

AMENDED HOUSING ELEMENT AND FAIR SHARE SUMMARY

WHAT IS A HOUSING ELEMENT? Reviews Housing Needs and Population Trends

WHAT IS A FAIR SHARE PLAN? The Plan describes strategies and funding sources to address a municipality's affordable housing obligation.

WHAT IS A PETITION FOR SUBSTANTIVE CERTIFICATION? It is a municipal request to engage in COAH's review process for a determination whether the Housing Element and Fair Share Plan is consistent with the Fair Housing Act and COAH's rules. Substantive cert. runs for 10 years.

MERCHANTVILLE HOUSING ELEMENT STATISTICS

TOTAL POPULATION: 3,821 residents. P.5

SENIOR POPULATION: 12.9% of population is over 65. P.5

RACE/ETHNICITY: Becoming more racially and ethnically diverse. P.6

INCOME LEVELS: per capita income of \$36,102 (relatively good) P.8

EDUCATIONAL ATTAINMENT: Over 63% have post-secondary education. P.9. There is typically a strong correlation between educational attainment and socio-economic well-being.

POVERTY: 12.8% of families and 13.8% of persons below poverty level. This is significantly more than 2000. County also increased.

RENTAL HOUSING OPPORTUNITIES: 61% of housing units are owner occupied, 39% renter-occupied. Greater % of rentals than County and State. PP.14-15.

HOUSING TYPE DIVERSITY. Greater housing type diversity, than County and State. Detached Single Family Dwellings (49.7%), Attached Single Family Dwellings (14.9%), Apartments 4 or less (21.3%), Apartments 5 or more (14.1%). P.16

AGE OF HOUSING STOCK: 58.3% before 1939, which is much larger percentage than County (18.4%) and State (18.3%). P.16.

HOUSING STOCK CONDITIONS. 9 units with overcrowded conditions. No units without complete plumbing or kitchen facilities. P.19

AVERAGE HOUSEHOLD SIZE: 2.41 persons. Average size of Owner-occupied units: 2.71, Average size of renter-occupied units: 1.95 persons.

HOUSING AFFORDABILITY: 50.9% of homeowners with a mortgage are paying an excessive portion of their income on housing costs. Higher than County (32.2%) and State (45.5%).

UNEMPLOYMENT: ACS statistic is 9.8%. DoL statistic is 11.8%. High unemployment rate.

DIVERSE ZONING: The Borough's variety of zoning districts allows a comprehensive response to housing needs. 2 mixed use districts and a residential multi-family district.

HOUSING ELEMENT RECOMMENDATIONS

- Seek grant opportunities and low interest loans for housing rehab, home ownership with focus on West Maple Neighborhood and Chapel Avenue/Centre Street Circle Area.
- Conduct home maintenance education training to residents (Camden County College).
- Strict enforcement of code standards of residential property maintenance.
- Add residential units in the commercial business district, without losing the small-town feel of the Borough, and in accordance with design guidelines in Land Use Element.
- Establish design guidelines for new construction within existing residential historic districts.
- File Housing Element and Fair Share Plan with COAH, seeking substantive certification.

COAH's PROPOSED NEW RULES:

COAH proposed rules are supposed to begin November 17, 2014.

There are 3 components to a Municipality's Affordable Housing Obligation:

- (1) Rehabilitation Share** is the number of housing units that are both deficient AND occupied by low and moderate income households. This will be met if the deficient housing units are rehabilitated to code or replaced with new affordable UHAC units.
- (2) Unanswered Prior Obligation (1987-2014)** is the new construction obligation for the period 1987-2014, reduced by past affordable housing completions. This will be met if create new UHAC units.
- (3) Fair Share of Prospective Need (2014-2024)** is a projection of affordable housing needs based on development and growth that is reasonably likely to occur in the region or the municipality over next ten years. This will be met if create new UHAC units.

New rules:

- establish an affordable housing set aside of 10%.
- require Economic Feasibility Study to ensure sites included in municipal fair share plans are realistic.
- require \$8,000 investment and 10-year deed restrictions for rehabilitation units.
- require 30 year deed restrictions and compliance with UHAC for new construction units.

COAH's new rules indicate Merchantville's Affordable Housing Obligation to be:

MERCHANTVILLE'S AFFORDABLE HOUSING OBLIGATION

Rehabilitation Share	7 units
Unanswered Prior Obligation	-93 units/0 Positive prior cycle
Fair Share of Prospective Need	-23 units

Error in statistic. The Rehab share is based on number of deficient housing units. COAH states there are 11 deficient units, however, the ACS data shows only 9 deficient units. This could reduce the rehab share to 6 units, instead of 7 units. PP.23-24, 28 and Exhibits A, B.

FAIR SHARE PLAN

REHABILITATION SHARE CREDITS

Rehabilitation Share (amended statistic)	6
606 West Maple Ave Rehabilitation Activities Since 2010	-11
Camden County HIP Rehabilitation Activities Since 2010	-2
Merchantville's Rehabilitation Share Credit	-7

We are seeking credit for **11** of the 54 units at Wellwood Manor that have affordability controls on them. Additionally, we are seeking credit for **2** units that were rehabbed through County Housing Improvement Program (HIP), but they do not have affordability deed restrictions.

SUMMARY

Rehabilitation Share	-7
Unanswered Prior Obligation	-93 /0 positive prior cycle
Fair Share of Prospective Need	-23
AFFORDABLE HOUSING OBLIGATION	-123 /-30

In conclusion, the Borough is meeting its affordable housing obligation and has a significant amount of credits. The extent of the credits is not clear at this time, as these will be new rules. Clarification is needed from COAH whether a municipality can carry forward prior round credits if it also has credits in the prospective round. It also depends on whether COAH accepts the Borough's proposed credits for County HIP. It appears that the Borough either has an affordable obligation credit of **30 or 123!** We will pursue all credits that are justly due to the Borough. If any other credits are needed in future (very unlikely), it is recommended Borough pursue additional affordability deed restrictions at Wellwood Manor.