- and moderate-income housing needs of its region and which details the affirmative measures the municipality proposes to undertake to achieve its fair share of low- and moderate-income housing, as provided in the municipal housing element, and addresses the development regulations necessary to implement the housing element, including, but not limited to, inclusionary requirements and development fees, and the elimination of unnecessary housing cost-generating features from the municipal land use ordinances and regulations.”

This Fair Share Plan describes the projects, strategies and funding sources with which the Borough proposes to address its affordable housing obligation.

This affordable housing obligation consists of four parts:

- Present Need or Rehabilitation Obligation
- Prior Round Obligation (1987-1999)
- Gap Period and Third Round Obligation (1999-2025)
- Fourth Round Obligation (2025-2035)
- Unmet Need (1987-2035)

PRIOR (1987-1999) AND THIRD (1999-2025) OBLIGATIONS

The following sections describe the Borough’s Prior and Third Round Obligations, how these obligations were satisfied and the status of each of these mechanisms.

Prior Round Obligation

Watchung’s unadjusted Prior Round (1987 to 1999) obligation was a Pre-Credited need of 206 units. This obligation was adjusted via a COAH-approved Vacant Land Adjustment (“VLA”) to a Realistic Development Potential (RDP) of 169 affordable units.

Prior Round Credits

- Enable Inc. Group Home, (Block 5002, Lot 4), 166 Johnston Drive Extension: Enable Inc. (a.k.a. Life Skills Resource Center) is an existing group home for developmentally disabled persons and provides three bedrooms occupied by low-income residents. Under the COAH regulations, supportive and special needs housing qualify for affordable housing credits based on bedrooms. This home qualified for 3 affordable housing credits.
- Lakeside Villas at Watchung Age-Restricted Apartments (Block 4001, Lot4), Schmidt Circle. The Lakeside Villas at Watchung (a.k.a. Villa Dominico, Schmidt Circle) age-restricted development, located on Schmidt Circle off of Stirling Road, is approved for 42 age-restricted housing units, including 8 affordable units. The affordable units have been constructed and sold to eligible low- and moderate-income households.
- The Point at Watchung (Block 5601, Lot 2.01) Westbound Route 22, Crystal Ridge Drive: The Point at Watchung (a.k.a. Avalon at Watchung, Kings Crossing and Crystal Ridge Club) apartment complex, located off Route 22 and East Drive, was included in the COAH certified Second Round Housing Plan for Watchung. It contains 40 family rental affordable units with 40 rental bonus credits.
- Phillipsburg Regional Contribution Agreement: As part of the Prior Round, Watchung entered into a Regional Contribution Agreement ("RCA") with the Town of Phillipsburg, Warren County to transfer 57 units. In exchange for rehabilitating or constructing these 57 affordable units, Phillipsburg received a total of \$1,098,108 from the Borough of Watchung.
- Tom Tom Realty, Inc. (Block 4701, Lot301), 495 Somerset Street. The Borough entered into an Agreement with TomTom Realty Inc. to deed restrict three residential apartments to moderate income affordable residential rental units. A deed restriction was recorded in 2017 and provides the Borough with 30 year deed restricted property rights to each of the three-moderate income rental affordable units. These three units are subject to all Uniform Housing Affordability Control regulations. The units have been occupied by households certified by the Borough's administrative agent.

- Accessory Apartment Program: The Watchung Accessory Apartment Program is currently on-going, and it will continue to be implemented and funded to address the 10 accessory apartments which are credited to the Borough's Prior Round Obligation. The Borough adopted an Accessory Apartment Ordinance in 1998 with an amendment adopted in 2006. The FSHC settlement Agreement required that the Borough amend this regulation to facilitate easier administration review of accessory apartment applications. On December 6, 2018, the Borough adopted Ordinance #OR:18/17 which further amended the accessory apartment regulations to provide for administrative approval of low- and moderate-income accessory apartments instead of requiring conditional use approval.

The Borough has contracted with Community Grants, Planning & Housing (CGP&H), as their Administrative Agent to manage the program in accordance with the Watchung Borough Accessory Apartment Program Policies and Procedures Manual. The Borough has sufficient funds in its housing trust fund to subsidize these 10 units. As detailed in the Spending Plan, the Borough of Watchung plans to fund 10 accessory moderate-income affordable apartments at \$30,000 per unit, for a total of \$300,000 to be expended from the trust fund. Additional funding may be provided in accordance with the Borough of Watchung Affordability Assistance Program Policies and Procedures Manual to designate these units affordable for low-income households by providing a one-time payment subsidy to render the moderate-income accessory apartments affordable to low-income households. Affordability assistance funds may also be utilized to reduce costs for affordable households renting these apartments.

- Bonnie Burn Road Redevelopment Area (Block 7402, Lots 19.01 & 19.02, Block 7403, Lots 5 & 10) 291 Bonnie Burn Road: In 2018 the Borough Council adopted a Redevelopment Plan for the Bonnie Burn Road site which allowed for it to be developed as an inclusionary multi-family housing development of 230 apartments including 46 very low-, low- and moderate-income, non-age restricted affordable family rental units and 184 market-rate units. Five (5) of the affordable family rental apartments are included to meet the Borough's Second Round obligation. The remaining 41 affordable family rental apartments will be used to address the Borough's Third Round obligation. This development has received Preliminary and Final Site Plan Approval and is currently under construction.
- Rental Bonus Credits: Watchung received rental bonus credits of 43 in the prior round.

Third Round Obligation

The Borough had a Third Round obligation of 396 units. This obligation was adjusted via Vacant Land Adjustment ("VLA") to a Realistic Development Potential (RDP) of 53 affordable units which was memorialized in the Settlement Agreement with the Fair Share Housing Center (FSHC) and subsequently in the Final Judgement of Compliance and Repose of the Superior Court of New Jersey Law Division: Somerset County.

Third Round Credits

- Brandywine at Mountain Ridge (Block 301, Lot 30), 676-680 Mountain Boulevard. Brandywine at Mountain Ridge is an established assisted living facility. The Third Round Plan included two (2) Medicaid beds in this facility towards the Borough's obligation.
- Watchung Associates, LLC. (Block 301, Lot 31 & 32.01), 708 Mountain Blvd. This development received approval from the Watchung Zoning Board of Adjustment approval to construct 21 non-age restricted townhomes together with 4 affordable family rental apartment units. These affordable units consisting of 1 one-bedroom unit, 2 two-bedroom units and 1 three-bedroom unit have since been constructed and occupied.
- Bonnie Burn Road Redevelopment Area (Block 7402, Lots 19.01 & 19.02, Block 7403, Lots 5 & 10) 291 Bonnie Burn Road. As indicated previously, this development includes 46 affordable family rental units with 5 affordable family rental units being credited towards Prior Round credits and the remaining 41 affordable family rental units credited towards the Borough's Third Round obligation.
- Rental Bonus Credits: Watchung received rental bonus credits of 14 in the third round.

Borough of Watchung
Housing Element and Fair Share Plan

June 2025

Prior and Third Round Credits	
<i>Prior Round</i>	
<i>Prior Round Obligation (1987-1999)</i>	206
<i>Prior Round Realistic Development Potential (RDP)</i>	169
Enable (aka, Life Skills Resource Center): group home	3
Lakeside Villages at Watchung (aka, Villa Dominico): age-restricted apartments	8
Regional Contribution Agreement to Phillipsburg	57
The Point at Watchung (aka, Avalon at Watchung, Kings Crossing, Crystal Ridge Club): rental family apartments	40
Tom Tom Realty (Berlant/ Somerset Street): rental family apartments	3
Accessory Apartment Program	10
Bonnie Burn Redevelopment Area: rental family apartments	5
Rental Bonus	43
<i>Total</i>	169
<i>Balance</i>	0
<i>Third Round</i>	
<i>Third Round Obligation (1999-2025)</i>	396
<i>Third Round Realistic Development Potential (RDP)</i>	53
Brandywine at Mountain Ridge: assisted living Medicaid beds	2
Watchung Associates LLC: family rental apartments	4
Bonnie Burn Redevelopment Area: rental family apartments	41
Rental Bonus	14
<i>Total</i>	61
Surplus Credits to Address Future Obligations	8

FOURTH ROUND OBLIGATION

Last year the State adopted updates to the State's affordable housing laws. The bill (A-4/S-50) establishes a new framework for determining and enforcing municipalities' affordable housing obligations under the New Jersey Supreme Court's Mount Laurel doctrine and the State's Fair Housing Act.

The Department of Community Affairs (DCA) published "non-binding" calculations of municipalities' Present Need and Prospective Need for affordable housing (for the "4th Round Period of 2025-2035) using a formula based on prior court decisions.

As mandated by the bill and following the methodology established by the bill, the DCA calculated the following Fourth Round (years 2025-2035) regional and municipal Present Need and Prospective Need fair share housing obligations for the Borough of Watchung:

- ***Present Need (aka, Rehab. Obligation):*** DCA has calculated Watchung's Present Need to be 35 units for the 2025-2035 period.
- ***Prospective Need:*** DCA calculated Watchung's Prospective Need to be 119 for the 2025-2035 period.

DCA's determination of municipal Prospective Need affordable housing obligations was based on the following factors (as per the methodology established in the new law):

- **Regional Need** - Calculated based on 40% of the change in regional household growth between the 2010 and 2020 censuses ($29,009 \times .40 = 11,604$)
- **Municipal Need** - Determined based on each municipality's regional share of three "factors"
 - o *Equalized Nonresidential Valuation Factor* - the municipal share of the regional increase in equalized nonresidential valuation between 1999-2023
 - o *Income Capacity Factor* – measures the extent to which a municipality's income level differs from that of the lowest-income municipality in its housing region
 - o *Land Capacity Factor* – the municipal share of "developable" land in the housing region

These three factors are then averaged resulting in the “average allocation factor” which is then multiplied by the regional obligation to determine the *municipal* Prospective Need (i.e., municipal “average allocation factor” x regional obligation = municipal obligation). DCA calculated Watchung’s “average allocation factor” to be 1.03%, which when multiplied by the regional obligation of 11,604 results in a municipal Prospective Need of 119.

Importantly, however, the bill permits a municipality to diverge from DCA’s calculations in determining its obligations as long as it adheres to the methodology established by the bill (hence the reason why DCA’s calculated obligations are referred to as being “non-binding”).

The bill established a deadline of 1/31/25 for municipalities to opt into the Affordable Housing Dispute Resolution Program (AHDRP or the “Program”) by adopting their determinations of Fourth Round Present Need and Prospective Need obligations by “binding resolution” of the governing body. The bill indicates that adoption of this “binding resolution” will protect the Borough from exclusionary zoning litigation (aka, “builder’s remedy lawsuits”) and the Borough would retain this protection provided it continues to comply with subsequent requirements and deadlines (e.g., filing of the Fair Share Plan, etc.). The Borough adopted such a resolution (Resolution R2 – see Appendix 1) on January 30, 2025.

Per the bill, which permits a municipality to diverge from DCA’s calculations in determining its obligations as long as it adheres to the methodology established by the bill (hence the reason why DCA’s calculated obligations are referred to as being “non-binding”), the Borough established a Prospective Need obligation of 92. This figure was determined based on a report prepared by the Boroughs affordable housing planner using the same methodology outlined in the law and utilized by the DCA. The Borough’s affordable housing planner having found numerous errors in the DCA’s evaluation of the “land factor” (specifically the identification of vacant land) determined that the Borough’s prospective need should be 92 following the methodology and factors outlined in the law.

Disputes about municipalities’ affordable housing obligations and plans to meet those obligations are to be resolved by the Judiciary via a new dispute resolution program (the “Program”).

After the Borough’s submittal, to the Program, of Resolution R2 (wherein the Borough established a Prospective Need obligation of 92), the Program received a challenge to the

Borough's calculation from the New Jersey Builders Association (who apparently challenged most, if not all, municipalities who established obligations that differed from DCA's "non-binding" calculations).

The Borough engaged in settlement conference with the New Jersey Builders Association hosted by the assigned member in accordance with Directive and the statutory framework, Judge Thomas C. Miller, A.J.S.C. (Ret.), along with an independent special adjudicator affordable housing expert. At the conclusion of the settlement conference, the parties settled on a Prospective Need obligation of **111** (see Appendix 2).

Vacant Land Adjustment

In light of the fact that Watchung is a fully developed community with very limited vacant land remaining for new development, the Borough has prepared a Vacant Land Adjustment (VLA) report pursuant to N.J.A.C. 5:93-4.2 (see Appendix 3). As required by N.J.A.C. 5:93-4.2, the inventory includes the block, lot, address, owner's name, current zone, gross lot acreage, and net lot acreage (after subtracting constraints such as steep slopes, wetlands, flood plains and/or wetlands) for each vacant property.

As provided by N.J.A.C. 5:93-4.2.c, lands meeting certain specified criteria may be excluded from the Inventory. The following criteria were used to further exclude vacant properties from the Inventory:

- Properties owned by a local government entity that are utilized for a public purpose other than housing;
- Vacant contiguous publicly or privately-owned parcels where the merged total could not accommodate at least 5 dwelling units at a minimum density of 6 units per acre (less than 0.83 acres);
- Environmentally sensitive lands, which limits the contiguous developable uplands area to less than 0.83 acres.

The VLA found that there exists 19.01 acres of vacant and developable acres on ten properties in the Borough.

Borough of Watchung
Housing Element and Fair Share Plan

June 2025

Vacant and Developable Properties						
BLOCK	LOT	LOCATION	OWNER	ACRES GROSS	ACRES NET	CATEGORY
1101	9	282 ANDERSON ROAD	CYNTHIA LOU BECK	3.20	2.68	VACANT
1102	8	111 STANIE BRAE DRIVE	111 STANIE BRAE LLC	1.68	1.60	VACANT
1102	10	6 DEER RUN	STANIE BRAE HOLDINGS LLC	1.22	1.22	VACANT
1603	16	45 WINTER LANE	45 WINTER LANE, LLC	1.41	1.24	VACANT
4308	1.01	20 SUNBRIGHT ROAD	JHP DEVELOPMENT, LLC	1.18	1.10	VACANT
5701	6.01	ROUTE 22	BOROUGH OF WATCHUNG	6.86	1.24	VACANT
6906	13.01	35 DEVONSHIRE LANE	CONNELL, TONI	2.68	2.16	VACANT
6908	6	1055 JOHNSTON DRIVE	PATEL MAYANK VAISHALI RAOJIBHANI UR	3.64	3.62	VACANT
7001	5	67 PRICE DRIVE	FECHTNER, DR J L & SONDR	1.50	1.21	VACANT
7501	1	VALLEY ROAD	CONNELL COMPANY	14.18	2.95	VACANT

Based on the minimum presumptive density of 6 units per acres, the properties can be developed with a total of 114 units. Applying a 20 percent affordable housing set-aside (1 affordable unit for each 5 units), the properties would yield a **Realistic Development Potential (RDP)** of **23** units. With an obligation of 111 and an RDP of 23 units, the **Unmet Need** is 88.

Compliance Mechanisms – Prospective Need

This section will outline how the Borough intends to address its The Borough intends to address its Realistic Development Potential (RDP) of 23 units. A subsequent section will address the Unmet Need.

Route 22 Affordable Housing Overlay Zone -2

The Borough will create a new “Route 22 Affordable Housing Overlay District – 2” zone covering Block 6201, Lots 4, 5.01, 5.02 and 6 (1692-1996 Route 22). The site is currently a commercially-developed site in the Borough’s Highway Development (H-D) zone.

The new "Route 22 Affordable Housing Overlay District - 2" has been largely modeled after the Borough's existing "Route 22 Affordable Housing Overlay District" which exists in another area along Route 22 and was created to address a portion of the Borough's third round obligation. The bulk requirements of the "Route 22 Affordable Housing Overlay District – 2" zone are also consistent with relevant portions of the surrounding H-D zone including similar building and impervious coverage requirements. The draft ordinance is provided in Appendix 4.

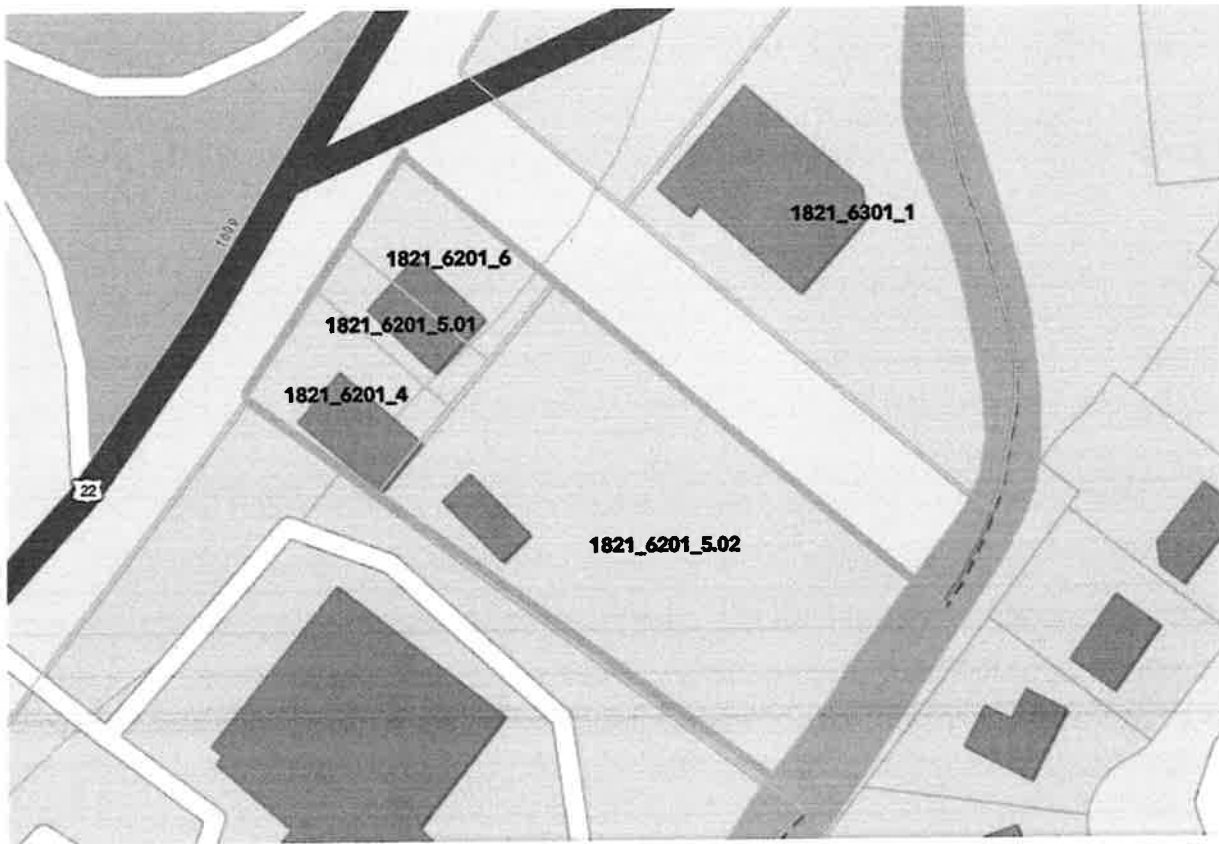
The proposed "Route 22 Affordable Housing Overlay District – 2" zone:

- Permits construction of a multi-family development at a density of 18 units per acre.
- Requires the affordable units comprise at least 20% of the total units in the development or four (4) units, whichever is greater.
- Requires that the development be rental and not age-restricted.
- Requires that 50% of the affordable units be low-income units
- Requires that 13% of the affordable units, or two (2) units, whichever is greater, be very-low-income units

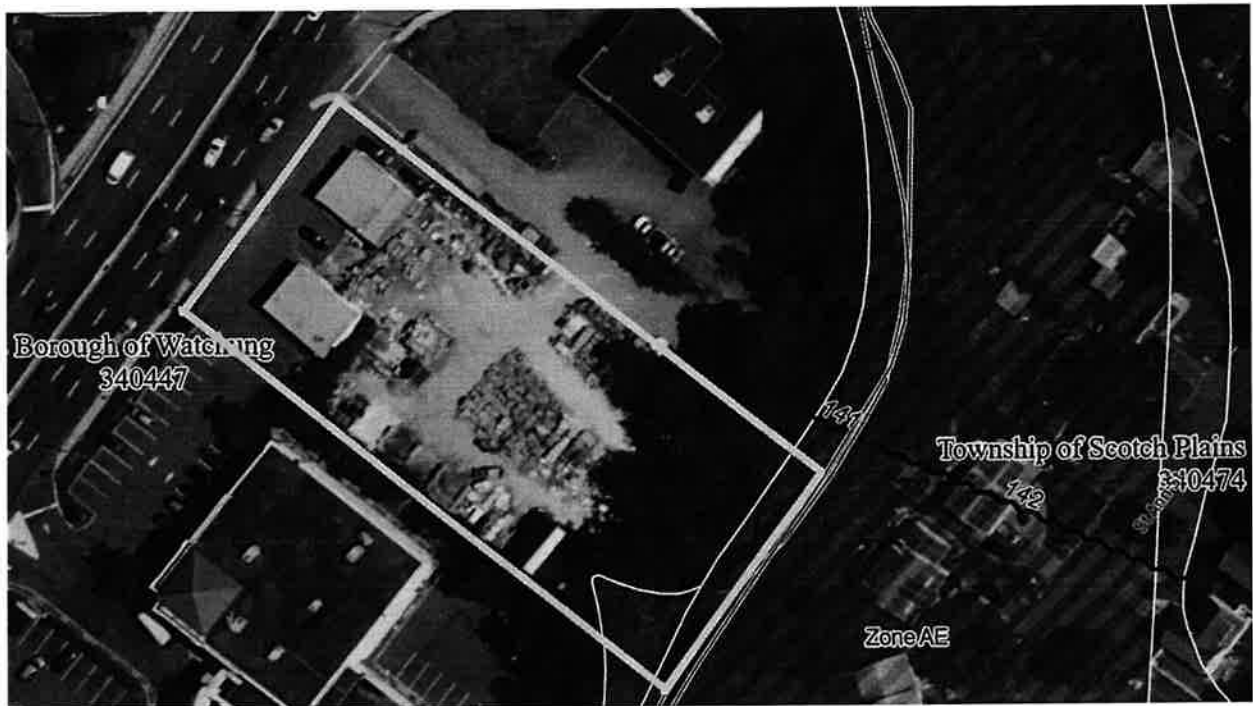
At roughly 1-acre in size, the proposed "Route 22 Affordable Housing Overlay District – 2" zone would allow for the development of:

- An 18-unit multi-family development consisting of at least 4 affordable units
- Of the 4 affordable units: 2 of the units would be very-low-income units (which would also satisfy the 50% low income requirements) with the remaining 2 affordable units being available to moderate income households.

As indicated above, the site is a currently-developed commercial site along Route 22. Roughly 90% of the site has been developed with buildings and parking areas in the front of the site along Route 22 with a large outside storage area located behind the buildings. The rear 10% of the site is forested. The far rear of the site contains a small portion of the flood plain associated with Green Brook. The site is serviced by necessary public infrastructure (including public water and water).



The site is available, developable, suitable, and approvable. Although a title search has not been conducted there are no known encumbrances which preclude development for low- and moderate-income housing. The site has access to appropriate water and sewer infrastructure. The site is adjacent to compatible land uses, has access to appropriate streets and is redevelopment of the site with residential use can be done in a manner that is consistent with the environmental policies delineated in N.J.A.C. 5:93-4 (not in wetlands, flood hazard areas, steep slopes). The site can be developed for low- and moderate-income housing in a manner consistent with the rules or regulations of all agencies with jurisdiction over the site.



Since the zone would permit the redevelopment of a site previously developed with commercial use, this project would be eligible for a 0.5 per unit bonus credit per the new affordable rules.

Extension of Expiring Controls

There are forty (40) low- and moderate-income, affordable housing apartment units located in the Crystal Ridge at Watchung residential apartment complex located on the property identified as Block 56.01, Lot 2.01, in the Borough of Watchung, located at One Crystal Ridge Drive. The affordable housing controls and restrictive covenants were included in a Deed Restriction, dated August 14, 2006, by and between MGD Holdings Watch, LLC (c/o Ginsburg Properties, Inc., and the New Jersey Housing & Mortgage Finance Agency (Administrative Agent), and the Borough of Watchung, recorded with the Somerset County Clerk's office on August 22, 2006, in Deed Book 5932, at Page 616, Instrument No. 2006055212. The Deed Restriction is provided in Appendix 5.

The Deed Restriction identifies the individual affordable units which consist of 50% low and 50% moderate income units with 20% of the units consisting of 1-bedroom units, 20% consisting of 3-bedroom units with the remainder being 2-bedroom units.

The Deed Restriction provides that the control period for the affordable housing units are to be "determined separately for each dwelling unit, commencing on April 29, 2002, the date on which the first certified household occupied the unit," and shall run for a period of at least 30 years. The Certificates of Occupancy was issued for all buildings containing the affordable housing units on November 20, 2003. Thus, the Deed Restriction for each individual unit is set to expire on April 29, 2032, or November 20, 2033 (depending on the interpretation of the Deed Restriction), both dates being within the 4th Round of affordable housing compliance in New Jersey.

The Borough intends to extend the affordable housing controls, restrictions and covenants in the Deed Restriction for an additional thirty (30) years, specifically N.J.A.C. 5:80-26.12(f) (previously N.J.A.C. 5:80-26.11) – for a total of 60 years. The draft ordinance addressing this matter is provided in Appendix 6.

Pursuant to N.J.A.C. 5:80-26.12(f)(4)(ii), the Borough will authorize the use of funds from the Borough's Affordable Housing Trust Fund to pay for the extension of the controls. The funds will be paid to the owner of the Property upon receipt of a fully-executed affordable housing deed restriction in compliance with UHAC and the Borough's Affordable Housing Ordinance, along with any other documentation needed for the Borough to receive affordable housing credits for the extension of these units. The Spending Plan (provided in Appendix 7) proposes a payment of up to \$700,000 (40 units at \$17,500 per unit).

Extension of expiring controls are eligible for a 0.5 per unit bonus credit per the new affordable rules.

1375 Plainfield Avenue

Block 7010 Lot 9, more commonly known as 1375 Plainfield Avenue, is a 2.11-acre site containing a vacant 2-story office building. The site has received Borough approval for the redevelopment of the site with construction of a 24-unit townhouse development inclusive of five (5) affordable units (see Appendix 8). Compliance with applicable affordable housing requirements, including the Uniform Housing Affordability Controls (UHAC), would require that the development consist of:

Borough of Watchung
Housing Element and Fair Share Plan

June 2025

- 3 low-income and 2 moderate-income units
- At least one 3-bedroom affordable unit and no more than one 1-bedroom unit (with the remainder permitted to be 2-bedroom units).

Although it is anticipated that the development will be rental, since none of the approvals specified or required that the units be rental or home-ownership, this plan has not counted this development towards rental affordable requirements.



Since the development consists of redevelopment of a site previously developed with office space, this project would be eligible for a 0.5 per unit bonus credit per the new affordable rules.

Borough of Watchung Housing Element and Fair Share Plan

June 2025

Our House Inc. – Group Home – 103 High Tor Drive

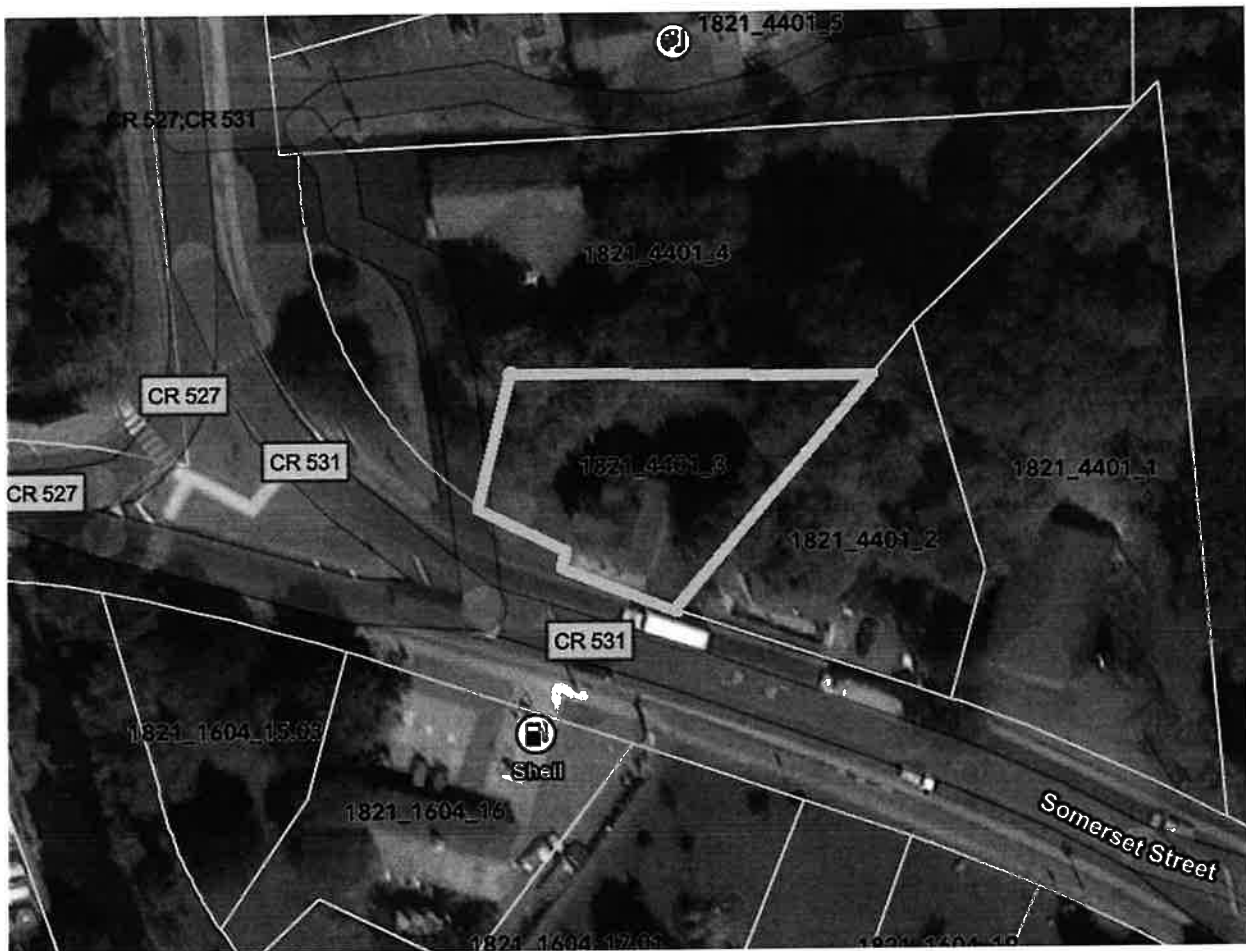
Our House is a non-profit, charitable organization that operates group homes for individuals with developmental disabilities. The Borough committed \$250,000 from its Affordable Housing Trust Fund towards the conversion of 103 High Tor Drive (Block 7004 Lot 24) into a six (6) bedroom group home for adults with development disabilities (see Appendix 9). In exchange for the \$250,000 Borough contribution, Our House Inc. will operate the facility as a 6-bedroom group home rented to very-low income adults with special needs.



Per the new affordable rules, the development is eligible for bonus credit equal to 1.0 per unit.

990 Somerset Street

This site received approval to convert a previously-existing mixed-use building into a residential building with three (3) apartment units, at property located within the B-B (Professional and Office) Zone located at 990 Somerset Street (Lot 3 within Block 4401). Per the conditions of the approval the applicant shall dedicate one (1) of the three (3) proposed apartment units as an affordable housing unit in compliance with all UHAC regulations. The resolution of approval can be found in Appendix 10. This development is under construction.



Since the development consists of redevelopment of a site previously developed with office space, this project would be eligible for a 0.5 per unit bonus credit per the new affordable rules.

Prior Round Surplus

The third round plan identified an eight (8) unit surplus of credit to address future obligations.

Compliance Evaluation – Prospective NeedRealistic Development Potential (RDP)/ Bonus Credits

The rules limit the application of bonus credits to no more than 25% of the municipality's prospective need obligations. With an adjusted prospective need of 23 units, the number of bonus credits that the Borough can claim is capped at 5. The affordable housing mechanisms proposed in this plan are eligible for bonus credits as follows:

- *Route 22 Affordable Housing Overlay Zone -2*: With 5 affordable units: eligible for 2.5 bonus credits (0.5 per unit bonus credits for redevelopment of a commercial site)
- *Extension of Expiring Controls*: With 40 affordable units: eligible for 20 bonus credits (0.5 per unit bonus credits for extension of expiring controls)
- *1375 Plainview Avenue*: With 5 affordable units: eligible for 2.5 bonus credits (0.5 per unit bonus credits for redevelopment of an office site)
- *Our House Inc. – Group Home – 103 High Tor Drive*: With 6 affordable special needs units: eligible for 6.0 bonus credits (1.0 per unit bonus credit for development of special needs housing)
- *990 Somerset Street*: With 1 affordable units: eligible for 0.5 bonus credits (0.5 per unit bonus credits for redevelopment of commercial space into an inclusionary residential development)

After applying the 5 bonus credits to the 23-unit RDP, the Borough must provide its obligation through the production of at least **18 actual units (exclusive of bonus credits)**. This requirement will be satisfied as follows:

- *1375 Plainfield Avenue*: 5 units
- *Our House, Inc Group Home*: 6 units
- *990 Somerset Street*: 1 unit
- *Extension of Expiring Controls*: 40 units
- *Route 22 Affordable Housing Overlay District – 2*: 4 units

- *Total required: 18 units*
- *Total provided: 56 units*

Age-Restricted Affordable Housing Units

The rules cap the number of affordable housing units restricted to seniors to 30% of the affordable housing units being provided. The plan complies as no senior affordable units are proposed in this plan.

Family Affordable Housing Units

The rules require that at least 50% of the affordable units be available to households with children (e.g., not senior units or group homes). This requirement will be satisfied as follows:

- *1375 Plainfield Avenue: 5 units*
 - *990 Somerset Street: 1 unit*
 - *Extension of Expiring Controls: 40 units*
 - *Route 22 Affordable Housing Overlay District – 2: 4 units*
- *Total minimum required: 9 units (50% of the 18 unit minimum)/ 12 units (50% of the 23- unit RDP)*
 - *Total provided: 50 units*

Rental Affordable Housing Units

The rules require that at least 25% of the affordable units be available rental. This requirement will be satisfied as follows:

- *Our House, Inc Group Home: 6 units*
- *990 Somerset Street: 1 unit*
- *Extension of Expiring Controls: 40 units*
- *Route 22 Affordable Housing Overlay District – 2: 4 units*

Borough of Watchung
Housing Element and Fair Share Plan

June 2025

- *Total required:* 5 units (25% of the 18 unit minimum)/ 6 units (25% of the 23-unit RDP)
- *Total provided:* 51 units

Family Rental Affordable Housing Units

The rules require that at least 50% of the rental affordable units be available to households with children. This requirement will be satisfied as follows:

- *990 Somerset Street:* 1 unit
 - *Extension of Expiring Controls:* 40 units
 - *Route 22 Affordable Housing Overlay District – 2:* 4 units
- *Total required:* 3 units (50% of the rental unit minimum based on the 18 unit minimum)/ 3 units (50% of the rental unit minimum based on the 23-unit RDP)
 - *Total provided:* 45 units

Low-Income Housing Units

The rules require that at least 50% of the affordable units be low-income units (i.e., affordable to households making no more than 50% of the median household income in the housing region). This requirement will be satisfied as follows:

- *1375 Plainfield Avenue:* 3 units
 - *Our House, Inc Group Home:* 6 units
 - *Extension of Expiring Controls:* 20 units
 - *Route 22 Affordable Housing Overlay District – 2:* 2 units
- *Total required:* 9 units (50% of the 18 unit minimum)/ 12 units (50% of the 23- unit RDP)
 - *Total provided:* 31 units

Very-Low-Income Housing Units

The rules require that at least 13% of the affordable units be very-low-income units (i.e., affordable to households making no more than 30% of the median household income in the housing region). This requirement will be satisfied as follows:

- *Our House, Inc Group Home*: 6 units
- *Route 22 Affordable Housing Overlay District – 2*: 2 units
 - *Total required*: 3 units (13% of the 18 unit minimum)/ 3 units (13% of the 23- unit RDP)
 - *Total provided*: 8 units

Very-Low-Income Family Housing Units

The rules require that at least 50% of the very-low-income units be available to households with children. This requirement will be satisfied as follows:

- *Route 22 Affordable Housing Overlay District – 2*: 2 units
 - *Total required*: 2 units (50% of the rental unit minimum based on the 18 unit minimum)/ 2 units (50% of the rental unit minimum based on the 23-unit RDP)
 - *Total provided*: 2 units

Total Obligation/ Credits

As indicated above, the total RDP is 23 units. This requirement will be satisfied as follows:

- *Prior Round Surplus*: 8 units
- *Bonus Credits*: 5 credits
- *Actual Units*: 56 units
 - *1375 Plainfield Avenue*: 5 units
 - *Our House, Inc Group Home*: 6 units
 - *990 Somerset Street*: 1 unit
 - *Extension of Expiring Controls*: 40 units

- *Route 22 Affordable Housing Overlay District - 2: 4 units*
- *Total required: 23*
- *Total provided: 69*

UNMET NEED

As addressed above, the law provides for an adjustment of the Prospective Need obligation, based on a lack of vacant land, which divides the Prospective Need into the Realistic Development Potential (RDP), to be satisfied in the Fourth Round, and the Unmet Need, to be addressed by incentivizing opportunities for affordable housing development as land becomes available.

As part of its Second Round substantive certification, COAH approved a Vacant Land Adjustment, reducing the Prior Round obligation from 206 affordable units to RDP of 169 affordable units. This difference generates an Unmet Need of 37 affordable units which address the remainder of the Prior Round obligation.

The Borough's approved Third Round plan included a Vacant Land Adjustment that reduced the Third Round obligation from 396 affordable units to a RDP of 53 affordable units. The RDP of 53 plus the surplus credits of 8 units, subtracted from the Third Round obligation of 396 units, result in an Unmet Need of 335 units.

This HEFSP contains a Vacant Land Adjustment in Appendix 3. With a Fourth Round Prospective Need of 111 and an RDP of 23 units, the Fourth Round Unmet Need is 88.

This total Unmet Need will be addressed through the mechanisms described below. Each of these mechanisms remain in place and are each present viable incentivizing opportunities for the creation of affordable housing, sufficient to address at least 25% of the Fourth Round Unmet Need.

Route 22 Affordable Housing Overlay Zone

The Borough Council adopted Ordinance #OR:18-18 establishing the Route 22 Affordable Housing Overlay District. The Overlay District encompasses the 5-acre Liccardi Ford Tract

(Block 64.02, Lot 3) and a 13.7-acre portion of the Mount Saint Mary's Academy Tract (Block 64.02, Lot 5) along the northerly side of US Route 22, encompassing 18.7 acres of land. The purpose of the Route 22 Affordable Housing Overlay District is to create a realistic opportunity for the creation of low and moderate-income housing as land becomes available for development or redevelopment. Multifamily residential development requiring a percentage of low- and moderate-income housing units is now a Principal Permitted Use subject to a number of conditions. In order to present a financial incentive for inclusionary zoning, for-sale multifamily development permits a maximum gross density of 14 units per acre with a minimum of 20% of these units being affordable to low- and moderate-income households, and at least 13% of the affordable units available for very low-income households. An additional rental bonus and reduced set-aside is needed to incentivize rental units. Rental multifamily development would permit a maximum gross density of 18 units per acre with a minimum of 15% of these units being affordable to low- and moderate-income households of which 13% are affordable to very low-income households.

Mandatory Affordable Housing Set-Aside Ordinance

The Borough Council adopted Ordinance #OR:18/19 to establish Mandatory Affordable Housing Set-Aside requirement. This is a mandatory affordable housing set-aside zoning requirement in accordance with the FSHC Settlement Agreement and the Court Order on Fairness. The ordinance requires that all residential development of 5 or more units that occurs at a density above 6 units per acre arising as a result of a density or use variance or rezoning or approval of a redevelopment or rehabilitation plan shall be required to provide a minimum affordable housing set-aside of 20%, except that the minimum set-aside shall be 15% where affordable rental units are provided.

Somerset Street/Watchung Avenue Triangle Affordable Housing Overlay District

The Borough Council adopted Ordinance #OR:19-09 establishing the Somerset Street/Watchung Avenue Affordable Housing Overlay District. This overlay district encompasses the "Triangle" area bounded by Watchung Avenue, Somerset Street and Johnston Drive. This district permits mixed-use development as a principal permitted use consisting of first floor commercial uses and residential units on the second and third floors only permitted in conjunction with affordable housing. Residential use is permitted at a density of 6 units/acre for for-sale units and 10 units/acre for rental units; with a minimum

affordable housing set-aside of 20% where the affordable for sale units are provided and a minimum of 15% where affordable rental units are provided.

PRESENT NEED (REHABILITATION) SHARE

The Present Need component of the fair share obligation is the calculated number of low- and moderate-income households living in substandard and overcrowded housing in the municipality. To satisfy this obligation most municipalities establish, fund and administer a municipal housing rehabilitation program administered by municipal staff, consultants, or a county community development agency housing improvement program. Housing rehabilitation must be available to rental properties that serve low- and moderate-income households. A municipality's Present Need obligation can alternatively be satisfied through new construction of affordable housing.

The Borough reinstated its Housing Rehabilitation Program that was implemented as part of the Borough's First and Second Round plans to meet the rehabilitation obligation. This Housing Rehabilitation Program will continue into the future to address the Borough's 35-unit rehabilitation obligation for the fourth round. The Spending Plan has allocated \$875,000 for the 2025-2035 period to address the 35-unit obligation (at up to \$25,000 per unit).

The Borough reserves the right to conduct a further analysis of its existing housing stock and adjust the obligation if based on field observations it can be demonstrated that there are less than 35 homes in the Borough that are deficient and in need of rehabilitation.

SPENDING PLAN

The Affordable Housing Trust Fund Spending Plan is provided in Appendix 7. The Borough of Watchung intends to spend affordable housing trust fund revenues consistent with the housing programs outlined in this HEFSP. The Borough of Watchung has a balance of **\$1,700,681** as of December 31, 2024 and anticipates an additional **\$1,730,000** in revenues through 2034 for a total of **\$3,430,681**. The municipality will dedicate any excess funds or remaining balance toward the affordability assistance program. This Spending Plan demonstrates the Borough's commitment to expend these funds with respect to the following:

- Commitment to expend up to **\$250,000** towards hard costs for the housing rehabilitation program;

- Commitment to expend up to **\$300,000** towards hard costs for affordable accessory apartments;
- Commitment to expend up to **700,000** towards for the extension of expiring controls;
- Commitment to expend at least 30% of affordable housing funds on affordability assistance;
- Commitment to expend not more that 20% of development revenues for administrative costs.

HOUSING ADMINISTRATION

Affordable Housing Ordinance

The Borough's Affordable Housing Ordinance can be found in Article 28-1000 of the Boroughs Land Development Ordinance. It was comprehensively updated in 2019 by Ordinance 09/11 adopted 5/16/19 to address the requirements of the Borough's third round fair share and the affordable housing rules. The ordinance can be viewed online at: <https://ecode360.com/35413883>

The ordinance will be amended as may be necessary to address changes in applicable law and rules including the 2014 changes to the Fair Housing Act and changes to the Uniform Housing Affordability Controls (UHAC) including but not necessarily limited to: changes to control period for rental affordable units (40 years). The ordinance will be comprehensively reviewed, with the input of the Borough's Administrative Agent, with necessary updates adopted prior to the deadline established in the law.

Development Fee Ordinance

The Borough's affordable housing development fee ordinance can be found in Article 28-1100 of the Borough's Land Development Ordinance (). It requires that all new residential construction make a contribution equal to 1.5% of the equalized assessed value of the construction, and requires that all new non-residential construction provide a contribution of 2.5% of the equalized assessed value of the construction, to the Borough's dedicated Affordable Housing Trust Fund. The ordinance can be viewed online at: <https://ecode360.com/35413967#35413967> .

Affordable Housing Trust Fund

The Borough has an interest-bearing affordable housing trust fund in place, and consistent with the development fee ordinance discussed above, will impose development fees on all applicable residential and non-residential development, and said fees shall be deposited into the affordable housing trust fund.

The Borough will adopt by resolution an updated Spending Plan for the affordable housing trust fund. The Spending Plan will provide an outline of how the Borough intends to utilize these funds to further the goals and mechanisms established in this Plan, and in accordance with prior COAH regulations found at N.J.A.C. 5:97 et seq, and with the Fair Housing Act. This will include a summary of revenues and expenditures to date from the affordable housing trust fund, identify mechanisms to collect revenues, project anticipated future revenues and interest, as well as outline all proposed spending from the trust fund. Funds will be spent on appropriate housing activity, affordability assistance, and administrative expenses consistent with applicable prior COAH regulations.

In the event that funding sources identified in the Spending Plan prove to be inadequate to complete the affordable housing programs outlined in this Housing Plan, the Borough shall provide sufficient funding to address any such shortfalls.

Affordability Assistance Program

The Borough will address the minimum affordability assistance requirements of the Affordable Housing Trust Fund spending in accordance with an Affordability Assistance Program that it will be implement, consistent with the Settlement Agreement and the Spending Plan outlined above.

Municipal Housing Liaison

The Borough has appointed a municipal staff member as the designated Municipal Affordable Housing Liaison, who will be responsible for overseeing all affordable housing regulations and corresponding with administrative agent(s), the public, and all other related affordable housing professionals.

Affordable Housing Administrative Agent

The Borough will ensure that all future projects are administered by a qualified affordable housing professional and will appoint an Administrative Agent to administer all projects that do not have their own administrative agent.

Pursuant to N.J.A.C. 5:80-26.15(f), the Borough will adopt an updated Affirmative Marketing Plan to ensure that all available affordable units are marketed to the appropriate populations.

Appendix 1

**BOROUGH OF WATCHUNG
COUNTY OF SOMERSET, NEW JERSEY**

RESOLUTION R2

**RESOLUTION ESTABLISHING THE FOURTH ROUND AFFORDABLE
HOUSING PRESENT NEED AND PROSPECTIVE NEED OBLIGATIONS
FOR THE BOROUGH OF WATCHUNG**

WHEREAS, on March 20, 2024, Governor Murphy signed into law an Amendment to the Fair Housing Act (N.J.S.A. 52:27D-301 *et seq.*) (hereinafter "Amended FHA"); and

WHEREAS, the Amended FHA requires the New Jersey Department of Community Affairs ("DCA") to produce non-binding estimates of fair share obligations for municipalities throughout the State on or before October 20, 2024; and

WHEREAS, the DCA issued a report on October 18, 2024 ("DCA Report") wherein it reported its estimate of the obligation for all municipalities based upon its interpretation of the standards in the Amended FHA; and

WHEREAS, the DCA Report calculated the Borough of Watchung's Round 4 (2025-2035) obligations as follows: a Present Need or Rehabilitation Obligation of 35 units and a Prospective Need Obligation of 119 units; and

WHEREAS, the Amended FHA provides that the DCA Report is non-binding, thereby inviting municipalities to demonstrate that the Amended FHA would support modified or corrected calculations of the Round 4 affordable housing obligations; and

WHEREAS, pursuant to N.J.S.A. 52:27D-304.3, a municipality's average allocation factor is comprised of the equalized nonresidential factor, income capacity factor, and land capacity factor and shall be averaged to yield the municipality's average allocation factor, and

WHEREAS, the Amended FHA further provides that "[a]ll parties shall be entitled to rely upon regulations on municipal credits, adjustments, and compliance mechanisms adopted by COAH unless those regulations are contradicted by statute, including P.L. 2024, c.2 [Amended FHA], or binding court decisions" (N.J.S.A 52:27D-311(m)); and

WHEREAS, COAH regulations authorize vacant land adjustments as well as durational adjustments; and

WHEREAS, the DCA has released a Geographic Information Systems spatial data representation of the Land Capacity Analysis for the Amended FHA containing the Vacant and Developable land information that serves as the basis for calculating the land capacity factor; and

WHEREAS, the Borough of Watchung and its professionals have reviewed the lands identified by the DCA for the land capacity factor with respect to the MOD-IV Property Tax List data, construction permit data, land use board approvals, configuration, and accessibility to ascertain whether these identified developable lands may accommodate development; and

**BOROUGH OF WATCHUNG
COUNTY OF SOMERSET, NEW JERSEY**

RESOLUTION R2

WHEREAS, based on the foregoing, Watchung Borough relies on the DCA calculations of Watchung Borough's fair share obligations as modified herein to account for the Borough's review of the lands identified by the DCA for the land capacity factor with respect to the MOD-IV Property Tax List data, construction permit data, land use board approvals, configuration, and accessibility to ascertain whether these identified developable lands may accommodate development, and as further set forth in detail and explained in the attached memo prepared by the Borough's affordable housing professional planner, and Watchung Borough seeks to commit to provide its fair share of 35 units present need and 92 units prospective need, subject to any vacant land and/or durational adjustments it may seek as part of the Housing Plan element and Fair Share Plan element it subsequently submits in accordance with the Amended FHA; and

WHEREAS, Watchung Borough reserves the right to comply with any additional amendments to the FHA that the Legislature may enact; and

WHEREAS, Watchung Borough also reserves the right to adjust its position in the event of any rulings issued by New Jersey Superior Courts, or any other such action that alters the deadlines and/or requirements of the Amended FHA; and

WHEREAS, in the event that a third party challenges the calculations provided for in this Resolution, Watchung Borough reserves the right to take such position as it deems appropriate in response thereto, including that its Round 4 Prospective Need Obligation should be lower than described herein; and

WHEREAS, in light of the above, the Borough Committee of the Borough of Watchung finds that it is in the best interest of the Borough to commit to the modified present need and prospective need Fourth Round affordable housing fair share numbers set forth herein, subject to the reservations set forth herein; and

WHEREAS, in accordance with AOC Directive #14-24 dated December 13, 2024, the Borough Committee of the Borough of Watchung finds that, as a municipality seeking a certification of compliance with the FHA, it is in the best interests of the Borough to direct the filing of an action in the form of a declaratory judgment complaint within forty-eight (48) hours after adoption of this Resolution, or by February 3, 2025, whichever is sooner;

NOW, THEREFORE, BE IT RESOLVED, by the Borough Committee of the Borough of Watchung, County of Somerset, State of New Jersey, as follows:

1. All of the above WHEREAS clauses are incorporated into the operative clauses of this Resolution.
2. Watchung Borough hereby commits to a Round 4 Present Need Obligation of 35 units, and a Round 4 Prospective Need Obligation of 92 units, modified from the DCA's

**BOROUGH OF WATCHUNG
COUNTY OF SOMERSET, NEW JERSEY**

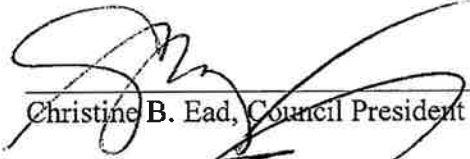
RESOLUTION R2

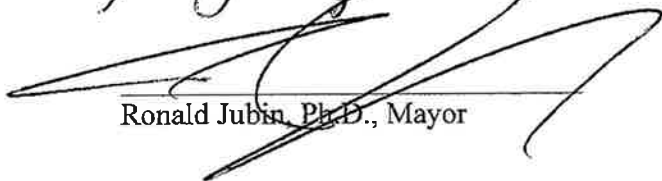
calculations as explained above and in the attached memorandum/report from the Borough's affordable housing professional planner, and subject to all reservations of rights set forth above.

3. The Borough Attorney and other appropriate Borough official is hereby authorized and directed to take all actions necessary to comply with the requirements of the Amended FHA, including the filing of a declaratory judgment complaint in Somerset County within forty-eight (48) hours after adoption of this Resolution, attaching a copy of this Resolution as an exhibit to such filing.

4. The Borough Attorney and other appropriate Borough official is hereby authorized and directed to submit and/or file a copy of this Resolution with the Program or any other such entity as may be determined to be appropriate.

BE IT FURTHER RESOLVED that this Resolution shall take effect pursuant to law.


Christine B. Ead, Council President


Ronald Jubin, Ph.D., Mayor

ADOPTED: JANUARY 30, 2024
INDEX: MISC, PLANNING,
CC: DCA,

Appendix 2

SOM-L-000183-25 03/27/2025 Pg 1 of 5 Trans ID: LCV20251022772

PREPARED BY THE AFFORDABLE HOUSING PROGRAM:

In the Matter of Watchung Borough	Superior Court of New Jersey Law Division, Civil Part Docket No. SOM-L-183-25 Program Settlement Recommendation Present Need and Prospective Need
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THIS MATTER, having come before the Affordable Housing Program, pursuant to the Complaint for Declaratory Judgment filed in this matter on January 31, 2025 (“DJ Complaint”) by the Petitioner, Borough of New Providence (“Petitioner” or “Municipality”), pursuant to N.J.S.A. 52:27D-304.2, -304.3, and -304.1(f)(1)(c) of the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301, et seq. (collectively, the “FHA”), and in accordance with Section II.A of Administrative Directive #14-24 (“Directive #14-24”) of the Affordable Housing Dispute Resolution Program (the “Program”), seeking a certification of compliance with the FHA;

AND IT APPEARING that, on October 18, 2024, pursuant to the FHA (as amended), the New Jersey Department of Community Affairs (“DCA”) issued its report entitled “Affordable Housing Obligations for 2025-2035 (Fourth Round)”,

SOM-L-000183-25 03/27/2025 Pg 2 of 5 Trans ID: LCV20251022772

therein setting forth the “present need” and prospective need” obligations of all New Jersey municipalities for the Fourth-Round housing cycle (the “DCA’s Fourth Round Report”);

AND IT APPEARS that, pursuant to the DCA’s Fourth Round Report, the “present need” obligation of the Petitioner has been calculated and reported as 35 affordable units, and its “prospective need” obligation of the Petitioner has been calculated and reported as 119 affordable units, and which calculations have been deemed “presumptively valid” for purposes of the FHA;

AND IT APPEARS that the Municipality represented by counsel adopted a resolution seeking deviation from DCA numbers based on their planner's recommendation for its prospective need obligation of 92 units.

AND IT APPEARS that challenges to the Municipal calculations were timely and properly filed by the New Jersey Builders Association represented by Counsel, both challengers disputing the town proposed obligations for present and prospective need, and supporting DCA present and prospective need obligations, each challenge supported by their own expert reports;

AND IT APPEARING; The Program, assigned the case to program member Judge Thomas C. Miller, A.J.S.C. (Ret.) to handle the case in accordance with the statute and the AOC Directive, requiring the member to issue recommendations to the County Mount Laurel Judge, and appointed member of the program having

SOM-L-000183-25 03/27/2025 Pg 3 of 5 Trans ID: LCV20251022772

considered the submissions of counsel, the various planners report and the DCA report, and the program having conducted settlement conferences and sessions hosted by the assigned member in accordance with Directive and the statutory framework.

AND IT APPEARS THAT, the AOC appointed an independent special adjudicator affordable housing expert to work with and make recommendations to the program, and that Frank Banisch was appointed special adjudicator in this case,

AND It is appearing that the Builders Association have notified the program in writing that by their counsel that they will not participate in the settlement negotiations, and that they will not object to any settlement reached between the municipality and Fair Share Housing,

AND IT APPEARS THAT, the program hosted a settlement conference on this case, and that all parties, local officials, attorneys, and planners appeared with the goal of reaching a resolution,

AND IT APPEARS THAT, the parties have engaged in extensive settlement negotiations before, during and after the settlement conferences, with the guidance and assistance of the program member assigned to the case and the special adjudicator,

AND IT APPEARS THAT the municipality and Builders Association have reached a resolution, the settlement was place on the record, the parties circulated a

SOM-L-000183-25 03/27/2025 Pg 4 of 5 Trans ID: LCV20251022772

settlement agreement that will be uploaded to eCourts and that the municipal governing body has adopted or intends to adopt a resolution to accept the settlement,

AND IT APPEARS that the special adjudicator recommends accepting the settlement to the program,

AND it APPEARS THAT the terms of the settlement are as follows: The prospective need obligation for the Township shall be 111 units and that parties will now move on to the compliance phase to address the remaining issues,

For all those reasons, the program member hereby recommends an ORDER as follows:

That the proposed settlement is hereby directed to the vicinage Mount Laurel judge for review and the entry of an order as to the municipality's determination of its fair share obligation is accordance with the terms of the settlement agreement, that this settlement disposes of all the challenges filed, that the municipality retains all the protections of the law and retains immunity from exclusionary zoning litigation, and that the program retains jurisdiction for the compliance phase of accordance with the statutory frame work and the AOC directive.

Respectfully submitted by The Program:

By: /s/ Thomas C. Miller

Thomas C. Miller, A.J.S.C. (Ret.),

SOM-L-000183-25 03/27/2025 Pg 5 of 5 Trans ID: LCV20251022772

Program Chair
Hon. Thomas C. Miller, A.J.S.C. (Ret.)

Dated: March 27, 2025

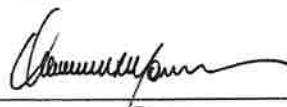
Mount Laurel Judge:

The Program's recommendation is ☒ accepted for the reasons set forth by the
Program, ☐ accepted for the reasons set forth below, ☐ rejected,
☐ accepted/rejected in part.

Findings of fact and conclusions of law (Rule 1:7-4(a)):

Arm's Length settlement entered into by the parties was fair and equitable
especially when balancing and considering the risks and costs and expense of
litigation.

By:


Hon. William G. Mennen, J.S.C.

Dated: 4/8/25

Appendix 3

BOROUGH OF WATCHUNG
SOMERSET COUNTY, NEW JERSEY

**VACANT LAND
ADJUSTMENT
REPORT**

The original of this report was signed and
sealed in accordance with N.J.S.A. 45:14A-12.



Mark Healey, AICP/ PP
Professional Planner

June 2025

Borough of Watchung Spending Plan

INTRODUCTION

The Borough of Watchung contains 3,867 acres or about 6 square miles located in the northeastern corner of Somerset County, where it adjoins Union County. Within Somerset County, Watchung is bordered by Warren Township to the west, and North Plainfield Borough and Green Brook Borough to the south. Watchung is also bordered by Union County, including Berkeley Heights Township to the north and Scotch Plains Township and the City of Plainfield to the east. The Borough is also bordered to the north and south by the Watchung Mountains. Mountain Boulevard and Valley Rd traverse the entire Borough from southwest to northeast corner. Interstate 78 crosses through the northern corner and U.S. Route 22 through the southeast corner of the Borough.

Watchung is a fully-developed suburban municipality with very limited vacant land remaining for new development. This is consistent with the 2001 State Development and Redevelopment Plan Policy Map (last updated August 18, 2015) designation of the entire Borough as PA2 Suburban Planning Area.

Environmental constraints affect significant portions of the Borough. Areas containing steep slopes of 15 percent or greater are located along the Watchung Mountains at the north and south of the Borough. Wetlands are primarily located in the floodplains along the Stony Brook and Green Brook stream corridors.

This Vacant Land Inventory is prepared in order to document Watchung Borough's lack of available land capacity, pursuant to N.J.A.C. 5:93 4.2. This Inventory includes the block, lot, address, owner's name, total lot acreage and developable uplands acreage for each property. Also included in this Inventory are the following maps:

1. **Environmental Constraints Map** - showing environmentally sensitive lands that shall be excluded from the vacant land inventory, pursuant to N.J.A.C. 5:93-4.2(e)2, including the following:
 - a. *Water Bodies*: Open water bodies as mapped per NJDEP GIS data.

June 2025

Borough of Watchung Spending Plan

PROPERTIES EXCLUDED FROM THE VACANT LAND INVENTORY

This Vacant Land Inventory is prepared in order to document the lack of available land capacity in Watchung. As required by N.J.A.C. 5:93-4.2, the inventory includes the block, lot, address, owner's name, current zone, total lot acreage, total acreage suitable for development (uplands) and total acreage unsuitable for development (constraints) for each vacant property based on current Borough property tax records.

As provided by N.J.A.C. 5:93-4.2.c, lands meeting certain specified criteria may also be excluded from the Inventory. The following criteria were used to further exclude vacant properties from the Inventory:

- Properties owned by a local government entity that are utilized for a public purpose other than housing;
- Vacant contiguous publicly or privately-owned parcels where the merged total could not accommodate at least 5 dwelling units at a minimum density of 6 units per acre (less than 0.83 acres);
- Environmentally sensitive lands, which limits the contiguous developable uplands area to less than 0.83 acres.

June 2025

Borough of Watchung Spending Plan

EVALUATION OF PUBLICLY-OWNED PROPERTIES

All publicly-owned properties owned have been evaluated. The table below shows those properties that were excluded by reason of being committed to a public purpose. A number of additional publicly-owned lands, not committed to a public purpose, were further evaluated in Table 2. This analysis included 7 Borough-owned parcels.

Table 1: Publicly-Owned Lands Committed to a Public Purpose

BLOCK	LOT	LOCATION	OWNER	ACRES GROSS	ACRES NET	COMMENTS
301	29	666 MOUNTAIN BLVD	BOROUGH OF WATCHUNG	19.81	N/A	Preserved open space - Ness property
302	1	65 BROOKDALE RD	BD OF ED WATCHUNG BOROUGH	30.50	N/A	Active recreation
802	1.01	60 ANDERSON ROAD	BOROUGH OF WATCHUNG	10.42	N/A	Preserved open space
1604	14	57 MOUNTAIN BLVD	BOROUGH OF WATCHUNG FIRE HOUSE	1.20	N/A	Fire department
1604	15.01	15-31 MOUNTAIN BLVD	BOROUGH OF WATCHUNG	3.42	N/A	Municipal building
1604	15.03	997-1001 SOMERSET STREET	BOROUGH OF WATCHUNG	0.31	N/A	Preserved open space - Village Green
1604	18	973-975 SOMERSET STREET	BOROUGH OF WATCHUNG	0.98	N/A	Preserved open space - park / memorial
1604	20.02	SOMERSET STREET	BOROUGH OF WATCHUNG	3.40	N/A	Preserved open space - Stony Brook
1604	20.03	SOMERSET STREET	BOROUGH OF WATCHUNG	7.30	N/A	Preserved open space - Stony Brook
1604	21	SOMERSET STREET	SOMERSET COUNTY BD OF FREEHOLDERS	1.70	N/A	Preserved open space
2401	1.01	129 STIRLING ROAD	BOROUGH OF WATCHUNG	20.17	N/A	Preserved open space - Watchung Lake
2401	1.02	MOUNTAIN BLVD	BOROUGH OF WATCHUNG	0.00	N/A	Preserved open space - Watchung Lake
2401	4.01	40 BROOKDALE ROAD	BOROUGH OF WATCHUNG	3.29	N/A	Preserved open space - Watchung Lake

June 2025

Borough of Watchung Spending Plan

BLOCK	LOT	LOCATION	OWNER	ACRES GROSS	ACRES NET	COMMENTS
2402	1.01	10 MOUNTAIN BLVD	BOROUGH OF WATCHUNG	2.70	N/A	Preserved open space - Watchung Circle
2402	1.02	10 MOUNTAIN BLVD	BOROUGH OF WATCHUNG	0.00	N/A	Preserved open space - Watchung Circle
3101	6	50 VALLEY VIEW ROAD	BD OF ED WATCHUNG BOROUGH	6.30	N/A	Elementary school
4401	4	10 STIRLING ROAD	BOROUGH OF WATCHUNG RESCUE SQUAD	0.69	N/A	Rescue squad
4401	5	18 STIRLING ROAD	BOROUGH OF WATCHUNG	0.63	N/A	Art Center
4401	7	12 STIRLING ROAD	BOROUGH OF WATCHUNG	1.50	N/A	Library
4401	8.01	VALLEY ROAD	BOROUGH OF WATCHUNG	0.36	N/A	Preserved open space - Best Lake
4401	8.02	VALLEY ROAD	BOROUGH OF WATCHUNG	8.50	N/A	Preserved open space - Best Lake
4401	9	VALLEY ROAD	BOROUGH OF WATCHUNG	2.60	N/A	Preserved open space - Best Lake
4501	1.07	880 SOMERSET STREET	BOROUGH OF WATCHUNG	2.80	N/A	Borough DPW and Police Station
4501	1.08	840 SOMERSET STREET	BOROUGH OF WATCHUNG	6.08	N/A	Borough DPW and Police Station
4601	1	SOMERSET STREET	SOMERSET COUNTY BD OF FREEHOLDERS	2.66	N/A	Preserved open space
4701	1	770 SOMERSET STREET	BOROUGH OF WATCHUNG	0.10	N/A	Preserved open space - Veteran's Memorial
5201	3.02	JOHNSTON DRIVE	BOROUGH OF WATCHUNG	0.13	N/A	Preserved open space
5401	1	EDGEMONT ROAD	BOROUGH OF WATCHUNG	0.10	N/A	Preserved open space
5703	1	ROUTE 22	STATE OF NEW JERSEY DEPT OF TRANS	2.50	N/A	Narrow NJDOT land along Rt 22 right-of-way
6301	2	ROUTE 22	STATE OF NEW JERSEY DEPT OF TRANS	1.10	N/A	Jughandle
6402	6	ROUTE 22	STATE OF NEW JERSEY DEPT OF TRANS	2.38	N/A	Jughandle
6404	4	ROUTE 22	STATE OF NEW JERSEY DEPT OF TRANS	0.84	N/A	Narrow NJDOT land along Rt 22 right-of-way; New Providence Road

June 2025

Borough of Watchung Spending Plan

BLOCK	LOT	LOCATION	OWNER	ACRES GROSS	ACRES NET	COMMENTS
6404	6	ROUTE 22	STATE OF NEW JERSEY DEPT OF TRANS	2.00	N/A	New Providence Road
6908	22	60 SEQUOIA DRIVE	BOROUGH OF WATCHUNG	9.56	N/A	Preserved open space - Camp Sequoia
6909	9	113 BAYBERRY LANE	BD OF ED WATCHUNG BOROUGH	15.00	N/A	elementary school
7007	1	380 PHILLIP LANE	BOROUGH OF WATCHUNG	1.50	N/A	Preserved open space - Best Lake
7402	5	BONNIE BURN ROAD	SOMERSET COUNTY BD OF FREEHOLDERS	0.28	N/A	Within intersection
7600	1	BONNIE BURN ROAD	SOMERSET COUNTY BD OF FREEHOLDERS	0.38	N/A	Within intersection, Block 7609 Lot 1
7601	2	48 BONNIE BURN ROAD	STATE OF N.J./DEPT. OF TRNSPT.	0.30	N/A	Within intersection
7601	9.02	BONNIE BURN ROAD	BOROUGH OF WATCHUNG FIRE STATION	0.75	N/A	Firehouse

June 2025

Borough of Watchung Spending Plan

EVALUATION OF VACANT AND DEVELOPABLE PROPERTIES

The table below shows the analysis of all privately-owned vacant land and all publicly-owned parcels not committed to a public purpose. The table identifies each property by block, lot, address, owner, and total (gross) acreage. The table also identifies the net acreage of each property after the environmental constraints described above are applied to each property. The "Comments" column provides commentary on each evaluated parcel including reasons for inclusion or exclusion from the Borough's Realistic Development Potential (RDP).

After this analysis, properties were placed in one of three categories:

- **Not Vacant** – Although classified as "vacant" in the Borough tax records a large number of parcels were found not be vacant and developable for various reasons including that the parcels are: utility rights-of-way or public utility uses; property has either been recently-developed or under construction; part of an active quarry; and common property of homeowner's associations; and part of developed sites (e.g., small portions of developed residential parcels in adjoining municipalities, parking lot of a shopping center, etc.). These properties have not been included in the RDP.
- **Insufficient size and/or no access** – These properties have not been included in the RDP principally because their net acreage (i.e., the developable portion of the site) is less than 0.83 acres in area. A number of these properties have no road access.
- **VACANT** – These properties are vacant and have a developable area ("net acres") exceeding 0.83 acres and are thus included in the Realistic Development Potential (RDP)

June 2025

Borough of Watchung Spending Plan

Table 2: Analysis of "Vacant" Lots including Non-Committed Publicly-Owned Lands

BLOCK	LOT	LOCATION	OWNER	ACRES GROSS	ACRES NET	CATEGORY	COMMENTS
101	1	816 MOUNTAIN BLVD	SIPOS, STEVEN A	0.10	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage
101	3	800 MOUNTAIN BLVD	JCPL C/O FIRST ENERGY TAX DEPT	0.21	N/A	Not Vacant	Utility right of Way; insufficient gross acreage
101	4	1 HELEN STREET	STEFANYSHYN, VOLODYMYR & DIANA	0.18	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage
102	7	5 MOUNTAIN COURT	WILLET, ROBERT L & LAURA REES	0.31	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage
102	8	6 MOUNTAIN COURT	SCHULTZ JR, WILLIAM & MERCEDES	0.74	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage
102	9	10 MOUNTAIN COURT	STIENER, JOSEPH	0.27	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage
201	7	2 GLEN EAGLES DRIVE	JCPL C/O FIRST ENERGY TAX DEPT	1.30	N/A	Not Vacant	Utility right of Way
301	3	225 SUNLIT DRIVE	CRONHEIM, MARION Z	0.01	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage
301	31	TIFFANY WAY	WATCHUNG ASSOCIATES,L.L.C.	N/A	N/A	Not Vacant	Part of recently constructed townhouse development; common property
301	31 C202	202 SOPHIA COURT	WATCHUNG DEVELOPERS, LLC	N/A	N/A	Not Vacant	Part of recently constructed townhouse development; condo unit
301	31 C404	404 MARISSA LANE	WATCHUNG DEVELOPERS, LLC	N/A	N/A	Not Vacant	Part of recently constructed townhouse development; condo unit
301	31 C502	502 TIFFANY WAY	PAOLELLA, PAUL A & JUDITH	N/A	N/A	Not Vacant	Part of recently constructed townhouse development; condo unit
302	10	24 SUNLIT DRIVE	SCHAEFER, JOHN F & TERESA	1.31	0.00	Insufficient size and/or no access	Environmental constraints result in insufficient acreage
302	24	234 SUNLIT DRIVE	SIMON, JEFFREY	0.02	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage
403	11.02	ROCK ROAD EAST	NICHOLS,III,HOWARD & EGIDE	N/A	N/A	Not Vacant	Lot could not be located; believed to have been consolidated into developed lot in adjoining municipality

June 2025

Borough of Watchung Spending Plan

BLOCK	LOT	LOCATION	OWNER	ACRES GROSS	ACRES NET	CATEGORY	COMMENTS
403	11.05	9 KAPPELMANN DRIVE	KENNETH F.KUNZMAN, TRUSTEE	0.40	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage
403	11.06	8 KAPPELMANN DRIVE	PATEL, G. & S. & PATEL, D. & P.	0.25	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage
403	11.07	10 KAPPELMANN DRIVE	HAQUE, NADEEM UI & HAQUE, NAZIA H	0.25	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage
501	2	105 WASHINGTON ROCK ROAD	301 GARRETT LLC	1.76	N/A	Not Vacant	Recently constructed house
1003	14	150 STANIE GLEN ROAD	BOROUGH OF WATCHUNG	0.30	N/A	Insufficient size and/or no access	Insufficient Size
1101	9	282 ANDERSON ROAD	CYNTHIA LOU BECK	3.20	2.68	VACANT	INCLUDED IN RDP
1102	8	111 STANIE BRAE DRIVE	111 STANIE BRAE LLC	1.68	1.60	VACANT	INCLUDED IN RDP
1102	10	6 DEER RUN	STANIE BRAE HOLDINGS LLC	1.22	1.22	VACANT	INCLUDED IN RDP
1102	13	16 DEER RUN	NEAMAN, IRA & JUDITH	0.93	0.9	Not Vacant	Part of developed property in adjoining municipality
1301	1	28 DEER RUN	NEAMAN, IRA & JUDITH	0.30	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage
1301	2	36 DEER RUN	TAGLIETTI, MARCO & PAOLA RAINA	0.06	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage
1301	3	46 DEER RUN	ACKERMAN, DON & YVONNE	0.07	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage
1301	4	58 DEER RUN	RING, GEORGE & DOROTHY	0.07	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage
1301	5	70 DEER RUN	MAPLE COURT, LLC	0.08	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage
1301	6	82 DEER RUN	FERREIRA, MARIO & MARIA	0.08	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage
1301	7	94 DEER RUN	KONADU-NKATIA, ELISE	0.07	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage

June 2025

Borough of Watchung Spending Plan

BLOCK	LOT	LOCATION	OWNER	ACRES GROSS	ACRES NET	CATEGORY	COMMENTS
1301	8	100 DEER RUN	HOLDER, JANUS	0.11	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage
1301	9	120 DEER RUN	BALBONI, EVE & STEPHEN C	0.06	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage
1601	11.02	13 CAIN CIRCLE	MUNOZ, MANUEL & KETTY	0.04	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage
1603	16	45 WINTER LANE	45 WINTER LANE, LLC	1.41	1.24	VACANT	INCLUDED IN RDP
1604	13	15 MOUNTAIN BLVD	BOROUGH OF WATCHUNG	1.03	0.36	Insufficient size and/or no access	Environmental constraints result in insufficient acreage
1604	17.02	SOMERSET STREET	STATE OF NEW JERSEY DEPT OF TRAN	1.63	0.10	Insufficient size and/or no access	Environmental constraints result in insufficient acreage
1703	2	19 WASHINGTON DRIVE	CORT, GREGORY	0.25	N/A	Not Vacant	Part of developed residential property
1801	1.01	WASHINGTON DRIVE	BOROUGH OF WATCHUNG	0.06	0.0	Insufficient size and/or no access	Excessively small and narrow lot along street right-of-way
2001	5	MAPLE STREET	SCOTTI, DONALD R	N/A	N/A	Not Vacant	Lot could not be located; there are no vacant properties on Maple Street
2201	9.02	28 ROCK AVENUE	COOPER, REGINALD & MARY B	0.39	N/A	Not Vacant	Part of developed residential property
2801	7.02	330 STIRLING ROAD	HAY, MICHAEL BRYAN & HICKS, J.,	0.21	N/A	Not Vacant	Part of developed residential property; insufficient size; no access
2801	7.03	330 STIRLING ROAD	HAY, MICHAEL BRYAN & HICKS, J.,	0.20	N/A	Not Vacant	Part of developed residential property; insufficient size; no access
2803	7.04	12 GLEN VIEW DRIVE	MANG, ELLA J	0.79	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage
2803	7.05	10 GLEN VIEW DRIVE	FOX, DANIELLE	0.93	N/A	Not Vacant	Part of developed property in adjoining municipality
2804	5	9 GLEN VIEW DRIVE	LUO, SHIUH JOHN & HU, CHIACHI ANGELA	0.08	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage

Borough of Watchung Spending Plan

June 2025

BLOCK	LOT	LOCATION	OWNER	ACRES GROSS	ACRES NET	CATEGORY	COMMENTS
3601	3.02	180 STIRLING ROAD	MONETTI, STEVEN & LINDA	0.13	N/A	Not Vacant	Part of developed residential property; insufficient size
3601	3.03	180 STIRLING ROAD	MONETTI, STEVEN & LINDA	0.17	N/A	Not Vacant	Part of developed residential property; insufficient size
4001	4	STIRLING ROAD	JDN PROPERTIES III, LLC	N/A	N/A	Not Vacant	Part of townhouse development; condo unit
4001	6.01	17 FALLS VIEW	CRC COMMUNITIES AT SLEEPY HOLLOW	0.62	N/A	Not Vacant	Recently constructed house
4001	6.04	23 FALLS VIEW	CRC COMMUNITIES AT SLEEPY HOLLOW	0.54	N/A	Not Vacant	Recently constructed house
4003	5.01	175 PARK PLACE	ANISKO, JOSEPH & EUGENIA	1.41	0.14	Insufficient size and/or no access	Environmental constraints result in insufficient acreage
4006	1	213 HILLCREST ROAD	OWUSU, EDNA & CROFFIE, JUSTICE	2.26	0.36	Insufficient size and/or no access	Environmental constraints result in insufficient acreage
4101	1	135 HIGH OAKS DRIVE	SEGERSON, JAMES P	0.21	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage
4102	12	311 HILLCREST ROAD	SIRAGUSA, JOSEPH & JENNIFER	0.14	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage; no access
4102	13	94 OLD SMALLEYTOWN RD	MASCH, VICTOR & MARINA	0.30	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage; no access
4302	1	10 RIDGE ROAD	MATINHO, JULIO S & MARIA L	N/A	N/A	Not Vacant	Lot could not be located; there are no vacant properties on Ridge Road
4303	1	115 CRESTWOOD DRIVE	SIT, CHO-WEI & HELENA	0.48	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage
4303	12	336 HILLCREST ROAD	FIGUEIREDO, JOAO	0.24	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage
4308	1.01	20 SUNBRIGHT ROAD	JHP DEVELOPMENT, LLC	1.18	1.10	VACANT	INCLUDED IN RDP
4309	8	106 OLD SOMERSET ROAD	REILLY, GEORGE D & DONNA MAHLSTEDT	0.85	0.74	Insufficient size and/or no access	Environmental constraints result in insufficient acreage

June 2025

Borough of Watchung Spending Plan

BLOCK	LOT	LOCATION	OWNER	ACRES GROSS	ACRES NET	CATEGORY	COMMENTS
4313	1	CEDAR LANE	FREE ACRES ASSOC C/O E VENTER	8.71	2.24	Not Vacant	Not vacant, contains numerous homes
4313	2	CEDAR LANE	FREE ACRES ASSOC INC C/O C. VENTER	10.70	2.81	Not Vacant	Not vacant, communal association property
4314	1	98 CRESTWOOD DRIVE	KITSOPOULOS, GERASIMOS & TSOLAKI, I	0.20	N/A	Insufficient size and/or no access	
4402	4	65 GALLOWAE	ARROUK, RAMI & BADIN, KRISTINE	0.93	0.33	Insufficient size and/or no access	Environmental constraints result in insufficient acreage
4404	5	OAKRIDGE LANE	UNKNOWN	N/A	N/A	Not Vacant	Lot could not be located; there are no vacant properties on Oakridge Lane
4407	1.03	247 JOHNSTON DRIVE	STONEBRIDGE DEVELOPMENT, L.L.C.	1.67	N/A	Not Vacant	Building permit for construction of new home
4501	1.03	193 JOHNSTON DRIVE	MONTI, ROBERT & ANTOINETTE	0.69	0.15	Insufficient size and/or no access	Environmental constraints result in insufficient acreage
4601	2	SOMERSET STREET	COLSON, ANDREW E & MARIBEL	1.11	0.76	Insufficient size and/or no access	Environmental constraints result in insufficient acreage
4801	1	JOHNSTON DRIVE	VALLEY NATIONAL BANK	0.09	N/A	Not Vacant	Developed site
4901	5	430 WATCHUNG AVENUE	KOZA, JOSEPH & JULIA	0.02	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage
4901	6	72 JOHNSTON DRIVE	UNKNOWN	0.07	N/A	Insufficient size and/or no access	small, excessively narrow lot, portion of developed lot in adjoining municipality with same address
5001	1	92 JOHNSTON DRIVE	ORRICO, RUSSELL A & ANNA MARIE	0.05	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage
5001	2	105 JOHNSTON DRIVE EXT	ENCARNACION, FRANK R	0.05	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage
5001	3	109 JOHNSTON DRIVE EXT	ZAMORA, DAYANA A MONGE	0.06	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage

Borough of Watchung Spending Plan

June 2025

BLOCK	LOT	LOCATION	OWNER	ACRES GROSS	ACRES NET	CATEGORY	COMMENTS
5001	4	113 JOHNSTON DRIVE EXT	ARPAIA, GIOVANNI & PHILOMENA	0.08	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage
5001	9.04	137 JOHNSTON DRIVE EXT	POSEHN, DAVID K & MICHELLE L	0.38	N/A	Not Vacant	Same development site as 151 Johnstone Drive Etc (B 5001 L10); insufficient gross acreage
5002	1	140 JOHNSTON DRIVE EXT	MOSSUTO GERRARD / TOMCYK STACIE	0.03	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage
5002	2	148 JOHNSTON DRIVE EXT	SCHWARTZ, LEONARD W., TRUST	0.09	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage
5101	1.02	116 JOHNSTON DRIVE	IMIOLEK, MARK	0.03	N/A	Not Vacant	Part of development on adjoining lot; insufficient gross acreage
5201	1.03	51 UPPER DRIVE	SIMPSON, JOHN Q & ALIYAH C SIMMONS	2.54	N/A	Not Vacant	Recently developed house
5201	1.04	170 JOHNSTON DRIVE EXT.	WINTER WAY ESTATES LLC	2.29	1.22	Not Vacant	New house under construction
5402	1	8 WEST DRIVE	MONTERROSO, JUAN O CASTILLO ET AL	0.45	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage
5402	2	20 WEST DRIVE	NORTHWOOD TIC OWNER A, LLC	0.22	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage
5402	10	448 JOHNSTON DRIVE	CLARKE, KEVIN	1.60	N/A	Not Vacant	House recently constructed
5601	1	28 EAST DRIVE	REGENCY VILLAGE C/O C & R REALTY	0.34	N/A	Not Vacant	Part of developed property in adjoining municipality; insufficient gross acreage
5603	9	99 EAST DRIVE	LESNIOWSKI, STANLEY	1.50	N/A	Not Vacant	House recently constructed
5701	6.01	ROUTE 22	BOROUGH OF WATCHUNG	6.86	1.24	VACANT	INCLUDED IN RDP
5702	3.03	ROUTE 22	BDA REALTY LLC,	0.96	N/A	Not Vacant	Developed site
5703	14	351 ROUTE 22	METRO STORAGE N PLAINFIELD LLC	N/A	N/A	Not Vacant	This owner/ address is Block 6.02 Lot 1; developed
5801	3	ROUTE 22	WATCHUNG UE LLC	3.19	0.26	Insufficient size and/or no access	Environmental constraints; no access

June 2025

Borough of Watchung Spending Plan

BLOCK	LOT	LOCATION	OWNER	ACRES GROSS	ACRES NET	CATEGORY	COMMENTS
5901	3	ROUTE 22	WATCHUNG UE LLC	11.30	1.79	Insufficient size and/or no access	Environmental constraints; no access
6001	1	1581,1585 ROUTE 22	WATCHUNG UE LLC	1.84	N/A	Not Vacant	Developed site
6001	3	ROUTE 22	WATCHUNG UE LLC	5.15	1.45	Insufficient size and/or no access	Environmental constraints; no access
6201	5.01	ROUTE 22	1696 ROUTE 22 EAST,LLC	0.06	N/A	Not Vacant	Developed site
6201	5.02	ROUTE 22	1696 ROUTE 22 EAST,LLC	0.72	N/A	Not Vacant	Developed site
6401	1.02	908 JOHNSTON DRIVE	WATCHUNG UE LLC	6.78	0.32	Insufficient size and/or no access	Environmental constraints; no access
6402	1	1593 ROUTE 22	WATCHUNG UE LLC	0.52	N/A	Not Vacant	Developed site
6402	2.01	ROUTE 22	WATCHUNG UE LLC	2.20	N/A	Not Vacant	Developed site
6402	2.02	ROUTE 22	WATCHUNG UE LLC	0.20	N/A	Not Vacant	Developed site
6402	2.03	ROUTE 22	WATCHUNG UE LLC	1.19	0.00	Insufficient size and/or no access	Environmental constraints; no access
6402	2.04	ROUTE 22	WATCHUNG UE LLC	2.60	0.59	Insufficient size and/or no access	Environmental constraints; no access
6402	13	1040 JOHNSTON DRIVE	PAUL, SOLOMON A & ROZARIO, CANDICE	1.54	0.23	Insufficient size and/or no access	Environmental constraints result in insufficient acreage
6403	1	ROUTE 22	PSE&G	6.15	N/A	Not Vacant	Utility right-of-way
6404	2.02	ROUTE 22	LEVIN PROPERTIES LP	1.96	N/A	Not Vacant	Developed site - shopping center
6404	2.03	ROUTE 22	LEVIN PROPERTIES LP	3.49	N/A	Not Vacant	Part of developed property - shopping center site

June 2025

Borough of Watchung Spending Plan

BLOCK	LOT	LOCATION	OWNER	ACRES GROSS	ACRES NET	CATEGORY	COMMENTS
6404	2.05	BONNIE BURN ROAD	LEVIN PROPERTIES LP	0.52	N/A	Not Vacant	Part of developed property - shopping center site
6501	3	JOHNSTON DRIVE	ELIZABETHTOWN WATER/AMERICAN WATER	1.38	N/A	Not Vacant	Utility; water tower site
6701	7.02	261 VALLEY DRIVE	BRISKI, RAYMOND & JEANNE	1.38	0.42	Insufficient size and/or no access	Environmental constraints result in insufficient acreage
6906	8	845 JOHNSTON DRIVE	CHAUDHRY, MUHAMMAD & CHAUDRI, RABEEA	1.33	0.60	Insufficient size and/or no access	Environmental constraints result in insufficient acreage
6906	13.01	35 DEVONSHIRE LANE	CONNELL, TONI	2.68	2.16	VACANT	INCLUDED IN RDP
6908	6	1055 JOHNSTON DRIVE	PATEL MAYANK VAISHALI RAOJIBHANI UR	3.64	3.62	VACANT	INCLUDED IN RDP
6909	32	OAKWOOD ROAD	PSE&G	1.72	N/A	Not Vacant	Utility right-of-way
7001	5	67 PRICE DRIVE	FECHTNER, DR J L & SONDRA	1.50	1.21	VACANT	INCLUDED IN RDP
7001	6.01	25 PRICE DRIVE	JACKSON, NORMAN & MATHIS, AMEENAH	1.50	N/A	Not Vacant	Recently subdivided, house constructed
7004	17	17 HIGH TOR DRIVE	ELIZABETHTOWN WATER/AMERICAN WATER	N/A	N/A	Not Vacant	Block, lot and address could not be located; water tower exists on developed property at 23 High Tor Drive on B7004 L18
7008	1.03	1041 PLAINFIELD AVENUE	CONNELL RICE & SUGAR CO INC	1.09	0.08	Insufficient size and/or no access	Environmental constraints result in insufficient acreage
7008	2	PLAINFIELD AVENUE	LAKATOS, SHIRLEY	0.54	0.04	Insufficient size and/or no access	Environmental constraints result in insufficient acreage
7008	3	PLAINFIELD AVENUE	CONNELL COMPANY (THE)	0.73	0.20	Insufficient size and/or no access	Environmental constraints result in insufficient acreage

June 2025

Borough of Watchung Spending Plan

BLOCK	LOT	LOCATION	OWNER	ACRES GROSS	ACRES NET	CATEGORY	COMMENTS
7008	4	PLAINFIELD AVENUE	CONNELL RICE & SUGAR CO INC	0.56	0.01	Insufficient size and/or no access	Environmental constraints result in insufficient acreage
7008	5	PLAINFIELD AVENUE	PSE&G	1.84	N/A	Not Vacant	Utility right of Way
7008	30	2 DRIFT ROAD	BOROUGH OF WATCHUNG	2.22	0.74	Insufficient size and/or no access	Environmental constraints result in insufficient acreage; No access
7008	31.03	14 DRIFT ROAD	BOROUGH OF WATCHUNG	0.52	0.19	Insufficient size and/or no access	Environmental constraints result in insufficient acreage
7010	1	DRIFT ROAD	BERLANT, ROBERT D	0.01	0.01	Insufficient size and/or no access	Environmental constraints result in insufficient acreage; No access
7010	2	DRIFT ROAD	BERLANT, ROBERT D C/O ASSOC. REALTY	2.11	1.44	Insufficient size and/or no access	Environmental constraints; No access
7010	3	DRIFT ROAD	BERLANT, ROBERT D	0.59	0.59	Insufficient size and/or no access	Environmental constraints result in insufficient acreage; No access
7010	4.01	DRIFT ROAD	YANKEE INVEST. LLC C/O J BECKERMAN	2.44	0.39	Insufficient size and/or no access	Environmental constraints result in insufficient acreage; No access
7010	4.02			2.79	2.34	Insufficient size and/or no access	Environmental constraints; No access
7010	5.01	DRIFT ROAD	BROOK HILL INC	5.47	3.98	Not Vacant	Developed site
7010	5.02	DRIFT ROAD	BROOK HILL INC	5.01	2.32	Not Vacant	Developed site
7010	5.03	DRIFT ROAD	BROOK HILL INC	2.67	1.17	Not Vacant	Developed site
7011	1.01	PLAINFIELD AVENUE	STONEGATE AT WATCHUNG ASSOC INC	4.00	N/A	Not Vacant	Common property of townhouse development

June 2025

Borough of Watchung Spending Plan

BLOCK	LOT	LOCATION	OWNER	ACRES GROSS	ACRES NET	CATEGORY	COMMENTS
7012	2	PLAINFIELD AVENUE	BOROUGH OF WATCHUNG	1.17	0.00	Insufficient size and/or no access	Environmental constraints result in insufficient acreage
7302	16	VALLEY ROAD	PSE&G	3.25	N/A	Not Vacant	Utility right of Way
7302	19	VALLEY ROAD	CONNELL COMPANY	0.98	N/A	Not Vacant	Developed site
7403	1	JOHNSTON DRIVE	TEXAS EASTERN TRANSMISSION CORP	1.40	N/A	Not Vacant	Utility right of Way
7403	18	JOHNSTON DRIVE	WELDON MATERIALS INC	1.46	0.29	Insufficient size and/or no access	Environmental constraints result in insufficient acreage
7501	1	VALLEY ROAD	CONNELL COMPANY	14.18	2.95	VACANT	INCLUDED IN RDP
7501	2	1085 VALLEY ROAD	200 CONNELL LLC	0.88	0.47	Insufficient size and/or no access	Environmental constraints result in insufficient acreage
7501	3	1125 VALLEY ROAD	200 CONNELL LLC	3.05	0.00	Insufficient size and/or no access	Environmental constraints result in insufficient acreage
7501	4	1201 VALLEY ROAD	CONNELL CORPORATE CENTER I LLC	1.36	0.00	Insufficient size and/or no access	Environmental constraints result in insufficient acreage
7501	7	VALLEY ROAD	50 CONNELL CORPORATE CENTER LLC	2.64	0.01	Insufficient size and/or no access	Environmental constraints result in insufficient acreage
7501	8	133 TWIN FALLS ROAD	FREEDEN,CHRIS R.	N/A	N/A	Not Vacant	Block/ lot not found in Watchung; address is a developed lot in adjoining municipality
7502	1	VALLEY ROAD	CONNELL COMPANY	1.25	1.24	Not Vacant	Borough in process of acquiring long-term lease of property for new firehouse
7601	1	BONNIE BURN ROAD	WELDON MATERIALS INC.	N/A	N/A	Not Vacant	Lot no longer exists - must have been consolidated; Entire of block is an active quarry
7601	3.01	BONNIE BURN ROAD	WELDON MATERIALS INC	N/A	N/A	Not Vacant	Lot no longer exists - must have been consolidated; Entire of block is an active quarry

June 2025

Borough of Watchung Spending Plan

BLOCK	LOT	LOCATION	OWNER	ACRES GROSS	ACRES NET	CATEGORY	COMMENTS
7601	5	NEW PROVIDENCE ROAD	WELDON MATERIALS INC	63.51	N/A	Not Vacant	Active quarry
7601	8	264 BONNIE BURN ROAD	WELDON MATERIALS INC	2.98	N/A	Not Vacant	Active quarry
7601	9.01	BONNIE BURN ROAD	WELDON MATERIALS INC	6.89	N/A	Not Vacant	Active quarry
7601	10	230 BONNIE BURN ROAD	WELDON MATERIALS INC	2.48	N/A	Not Vacant	Active quarry
7601	12.02	334 BONNIE BURN ROAD	WELDON MATERIALS INC	2.37	N/A	Not Vacant	Active quarry
7601	15	368 BONNIE BURN ROAD	WELDON MATERIALS INC	0.60	N/A	Not Vacant	Active quarry
7601	20	VALLEY ROAD	WELDON MATERIALS INC	44.71	N/A	Not Vacant	Active quarry
7601	24	VALLEY ROAD	WELDON MATERIALS INC	3.02	N/A	Not Vacant	Active quarry
7601	25	VALLEY ROAD EXT	WELDON MATERIALS INC	6.65	N/A	Not Vacant	Active quarry
7601	26	VALLEY ROAD EXT	WELDON MATERIALS INC	4.73	N/A	Not Vacant	Active quarry
7601	27	1308 VALLEY ROAD EXT	WELDON MATERIALS INC	9.25	N/A	Not Vacant	Active quarry
7601	28	NEW PROVIDENCE ROAD	WELDON MATERIALS INC	12.64	N/A	Not Vacant	Active quarry
7601	29	NEW PROVIDENCE ROAD	WELDON MATERIALS INC	0.52	N/A	Not Vacant	Active quarry
7801	1	100 UNION AVENUE	100 UNION AVENUE HOLDINGS LLC	2.22	0.70	Insufficient size and/or no access	Environmental constraints result in insufficient acreage
7801	2	64 NEW PROVIDENCE ROAD	WELDON MATERIALS, INC.	0.28	0.26	Insufficient size and/or no access	Environmental constraints result in insufficient acreage
7801	3	80 NEW PROVIDENCE ROAD	WELDON MATERIALS, INC.	0.20	0.10	Insufficient size and/or no access	Environmental constraints result in insufficient acreage

Borough of Watchung Spending Plan

June 2025

BLOCK	LOT	LOCATION	OWNER	ACRES GROSS	ACRES NET	CATEGORY	COMMENTS
7801	4	NEW PROVIDENCE ROAD	WELDON MATERIALS INC	1.82	0.13	Insufficient size and/or no access	Environmental constraints result in insufficient acreage
7801	5	NEW PROVIDENCE ROAD	WELDON MATERIALS INC	1.55	0.02	Insufficient size and/or no access	Environmental constraints result in insufficient acreage
7801	6	NEW PROVIDENCE ROAD	WELDON MATERIALS INC	0.56	0.00	Insufficient size and/or no access	Environmental constraints result in insufficient acreage
7801	7	NEW PROVIDENCE ROAD	CEY INC C/O IMERY'S	1.83	0.00	Insufficient size and/or no access	Environmental constraints result in insufficient acreage
7801	8	NEW PROVIDENCE ROAD	CEY INC C/O IMERY'S	0.57	0.00	Insufficient size and/or no access	Environmental constraints result in insufficient acreage

June 2025

Borough of Watchung Spending Plan

After excluding vacant properties per the exclusion criteria mentioned above, there are 10 properties remaining in the Borough of Watchung that have a Realistic Development Potential for inclusionary housing. The total developable area of these properties is 19.01 acres. The Table below identifies these properties.

Table 3: Vacant and Developable Properties

BLOCK	LOT	LOCATION	OWNER	ACRES GROSS	ACRES NET	CATEGORY
1101	9	282 ANDERSON ROAD	CYNTHIA LOU BECK	3.20	2.68	VACANT
1102	8	111 STANIE BRAE DRIVE	111 STANIE BRAE LLC	1.68	1.60	VACANT
1102	10	6 DEER RUN	STANIE BRAE HOLDINGS LLC	1.22	1.22	VACANT
1603	16	45 WINTER LANE	45 WINTER LANE, LLC	1.41	1.24	VACANT
4308	1.01	20 SUNBRIGHT ROAD	JHP DEVELOPMENT, LLC	1.18	1.10	VACANT
5701	6.01	ROUTE 22	BOROUGH OF WATCHUNG	6.86	1.24	VACANT
6906	13.01	35 DEVONSHIRE LANE	CONNELL, TONI	2.68	2.16	VACANT
6908	6	1055 JOHNSTON DRIVE	PATEL MAYANK VAISHALI RAOJIBHANI UR	3.64	3.62	VACANT
7001	5	67 PRICE DRIVE	FECHTNER, DR J L & SONDR	1.50	1.21	VACANT
7501	1	VALLEY ROAD	CONNELL COMPANY	14.18	2.95	VACANT

June 2025

Borough of Watchung Spending Plan

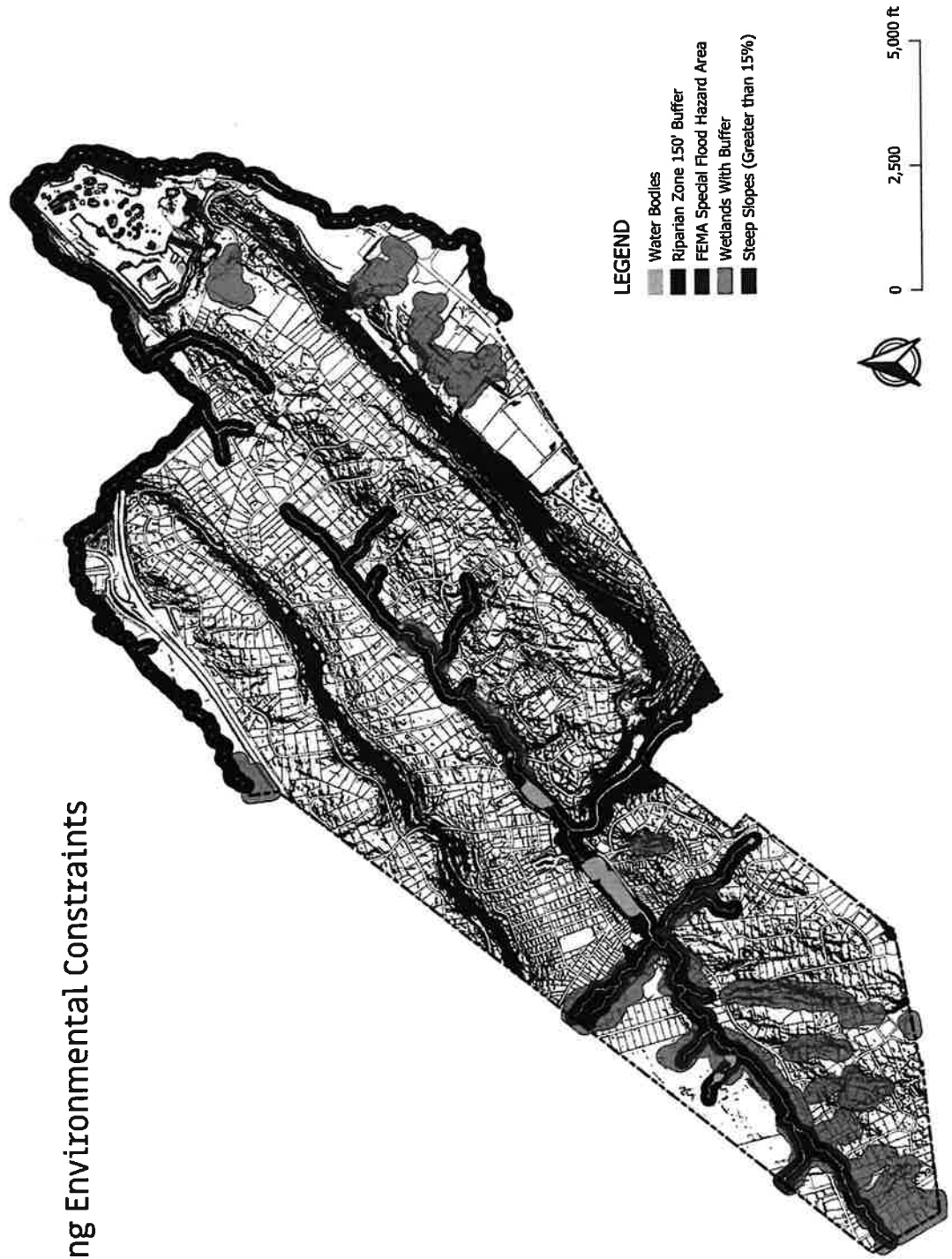
CALCULATION OF REALISTIC DEVELOPMENT POTENTIAL (RDP)

- **Vacant and developable acreage:** 19.01 acres
- **Total development potential:** Based on the minimum presumptive density of 6 units per acres, the properties can be developed with a total of 114 units.
- **Affordable Housing RDP:** Applying a 20 percent affordable housing set-aside (1 affordable unit for each 5 units), the properties would yield a realistic development potential (RDP) of 23 units. With an obligation of 111 and an RDP of 23 units, the Unmet Need is 88.

Borough of Watchung Spending Plan

June 2025

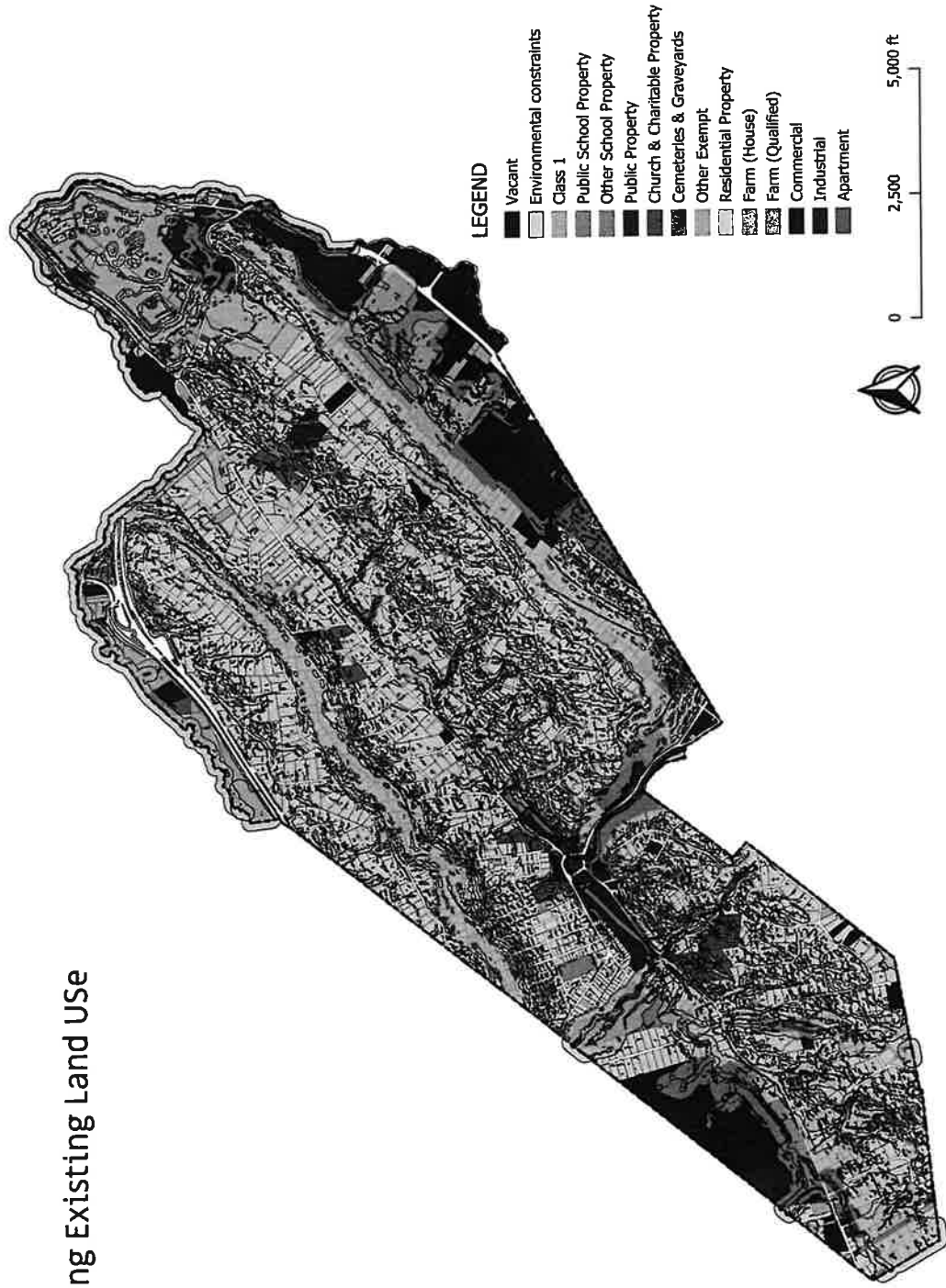
Watchung Environmental Constraints



Borough of Watchung Spending Plan

June 2025

Watchung Existing Land Use



June 2025

Borough of Watchung Spending Plan

Watchung Vacant Land Analysis

