

**HOUSING ELEMENT and FAIR SHARE PLAN
With Spending Plan**

For the

**BOROUGH OF RIVERTON
BURLINGTON COUNTY, NEW JERSEY**

Prepared for
The Riverton Planning Board

Written: November 18, 2008
Adopted: December 16, 2008

Forward

According to the New Jersey Municipal Land Use Law, 40:55D-28b(3), a municipal Master Plan must contain a Housing Element. Pursuant to Section C. 52:27D-310 a municipal housing element shall be designed to achieve the goal of access to affordable housing to meet present and prospective housing needs with particular attention to low and moderate income housing. This report includes the Borough's third round housing obligation (2004 to 2018) pursuant to Chapter 97, Substantive Rules of the New Jersey Council on Affordable Housing for the Period Beginning December 20, 2004." A calculation of the currently projected third round obligation and a Fair Share Compliance Plan to meet that obligation are included, along with a prospective spending plan.

The Borough of Riverton previously submitted a Round III Housing Element and Fair Share Plan in December 2005 in accordance with the November 2004 COAH adopted Third Round Rules (Chapter 5:94). The Borough of Riverton has revised its plan and is petitioning COAH again because portions of these COAH rules were overturned in 2007. This new plan meets the revised COAH rules which became effective June 2, 2008 and amendments to those rules which became effective in October 2008. In addition, they also conform to new housing legislation signed by the Governor on July 17, 2008.

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Attachment: COAH Petition Application

Appendices

- A. Planning Board Resolution
- B. Resolution of the Council petitioning COAH for Substantive Certification of its adopted Housing Element and Fair Share Plan
- C. Growth Share Determination Workbook A
- D. Revised Development Fee Ordinance (pending)
- E. Revised Affordable Housing Ordinance (pending)
- F. Prior Round Certification (On File)
- G. Rehabilitation Compliance Documentation (pending)
- H. Service List

Introduction

In 1975 the New Jersey Supreme Court ruled that developing municipalities have a constitutional obligation to provide a realistic opportunity for the construction of low and moderate-income housing. In its 1983 Mt. Laurel II decision the Court expanded the Mt. Laurel doctrine and stated that all municipalities share in the obligation. In July 1985 the Fair Housing Act (FHA) was enacted as the legislative response to the Supreme Court rulings. The Act created the Council on Affordable Housing as the administrative alternative to the courts.

The FHA directs the New Jersey Council on Affordable Housing (COAH) to provide regulations that allow municipalities to prepare comprehensive responses which will provide a realistic opportunity for the provision of affordable housing through municipal land use regulation.

COAH's primary responsibilities are:

- Establish Housing Regions for the State;
- Estimate regional housing need; and
- Provide guidelines for municipalities to use in addressing their fair share obligations.

Municipal responsibilities under the Fair Housing Act consist of adopting and filing with COAH a Housing Element, prepared according to COAH's criteria and guidelines. According to the New Jersey Municipal Land Use Law, C.52:27D-310, the Housing Element shall contain at least:

1. The 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;
2. A projection of the municipality's housing stock, including the probable future construction of low and moderate income housing, for the next six years subsequent to the adoption of the Housing Element, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands;
3. An analysis of the municipality's demographic characteristics, including but not necessarily limited to, household size, income level and age;
4. An analysis of the existing and probable future employment characteristics of the municipality;
5. 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;
6. A consideration of the lands that are most appropriate for construction of low and moderate income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low and moderate income housing, including a consideration of lands of developers who have expressed a commitment to provide low and moderate income housing.

This Housing Element meets all of above requirements as specified in the latest addition of the Municipal Land Use Law, dated February 2008. This plan meets the guidelines of the revised COAH Round III rules and recently adopted State legislation.

I. Background Information

The Borough of Riverton consists of a land area of 0.70 square miles or approximately 448 acres and is located in southern New Jersey, in Burlington County. The Borough is bound by the Delaware River to the north, the Township of Cinnaminson to the south and east and the Borough of Palmyra to the west.

The Borough is historically a suburban, bedroom community, for commuters working in the cities of Camden, Trenton and Philadelphia. With the exception of a small number of infill lots and redevelopment opportunities, the Borough is fully built out. The Borough also faces significant issues to redevelop its existing business and transportation corridors and other infrastructure.

HOUSING CHARACTERISTICS

Age of Housing

While Riverton has fewer housing units (1,113 units) when compared to neighboring communities (Palmyra and Cinnaminson) with similar characteristics, it has a larger percentage of older housing stock. In fact, more than half of Riverton's units (72%) were built prior to 1940 making the median age of homes 60-years-old. The Borough has not kept pace with construction of new units. Only 309 new units were added to its housing stock in a 60 year period between 1940 and 2000. Compared to Palmyra's 1,955, and Cinnaminson's 4,614 new housing units.

	Riverton	Palmyra	Cinnaminson	Burlington County
Total Housing Units:	1,113	3,219	5,147	161,311
Built 1999 to March 2000	0	55	60	4,004
Built 1995 to 1998	11	88	154	10,425
Built 1990 to 1994	0	32	185	12,138
Built 1980 to 1989	4	132	281	25,620
Built 1970 to 1979	23	643	594	32,103
Built 1960 to 1969	60	233	2,250	28,884
Built 1950 to 1959	145	444	1,064	21,774
Built 1940 to 1949	66	328	226	7,282
Built 1939 or earlier	804	1,268	333	19,081
Median year structure built	1940	1950	1964	1971

Source: 2000 U.S. Census, Tables H34 and H35

Condition of Housing

The 2000 Census data shows that the housing stock is well maintained with no units lacking plumbing facilities. Riverton, however, does outpace comparison municipalities by more than one percent of homes that are considered crowded. Overcrowding is defined by the U.S. Department of Housing and Urban Development as any unit with more than one person living per room.

Table 2: Condition of Housing				
	Riverton	Palmyra	Cinnaminson	Burlington County
Total housing units	1,113	3,219	5,147	161,311
Lacking complete plumbing facilities	0	5	17	623
% Lacking complete plumbing facilities	0%	0.16%	.33%	0.39%
Lacking complete kitchen facilities	6	13	0	657
% Lacking complete kitchen facilities	0.54%	.40%	0.00%	0.41%
Crowded, Built Pre 1950	17	19	7	547
% Crowded, Built Pre 1950	1.53%	.59%	0.14%	0.34%
<i>Source: 2000 U.S. Census, Tables H47, H49, and H50</i>				

Purchase or Rental Value of Housing

The 2000 median value of homes in Riverton was \$156,600. The table below indicates that the median value of housing in Riverton is more than the County as a whole and neighboring Palmyra but slightly less than Cinnaminson. The median rents in Riverton, however, are less than the County, Palmyra, and Cinnaminson.

Table 3: Purchase and Rental Value of Housing				
	Riverton	Palmyra	Cinnaminson	Burlington County
Median contract rent	\$639	\$685	\$760	\$672
Median value	\$156,600	\$110,300	\$158,200	\$134,000
<i>Source: 2000 U.S. Census, Tables H56, and H85</i>				

Occupancy Characteristics

The vacancy rate in Riverton was 4.2% in 2000, which was slightly lower than the County as a whole, and Palmyra who had the largest percentage rate for vacancy (6.68%). Riverton, however, did have a higher vacancy rate, nearly doubled, in comparison to Cinnaminson.

Table 4: Occupancy Characteristics of Housing				
	Riverton	Palmyra	Cinnaminson	Burlington County
Total Housing Units	1,113	3,219	5,147	161,311
Occupied	1,066	3,004	5,057	154,371
Vacant	47	215	90	6,940
% vacant	4.22%	6.68%	1.75%	4.30%
For rent	20	100	5	2,226
For sale only	7	59	38	2,230
Rented or sold, not occupied	13	14	24	708
For seasonal, recreational, or occasional use	0	29	12	595
For migrant workers	0	0	0	0
Other vacant	7	13	11	1,181
<i>Source: 2000 U.S. Census, Tables H6 and H8</i>				

Housing Type

More than 76% of Riverton's housing stock is owner occupied. The figure is slightly less than Burlington County, and is considerably lower than neighboring Cinnaminson where more than 96% of its units are owner occupied. The table also shows units with “selected conditions,” defined by the U.S. Census as units as having at least one of the following conditions: (1) lacking complete plumbing facilities, (2) lacking complete kitchen facilities, (3) with 1.01 or more occupants per room, (4) selected monthly owner costs as a percentage of household income in 1999 greater than 30 percent, and (5) gross rent as a percentage of household income in 1999 greater than 30 percent. These figures indicate that more than 24 % of Riverton’s owner occupied housing and more than 52% of the renter occupied housing has one or more of these selected conditions.

Table 5: Housing Tenancy & “Special Conditions”				
	Riverton	Palmyra	Cinnaminson	Burlington County
Total units:	1,066	3,004	5,057	154,371
Owner occupied:	815	2,100	4,868	119,500
% Owner occupied	76.45%	69.91%	96.26%	77.41%
Owner occupied with one or more selected condition	199	594	978	30150
% of Owner occupied units with selected condition	24.42%	28.29%	20.09%	25.23%
Renter occupied:	251	904	189	34,871
% Renter occupied	23.55%	30.09%	3.74%	22.59%
Renter with one or more selected condition	131	284	41	12710
% of rental units with selected conditions	52.19%	31.42%	21.69%	36.45%
<i>Source: 2000 U.S. Census, Tables HCT28</i>				

Housing Units

More than 60% of housing units in Riverton are single-family detached units. This percentage is less than Burlington County's figure but more than 11% greater than Palmyra. In comparison, more than 90% of the units in Cinnaminson are single family detached units.

Table 6: Units in Structure

	Riverton	Palmyra	Cinnaminson	Burlington County
Total Housing Units:	1,113	3,219	5,147	161,311
1, detached	677	1,597	4,818	104,299
1, attached	139	711	89	22,090
2	113	297	37	3,783
3 or 4	78	116	16	6,374
5 to 9	100	186	172	8,196
10 to 19	0	230	5	7,251
20 to 49	6	38	0	2,999
50 or more	0	40	0	3,810
Mobile home	0	4	10	2,477
Boat, RV, van, etc.	0	0	0	32
% 1, detached	60.83%	49.61%	93.61%	64.66%

Source: 2000 U.S. Census, Tables H 30

Existing Units in Riverton's Affordable to Low-and-Moderate Income Households

In order to determine the number of existing housing units that are and are not affordable to low- and moderate-income households, the Borough will utilize COAH and Federal housing definitions of housing affordability as well as 2000 Census data in an attempt to quantify this estimate.

These agencies use a threshold to define affordability based on housing expense as a percentage of monthly income for households receiving between 0% and 80% of Median Family Income (MFI). In general, households paying more than 30% of monthly income on housing expense are considered cost burdened. For renters, housing costs include rent plus utilities paid by the tenant. For owners, housing costs include the mortgage payment, property taxes, insurance, condominium or homeowner association fees and utilities.

Using 2000 Census data, the U. S. Department of Housing and Urban Development (HUD) has prepared a "Comprehensive Housing Affordability Strategy (CHAS)" study for communities which receive Federal housing funds. As a participant in the HUD-funded State Small Cities CDBG Program, this data is available for Riverton. The data is summarized in the following table and is broken out by tenure type, household type (i.e., elderly, small family, large family, and other household), and by income category.

Table 7: CHAS Affordability Data for Riverton

Household by Type, Income, & Housing Problem	Renters					Owners					Total Households
	Elderly	Small Related	Large Related	All	Total	Elderly	Small Related	Large Related	All	Total	
	(1 & 2 members)	(2 to 4 members)	(5 or more members)	Other	Renters	(1 & 2 members)	(2 to 4 members)	(5 or more members)	Other	Owners	
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	
1. Household Income <= 50% MFI	4	10	0	47	61	36	42	4	0	82	143
2. Household Income <=30% MFI	0	0	0	24	24	10	15	0	0	25	49
3. % with any housing problems	N/A	N/A	N/A	83.3	83.3	100	100	N/A	N/A	100	91.8
4. % Cost Burden >30%	N/A	N/A	N/A	83.3	83.3	100	100	N/A	N/A	100	91.8
5. % Cost Burden >50%	N/A	N/A	N/A	83.3	83.3	100	100	N/A	N/A	100	91.8
6. Household Income >30 to <=50% MFI	4	10	0	23	37	26	27	4	0	57	94
7. % with any housing problems	100	100	N/A	82.6	89.2	84.6	85.2	100	N/A	86	87.2
8. % Cost Burden >30%	100	100	N/A	82.6	89.2	84.6	85.2	100	N/A	86	87.2
9. % Cost Burden >50%	0	0	N/A	17.4	10.8	30.8	70.4	100	N/A	54.4	37.2
Source:	CHAS Data Book, 2000										

According to the 2000 Census there were 1,113 housing units in the Borough. Based on data from the CHAS table there is a relatively small number of households which are considered cost burdened, but the percentage for certain groups appears to be high. For example, 100% of elderly owner-occupied units in the 30% to 50% of MFI income category are cost burdened. Data indicates that there are high percentages of this small subset of residents living in substandard housing units, and Riverton should consider tailoring a housing rehabilitation program specifically for this group.

DEMOGRAPHIC CHARACTERISTICS

Population Trends

The population of Riverton has been in decline from 1980 to 2000. Unlike the County and neighboring Palmyra, each have experienced some growth, Riverton has lost up to 10% of its population.

Table 8: Population Growth, 1980-2000				
	Riverton	Palmyra	Cinnaminson	Burlington County
1980	3,068	7,085	16,072	362,542
1990	2,775	7,056	14,583	395,066
2000	2,759	7,091	14,595	423,394
% Growth (1980-2000)	-10.0	<.1	-9.1	16.7
<i>Source: 2000 U.S. Census, Tables P 1, 1990 U.S. Census P001</i>				

Household Size and Type

The average household size in Riverton is 2.48 persons. The household size is larger for owner occupied units (2.71) compared to renters units (1.74). Almost 70% of the households in Riverton are family households. Of that, more than 58% are married couple families. Riverton ranks well below the County and surrounding communities, where there are more non-family households.

Table 9: Household Size & Type				
	Riverton	Palmyra	Cinnaminson	Burlington County
Average household size -- All Units	2.48	2.36	2.85	2.65
Average household size – Owner occupied	2.71	2.5	2.86	2.77
Average household size – Renter occupied	1.74	2.03	2.56	2.24
Total households	1,066	3,004	5,075	154,371
Family households	746	1,852	4,143	111,581
% Family households	69.98%	61.65%	81.93%	72.28%
Married-couple family	626	1,354	3,567	89,052
% married couple family	58.72%	45.07%	70.54%	57.69%
Male householder, no wife present	30	123	141	5,744
Female householder, no husband present	90	375	435	16,785
Nonfamily households	320	1,152	914	3,292

Source: 2000 U.S. Census, Tables H17

Age Characteristics

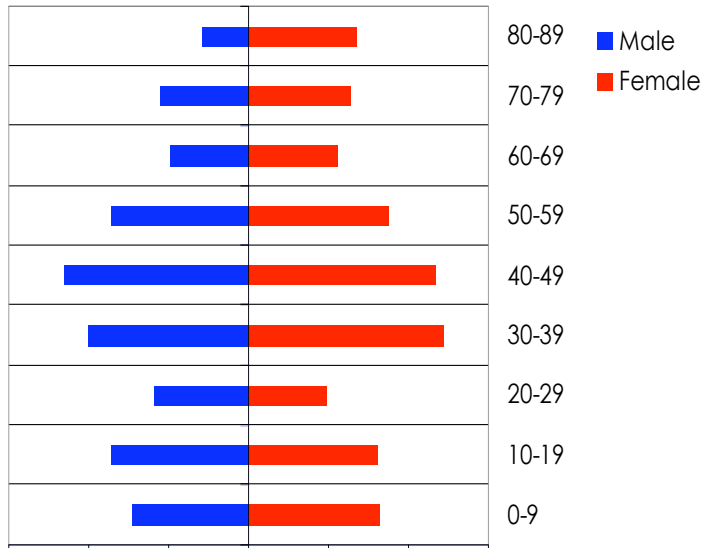
The age-sex distribution of the population in Riverton as well as Burlington County and New Jersey is shown in the population pyramids in the following figure. The population profile does not differ significantly from the County profile, although the Borough has a slightly older median age of 41.8 years relative to Burlington County (37.1 years). The male population was slightly smaller (2.1 percentage points) than the female population. This is consistent with the County norm, where the female population is one percentage point larger than the male population.

Table 11: Median Age				
	Riverton	Palmyra	Cinnaminson	Burlington County
Both sexes	41.8	38	42	37.1
Male	40.6	36.4	41	35.8
Female	42.8	39.4	42.9	38.4

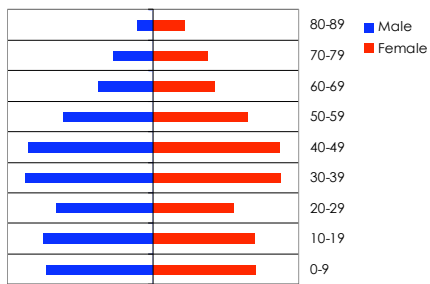
Source: 2000 U.S. Census, Table P13

• **Figure 1: Age Distribution**

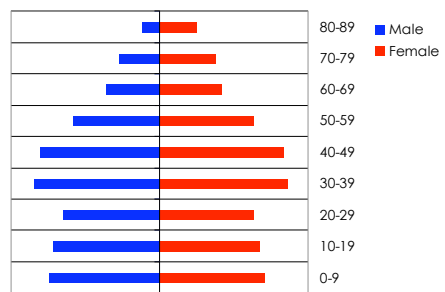
Riverton Age Distribution



Burlington County Age Distribution



New Jersey Age Distribution



• Source: 2000 U.S. Census, Table P12

Income Level

The 1999 median income in Riverton was \$58,977, which is comparable to the County as a whole. Riverton residents are more affluent than those in Palmyra but less affluent than those in Cinnaminson.

Table 12: Median Income				
	Riverton	Palmyra	Cinnaminson	Burlington County
Median household income in 1999	\$58,977	\$51,150	\$68,474	\$58,608
<i>Source: 2000 U.S. Census, Table P53</i>				

The 1999 income statistics indicate that incomes in Riverton are typically consistent with averages for Burlington County. There are some deviations in the \$35,000 to \$49,999 income bracket, where the County outpaces the Borough by six percent. Also, the percentages are slightly higher for the Borough for incomes between \$75,000 and \$149,999.

Table 13: Household Income by Brackets, 1999

	Borough of Riverton		Burlington County
	Number of Households	% of Total	% of Total
Less than \$10,000	34	3%	3.9
10,000 - 14,999	15	1%	3.4
15,000 - 24,999	111	10%	8.2
25,000 - 34,999	134	13%	10.2
35,000 - 49,999	99	9%	15.4
50,000 - 74,999	224	21%	23.2
75,000 - 99,999	175	16%	15.5
100,000 - 149,999	157	16%	13.7
150,000 +	60	6%	6.4

Source: U.S. Census Bureau, Table P 52

The COAH regulations define low (those earning up to 50% of the median household income) and moderate-income households (those earning from more than 50% to 80% of the median household income). The figures are adjusted for household size and the municipality's housing region. Riverton is part of Region Five, which includes Burlington, Camden and Gloucester Counties. Below is a breakdown of the maximum 2008 income figures by household size that COAH uses to determine affordability for the region.

Table 14: COAH 2008 Regional Income Limits (Region 5)

Income	Family Size									
	1	1.5	2	3	4	4.5	5	6	7	8
Median	\$52,010	\$55,725	\$59,440	\$66,870	\$74,300	\$77,272	\$80,244	\$86,188	\$92,132	\$98,076
Moderate	\$44,608	\$44,580	\$47,552	\$53,496	\$59,440	\$61,818	\$64,195	\$68,950	\$73,706	\$78,461
Low	\$26,005	\$27,863	\$29,720	\$33,435	\$37,150	\$38,636	\$40,122	\$43,094	\$46,066	\$49,038
Very Low	\$15,603	\$16,718	\$17,832	\$20,061	\$22,290	\$23,182	\$24,073	\$25,856	\$27,640	\$29,423

Source: COAH, 2008

Employment Status of Residents

Riverton had a higher population of residents who did not work in 1999 (32%), compared to the County and neighboring municipalities. It far outpaced Palmyra by nearly 10 percentage points for population that did not work, and the County by five percentage points.

Table 15: Employment Status				
	Riverton	Palmyra	Cinnaminson	Burlington County
Usually worked 35 or more hours per week	1,194	3,481	5,732	192,981
% of the population that worked 35 or more hours per week	53.1%	61.5%	50.1%	58.7%
Usually worked 34 hours or less hours per week	321	909	2,211	47,093
Did not work in 1999	732	1,271	3,503	88,833
% of the population that did not work in 1999	32.0%	22.5%	30.6%	27.0%

Source: 2000 U.S. Census, Table P47

EMPLOYMENT CHARACTERISTICS

The manufacturing sector is the major employer in Riverton where 51% of jobs are held. This is significantly higher than Palmyra (33%) and Cinnaminson (18%). There are also a significant number of jobs within the construction, wholesale/retail and services sector, while agriculture and information/finance, insurance, real estate reports no employment in these sectors.

National Casein is one of the largest employers in Riverton. National Casein manufactures molded plastic products, tape, adhesives and sealants. Other large employers in Riverton are Barclay Group which an insurance company, Moccia Enterprises which is a kitchen equipment distributor, the Riverview Estates Nursing Home, and CVS Pharmacy.

Table 16: Percent Distribution of Employment by Industry, 2000				
Sector	Riverton		Palmyra	Cinnaminson
	Jobs	%	%	%
1 - Agriculture, Forestry, Fisheries, & Mining	0	0%	0%	0%
2 - Construction	48	6%	10%	7%
3 - Manufacturing	381	51%	33%	18%
4 - Transportation, Warehousing & Utilities	8	1%	0%	12%
5 - Wholesale & Retail Trade	46	6%	26%	23%
6 - Information & Finance, Insurance, Real Estate	0	0%	4%	5%
7 - Services	112	15%	24%	27%
8 - Public Administration	12	2%	3%	9%

Source: New Jersey Department of Labor

Employment Outlook & Trends

Riverton is primarily a residential community. The number of jobs in the Borough has remained steady and is not expected to increase since there are few opportunities for economic development in the Borough. Any new growth is expected in the downtown commercial area and would likely be made-up of small restaurants, shops, and offices.

While National Casein has no plans to relocate their operations, many similar light manufacturing companies have moved from the region due to factors in the global economy. However, National Casein has been in the Borough for over 50 years and have weathered many changing economic times.

II. ANALYSIS OF IMPACT OF EXISTING CONDITIONS ON AFFORDABLE HOUSING OPPORTUNITIES

AVAILABILITY OF EXISTING AND PLANNED INFRASTRUCTURE

Riverton is fully served by public water and sewer. There is adequate capacity in the Borough for in-fill type development as well as for smaller redevelopment projects in the Borough. There are no large areas available for new development.

ANTICIPATED DEMAND OF TYPES OF USES PERMITTED BY ZONING

The Borough of Riverton is a fully built-out suburban municipality that permits are forms of housing development in its various zoning districts. Demand for any one form of development is extremely low due to the lack of vacant land. There are potentially three smaller scale areas that meet the criteria for redevelopment, but no formal redevelopment plans have been developed or adopted.

ANTICIPATED LAND USE PATTERNS

As stated previously, the Borough of Riverton is a fully built-out suburban municipality that contains most land uses including a small industrial facility. With the exception of any future redevelopment, land use patterns are stable and are not anticipated to change.

MUNICIPAL ECONOMIC DEVELOPMENT POLICIES

As with many older suburban communities, the Borough of Riverton struggles to maintain the vibrancy of its downtown. To address these issues, the Borough recently received a grant from the Delaware Valley Regional Planning Commission to develop a Downtown Revitalization Plan. This effort is anticipated to begin in early 2009.

In addition, the Borough has an Economic Development Committee and a Business Alliance which actively promote local businesses. The Burlington County Office of Economic Development also takes an active role on business promotion. Nearly all of the Association's efforts strive to keep existing business space operating. There is virtually no room for expanding commercial uses.

CONSTRAINTS ON DEVELOPMENT

As a fully built-out suburban municipality, the Borough of Riverton has only two options for development, in-fill and redevelopment. The lack of land for growth is the ultimate constraint in the Borough.

EXISTING OR PLANNED MEASURES TO ADDRESS THESE CONSTRAINTS

Other than preparing redevelopment plans for the three potential areas, the Borough of Riverton has no available measures to address its largest constraint, the lack of land.

CONSIDERATION OF LAND MOST APPROPRIATE FOR CONSTRUCTION OF LOW AND MODERATE INCOME HOUSING

Opportunities for new construction of any type, including affordable housing, exist on two small tracts of underutilized land. A third tract is presently part of the Cinnaminson golf course, a private, member-owner club. All three of these sites would be appropriate since they are within walking distance of downtown and multiple modes of transportation, including the RiverLine light rail system.

HOUSEHOLD AND EMPLOYMENT PROJECTIONS

This fair share plan relies upon household and employment projections for the municipality as provided in Appendix F of COAH's rules, last amended October 22, 2008.

PLAN ENDORSEMENT

Riverton is included in Burlington County's Route 130 Corridor Planning Region, an endorsed plan that includes twelve communities along the RiverLine. Accordingly, the Borough's Master Plan, and this Housing Element amendment have been developed to comply with the Endorsed Plan. The Endorsed Plan was originally adopted in 1999 and the County is currently updating it in concert with statewide cross-acceptance of the State Plan.

III. FAIR SHARE COMPLIANCE PLAN

AFFORDABLE HOUSING OBLIGATION

In terms of affordable housing, the prospective need is the projection of affordable housing needs based on development and growth which is likely to occur in a municipality or a region. (Fair Housing Act of 1985) Since the Fair Housing Act was established in 1985, subsequent regulations allowed municipalities to take credit for certain developments with affordability controls built after April 1, 1980.

First and second round fair share plans were designed to meet a prospective need as prescribed by the State's Council on Affordable Housing. A municipality's obligation included an assumption based on the amount of affordable housing that a municipality could or should sustain, along with a proportion of a larger need for the Region, and in the case of Riverton, Region 5 (Burlington, Camden and Gloucester Counties).

When Riverton was certified under Round II COAH regulations, the Borough sought and received a vacant land adjustment which reduced the Borough's new unit obligation from fifteen (15) new units to two (2). The Borough adopted inclusionary zoning on Martha's Lane to accommodate the two units, and instituted an overlay zone on the Riverton portion of the Riverton Country Club golf course to account for the thirteen (13) units of unmet need.

For Round III, the Borough relies herein on projections of COAH's consultants as outlined in Appendix F and last revised October 22, 2008. As such, the Borough may expect to see growth of fifty-one (51) new housing units and a loss of 154 jobs. In reality, local officials don't expect that much residential growth between 2005 and 2018 and, except for typical cyclical swings, the local economy has been, and will continue to be relatively stable. Therefore, COAH's projections are a conservative view of prospective growth in Riverton.

The fifty-one (51) housing units translate to 10 affordable units. The decrease in employment means there's no growth attributed to economic development. Therefore, the total obligation is twelve (12) units; ten (10) for round three and two (2) outstanding for prior rounds.

REHABILITATION

According to Appendix B, the Borough's rehabilitation obligation is seventeen (17), up from fifteen (15) units during the prior rounds.

VACANT LAND ADJUSTMENT AND MECHANISM FOR ADDRESSING PRIOR ROUND

Riverton received a vacant land adjustment under Round II. Since that time, conditions have not changed. The adjustment should remain valid and the obligation from prior rounds should continue to be two (2) units. The Borough adopted inclusionary zoning on a portion of Martha's Lane to anticipate those units. Though the lots have not been developed, the Borough has, nonetheless provide a reasonable opportunity for their development.

MECHANISM FOR ADDRESSING GROWTH SHARE

A round three fair share obligation includes three components: 1) the rehabilitation share based on Appendix B of the round three regulations, 2) the new unit obligation from the prior rounds and 3) the growth share obligation for 2005 through 2018. Relying on COAH's projections, Riverton is obligated to rehabilitate seventeen (17) units and construct twelve (12) new affordable units. Since these calculations seem conservative, the Borough has elected not to generate an alternative projection.

1. The Rehabilitation Share

Riverton's prior round rehabilitation obligation was fifteen (15) units. Under round three, the State re-calculated the Borough's rehab obligation to be four (4) units for a brief time, before re-calculating it again to the current obligation of seventeen (17) units. To date, no units have been rehabilitated for Riverton's round two obligation, so the Borough cannot take credit for completed rehabilitation projects.

Under its round two certification, Riverton proposed to meet its rehabilitation obligation with a combination of accessory apartments and a passive rehabilitation program. The accessory apartment program was confined to the downtown in an attempt to re-introduce residential uses into the downtown through apartments on the second floor, above commercial space. This did not materialize.

Riverton now proposes to satisfy this portion of the Fair Share Plan through a passive rehabilitation program accessible to all qualifying homes anywhere in the Borough. Riverton will continue its Memorandum of Understanding with the Burlington County Housing Improvement Program, which will administer and fund the Borough's rehabilitation program. The Borough will rely on the County's housing rehabilitation manual and the County will be responsible for income verification procedures required by COAH. The Borough will advertise the program in accordance with the municipality's affirmative marketing plan.

At the writing of this plan it is not known exactly where the rehabilitation units might be located, but the program will be advertised and efforts will be made to encourage low and moderate income households that qualify for the housing assistance to enter the housing rehabilitation program.

COAH's substantive rules require that at least \$10,000 be allocated for each rehabilitated unit and 10-year affordability controls. Therefore, a total commitment of \$170,000 is required to fund the rehabilitation obligation. Half of the funds must be allocated by year five of COAH's new ten year, round three cycle, so the proposed funding schedule is as follows:

FUNDING SCHEDULE for Riverton's Housing Rehabilitation Program		
DEADLINE	FUNDING	UNITS COMPLETED
3 years after certification	\$40,000	4
5 years after certification	\$40,000	4
8 years after certification	\$50,000	5
10 years after certification	\$40,000	4
	\$170,000 total	17 total

2. Prior Round and Round III New Unit Obligation

As noted previously, the Borough is obligated to create a realistic opportunity for the construction of twelve (12) new units, and satisfy an unmet need of thirteen (13) units, stemming from the Borough's previously approved vacant land adjustment. The Borough intends to satisfy this obligation through a combination of inclusionary zoning and affordable housing projects.

Martha's Lane

An Affordable Housing (AH) zone was established along the south side of Martha's Lane. Originally it was designed to include two (2) affordable units with five (5) market rate units. Subsequently, during a development application, an error was discovered in the Borough tax maps which incorrectly identified a portion of the land in the AH zone. A portion of the zone was actually part of a lot in the General Business zone. Therefore as part of this petition, the Borough will revise the AH zoning district, reduce the permitted lot size from 7,000 sf to 5,000 sf and increase the permitted density so the zone will yield two (2) affordable units and seven (7) market rate units. This will accommodate the prior round, two (2) unit obligation.

Riverton recognizes that there might be limitations to developing the AH zone. These limitations may be partly responsible for the lack of construction in the area. The need to build infrastructure along Martha's Lane undoubtedly adds to the cost of any affordable housing project, and decreases the economic viability of the project.

The existing AH zone is also isolated; not part of any other residential neighborhood. The land use across the street, across Martha's Lane, is an existing industrial business, National Casein. If that site is redeveloped in accordance with the current GB zoning, it will become retail and/or office space, not neighborhood residential. Therefore the development potential of the adjoining commercial zone might be a hindrance to affordable housing in the current AH zone.

These limitations can be overcome if Riverton expands the affordable housing zone across Martha's Lane. Development on the opposite side of the right-of-way would share the cost of infrastructure construction. Also, by proposing residential development on the National Casein site, prospective housing in the existing AH zoning district could be developed within a more complete neighborhood context.

National Casein Site

The Borough has determined that the best way to satisfy some of its new affordable housing obligation, as well as improve the realistic development potential of its previous obligation, is to create a second affordable housing zone north of Martha's Lane. However, rather than being strictly residential, this zone will be a mix of residential and office development.

The Borough has a real need to establish a more well-balanced tax base. The area is currently a commercial use and redeveloping it with residential uses only would destabilize the Borough's already ill-balanced tax base. The Borough cannot afford to lose the potential for such a large commercial ratable or a redeveloped commercial ratable. It is preferable to include a mix of office and residential development in the new affordable housing zone.

With appropriate buffers and setbacks, office development can be constructed in concert with residential development without creating conflicting land use patterns. Office development is less intense than retail development, so it can exist more easily side by side with residential uses. The Borough will eliminate retail uses from the list of permitted uses in the GB zone. This has the added benefit of reducing competition on the retail businesses downtown. And yet, office uses will generate a greater source of employment than retail uses would, and these employment generators will be able to draw upon the adjacent residential areas as well as commuters from the nearby light rail line.

The Borough will draft a performance based zoning ordinance that will give developers a significant amount of flexibility to build a wide variety of housing types, thereby attracting a wide range of developers to construct the residential component of the new zone. But the Borough also wants to control the amount of residential development created, choosing instead to compensate prospective affordable housing developers with higher intensity commercial development.

The new zoning ordinance will stipulate that office uses must be developed in conjunction with residential units and the residential units shall be an equal mix of affordable and market rate housing. The offices must be constructed in a campus setting, with one or more buildings, all accessing the primary arterial.

To help visualize how a new zoning ordinance will provide a developer with a more intense commercial development, it is helpful to compare the existing commercial zoning of the area with some proposed requirements. The current zoning permits both office and retail uses on 8,000 square foot minimum lots. The following chart summarizes the existing bulk requirements of the GB zone:

BULK REQUIREMENTS IN THE EXISTING GB ZONE
--

Standard	Requirement
Permitted uses	office and retail
Minimum lot size	8,000 sf
Minimum front yard setback	20 feet
Minimum side yard setback	10 min. feet each, 25 feet total
Minimum rear yard setback	25% of mean lot depth
Maximum building height	35 feet
Minimum lot frontage	75 feet
Maximum lot coverage	60 %
Landscape buffering between residential and commercial uses	20 feet

Since the Borough already has one affordable housing zone, the new zone will be referred to as AH2 (AH1 will refer to the existing Affordable Housing zone on Martha’s Lane). Standards will be designed to compensate a developer for constructing affordable housing. They might include the following:

PROPOSED BULK REQUIREMENTS FOR THE AH2 ZONE, compared to the existing GB Zoning District Requirements		
Standard	Proposed AH2 Requirements	Existing GB Requirements
Permitted uses	office with residential	office and retail
Minimum lot size	8 ac	8,000 sf
Minimum front yard setback	20 feet	20 feet
Minimum side and rear yard setback	Relative to the height of the buildings	10 min. feet each, 25 feet total
Minimum loading zoning setback	25 feet	25% of mean lot depth
Maximum building height	35 feet	35 feet
Minimum lot frontage	75 feet	75 feet
Maximum lot coverage	70% office/ 40% residential	60 %
Landscape buffering between residential and commercial uses	20 feet	20 feet
Minimum distance between commercial buildings	25 feet	---
Minimum affordable housing provided	Five (5) units or the equivalent	---
Minimum parking standards	1 space/250 sf	1 space/200 sf

These proposed requirements provide a developer with greater impervious cover and parking

allowances, and less restrictions on setbacks, which should translate to more commercial development than would otherwise be obtainable under the existing commercial zoning. Given the added flexibility to construct a wide range of possible housing types, a developer will more easily realize compensation for the affordable housing component of this zone, while maximizing the economic value of on site commercial development. The ordinance will require that a minimum of five (5) affordable units, or their legitimate credit equivalent, are created.

204 Main Street

The two story brick apartment building at 204 Main Street on the southwest corner of Third and Main Streets was originally constructed for veterans of World War II. Presently it is a fully occupied, though somewhat deteriorated building of seven (7) apartments. The Borough is negotiating with the current owner, who has expressed an interest in making improvements to the property and making all of the units available to income qualified households. The proposed project would be a collaboration between the Borough, the property owner and a non-profit organization, yet to be identified. The Borough would help by subsidizing some of the renovations. The non-profit would manage the conversion and possibly partner with the land owner to ultimately manage the renovated apartment building. This would be a market-to-affordability project with both private and public stakeholders.

The building includes five (5) two bedroom apartments and two (2) one bedroom apartments. The site is 14,500 square feet, or a 1/3 of an acre; so the density would be equivalent to 21 du/ac. There's room for on-site parking behind the building with access from Third Street. There are no sensitive environmental features. All the units need substantial renovations, so the project creates an opportunity to improve some existing housing stock, commit those units to the needs of income qualified households, and do all that without instituting major planning initiatives that would change the character of the neighborhood. Instead, the improvements to the building will enhance the quality of life in the community.

Baptist Home

The Baptist Home of Southern New Jersey at 303 Bank Avenue is a non-sectarian, non-medical health care facility for very low income residents. It includes forty-six (46) beds and has both full and part-time staff to provide health care and assistance services for elderly and disadvantaged residents. All of the residents are Medicaid qualified.

The facility also has two ‘guest units.’ These are currently used to temporarily house visiting guests of residents. The Borough is negotiating with the facility to utilize these two units as permanent affordable housing units for very low income qualified households. It’s also possible that management may permit other units within the facility to be deed restricted. Negotiations are on-going.

The Borough would help subsidize the conversion of the two guest units to permanent housing units. Other potential units might be renovated in exchange for a restriction on very low income qualification residency requirements. With this project, the Borough seeks to improve existing housing stock, create at least two (2) units of very low income housing, insure the long term presence of the affordable units and do so without altering the character of the community.

A unique aspect of this project is the location of the facility. It is situated on the banks of the Delaware River, with prized views and water’s edge access. This type of setting is not usually available to low income households. To preserve these units as affordable units demonstrates a clear synergy of State and Local, public and private interests, collaborating to execute the purpose and intent of the Fair Housing Act.

Unmet Need

Because of the Vacant Land Adjustment approved during round two, the Borough continues to be responsible for demonstrating that the unmet need can be met in at least two ways. The Borough will maintain the previously approved and enacted overlay zone over the Borough's local golf course site. This zone requires a density of six units to the acre (6/du/ac) with a 20% set-aside. In the event that the members of the golf course decide to sell the site, the overlay zone will have the potential to generate sixty-four (64) units on the 10.76 acre site. Thirteen (13) of those units, or 20%, would be restricted to low and moderate income residents.

As a second means of meeting the unmet need, the Borough has instituted a development fee ordinance. Originally drafted for just the golf course site, the development fee ordinance was recently expanded to include the entire Borough. If the golf course is not developed with affordable housing, then the developer will contribute a fee toward the Borough's housing fund. The payment in lieu of construction must be equal to the cost of the 20% set aside. The overlay zone and the revised development fee ordinance were both previously approved and adopted and copies of these ordinances.

Affordable Housing Administrative Entity

The Borough will contract with the New Jersey Housing and Mortgage Finance Agency (NJHMFA) to administer the Borough's new unit housing program.

IV. CONCLUSION

Riverton Fair Share plan is a combination of inclusionary zoning initiatives and coordinated affordable housing development projects. The entire plan will generate sixteen (16) affordable units, and qualifies for six (6) rental bonus credits above the 25% minimum rental obligation. Therefore, this plan generates twenty-two (22) unit/credits for Riverton's twelve (12) unit affordable housing obligation as calculated per COAH's conservative growth share projection.

Project	Affordable Units	Family/ 50% min.	Rental/ 25% min.	Very Low Income/ 13% min.	Credits
National Casein (AH2)	5	5	0	0	
204 Main Street	7	7	7	0	
Baptist Home	2	0	2	2	
<i>Round III Total</i>	<i>14</i>	<i>12/120%</i>	<i>9/90%</i>	<i>2/20%</i>	<i>6 (rental credits)</i>
Prior Round - Martha's Lane (AH1 zoning)	2	2	0	0	
Total Obligation - Prior Round and Round III	16 + 6 credits = 22 satisfies 12 unit obligation with ten (10) extra units.				

The Borough will coordinate with Burlington County's Housing Development Office to satisfy Riverton's Rehab obligation of seventeen (17) units. The unmet need of thirteen (13) units, created when Riverton's prior round vacant land adjustment was approved, will continue to be satisfied by the affordable housing overlay zone on the portion of the Riverton Country Club Golf Course property that is located in Riverton.

V. SPENDING PLAN

INTRODUCTION

The Borough of Riverton has prepared a Housing Element and Fair Share Plan that addresses its regional fair share of the affordable housing need in accordance with the Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.), the Fair Housing Act (N.J.S.A. 52:27D-301) and the regulations of the Council on Affordable Housing (COAH) (N.J.A.C. 5:97-1 et seq. and N.J.A.C. 5:96-1 et seq.). A development fee ordinance creating a dedicated revenue source for affordable housing was adopted by the municipality on April 6, 2005 and approved by COAH on April 13, 2005. The ordinance establishes the Riverton affordable housing trust fund for which this spending plan is prepared.

As of October, 2008 Riverton has a balance of \$126,024.23 in its Affordable Housing trust fund accounts. All development fees, payments in lieu of constructing affordable units on site, funds from the sale of units with extinguished controls, and interest generated by the fees are deposited in a separate interest-bearing affordable housing trust fund in Farmers' & Mechanics' Bank for the purposes of affordable housing. These funds shall be spent in accordance with N.J.A.C. 5:97-8.7-8.9 as described in the sections that follow.

1. REVENUES FOR CERTIFICATION PERIOD

Little or no development is anticipated in Riverton. The Borough has projected revenue based on COAH's projections of development activity. All revenue is expected to come from development fees. There are no quantifiable projects currently anticipated that would employ payments in lieu.

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

(a) Development fees:

1. Residential and nonresidential projects which have had development fees imposed upon them at the time of preliminary or final development approvals;
2. All projects currently before the planning and zoning boards for development approvals that may apply for building permits and certificates of occupancy; and
3. Future development that is likely to occur based on historical rates of development.

(b) Payment in lieu (PIL):

Actual and committed payments in lieu (PIL) of construction from developers as follows: No developments are pending.

(c) Other funding sources:

Funds from other sources, including, but not limited to, the sale of units with extinguished controls, repayment of affordable housing program loans, rental income, proceeds from the sale of affordable units and the State Affordable Housing Trust Fund.

(d) Projected interest:

Interest on the projected revenue in the municipal affordable housing trust fund at the current average interest rate.

Riverton Borough projects a total of \$119,799 in revenue to be collected between November, 2008 and December 31, 2018. This revenue will be generated from the fifty-one (51) new residential units as projected by COAH. Assuming a median house value of \$156,600 per house, the anticipated development fee of 1 ½% on each house would total \$2,349.00. Multiplying this development fee by fifty-one (51) units equates to \$199,799. Since the Borough anticipates a loss in non-residential development, the Municipality does not assume any revenue will be generated from the commercial sector. All interest earned on the account shall accrue to the account to be used only for the purposes of affordable housing.

2. ADMINISTRATIVE MECHANISM TO COLLECT AND DISTRIBUTE FUNDS

The following procedural sequence for the collection and distribution of development fee revenues shall be followed by Riverton Borough:

(a) Collection of development fee revenues:

Collection of development fee revenues shall be consistent with Riverton's development fee ordinance for both residential and non-residential developments in accordance with COAH's rules and P.L.2008, c.46, sections 8 (C. 52:27D-329.2) and 32-38 (C. 40:55D-8.1 through 8.7).

(b) Distribution of development fee revenues:

The affordable housing trust funds will be distributed on a case-by-case basis in accordance with COAH procedures, and as is appropriate and in the best interest of each municipal affordable housing initiative, following successful negotiations between the Borough and affordable housing project sponsors, with the review and approval of COAH.

3. DESCRIPTION OF ANTICIPATED USE OF AFFORDABLE HOUSING FUNDS

(a) **Rehabilitation and new construction programs and projects (N.J.A.C. 5:97-8.7)**

Riverton Borough will take appropriate action, consistent with the law, to provide approximately \$558,000 to rehabilitation, new construction and affordable housing programs (see detailed descriptions in Fair Share Plan) as follows:

Rehabilitation program: \$ 170,000

New construction project(s): \$ 265,000; \$195,000 for 204 Main Street, and \$70,000 for the Baptist Home.

(b) **Affordability Assistance (N.J.A.C. 5:97-8.8)**

Projected minimum affordability assistance requirement:

Actual development fees through October, 2008		\$ 126,024.23
Actual interest earned through 7/17/2008	+	\$ incl.
Development fees projected 2008-2018	+	\$ 119,799.00
Interest projected 2008-2018	+	\$ ---
Less housing activity expenditures through November, 2008	-	\$ ---
Total	=	\$ 245,823.23
30 percent requirement	x 0.30 =	\$ 73,746.97
Less Affordability assistance expenditures through 12/31/2004	-	\$ ---
PROJECTED MINIMUM Affordability Assistance Requirement 1/1/2005 through 12/31/2018	=	\$ 73,746.97
PROJECTED MINIMUM Very Low-Income Affordability Assistance Requirement 1/1/2005 through 12/31/2018	÷ 3 =	\$ 24,582.32

Riverton will dedicate \$ 73,746.97 from the affordable housing trust fund to render units more affordable, including \$ 24,582.32 to render units more affordable to households earning 30 percent or less of median income by region, as follows:

(c) **Administrative Expenses (N.J.A.C. 5:97-8.9)**

Riverton projects that \$ 49,164.65, or approximately 20% of \$245,823.23, the existing and projected municipal affordable housing funds, will be available from the affordable housing trust fund to be used for administrative purposes. Administrative costs will be incurred for re-petitioning COAH for Third Round certification, administration of an agreement with the Baptist Home and the administration and coordination of the renovation and conversion of 204 Main Street. The rehabilitation project will be managed through the Burlington County Office of Housing Development.

4. EXCESS OR SHORTFALL OF FUNDS

Pursuant to the Housing Element and Fair Share Plan, the governing body of Riverton will adopt a resolution agreeing to take appropriate actions, consistent with the law, to fund any shortfall and it may consider the issuance of debt obligations if no other financial resources become available, including, but not limited to, the State's Affordable Housing Fund. A copy of the draft resolution is attached.

In the event of excess funds, any remaining funds above the amount necessary to satisfy the municipal affordable housing obligation will be used to expand the rehabilitation program.

5. BARRIER FREE ESCROW

Collection and distribution of barrier free funds shall be consistent with Riverton's Affordable Housing Ordinance in accordance with N.J.A.C. 5:97-8.5.

SUMMARY

Riverton intends to spend affordable housing trust fund revenues pursuant to N.J.A.C. 5:97-8.7 through 8.9 and consistent with the housing programs outlined in the housing element and fair share plan dated November, 2008.

Riverton has a balance of \$ 126,024.23 as of October, 2008 and anticipates an additional \$119,799.00 in revenues before the expiration of substantive certification for a total of \$245,823.23. The municipality will dedicate \$ 265,000 towards public/private partnership market to affordability projects, \$ 73,746.97 to render units more affordable, and \$49,164.65 to administrative costs. Any shortfall of funds will be offset by other financial resources, including, but not limited to, the State's Affordable Housing Fund. The municipality will dedicate any excess funds toward expanding the rehabilitation program.