

B O R O U G H O F
NEW PROVIDENCE

SETTLED IN 1720

**Borough of New Providence
Affordable Housing Q & A**

Part 1

1. Briefly, what does the affordable housing settlement agreement provide?

The settlement provides for a rezoning of certain areas in New Providence to allow for higher density housing which will include an affordable housing component. The affordable housing component is 20% of the total rezoned development area. The remaining 80% would be market priced units. In return, New Providence would be protected from so called "Builder's Remedy" law suits whereby a developer could sue the Borough to allow high density housing with an affordable component nearly anywhere in town.

2. Where are these areas located?

The primary quadrant is located between Central Avenue/the RR Tracks/Chanlon Road and the properties of CR Bard (Becton-Dickenson) and Commerce Drive. This area consists of 10 individual parcels totaling approximately 89.6 acres. A second area is where the Linde Property located at 100 Mountain Avenue with an area of approximately 21.5 acres which will be rezoned for age restricted housing. Another parcel owned by Linde at 575 Mountain Avenue will also be rezoned to allow for a Continuing Care Retirement Community with no affordable component.

3. What does high density housing mean?

Density is defined by the number of units per acre that would be permitted. In the case of our settlement, the properties rezoned would have an average density of 10.9 units per acre. The density for the properties rezoned for affordable housing ranges from 9.5 to 17 units per acre, depending on the site. A developer could determine that a lower density would be more beneficial. Much of these considerations will be based on market research and demographic shifts as examined by developers.

4. How many units are being proposed?

In total, there is a possibility of development of 1209 units, which would include 244 affordable housing units. For the development of 1209 units to occur, all 12 property owners in the zones would have to redevelop their properties. Click the [settlement agreement](#) (page 7) which contains the specific number of potential units per parcel.

5. What could occur with regard to the redevelopment?

At this time, we are only aware of two locations that *appear* poised to redevelop their properties. The Linde office building property on Mountain Avenue has been vacant for some time so it would not be a surprise to see something happen on that site in the not too distant future. The CR Bard property, now Becton-Dickenson (BD) is being vacated. When CR Bard sold to BD, they decided to close the offices in New Providence with all employees off the site by May of 2019. Although this site will be vacant and appears poised for redevelopment, we have no direct information about any active discussions with developers at the BD site or the other sites contained in the agreement. Many of the other sites in the overlay zone have existing tenants. Those leases would need to come to an end and the site owners would need to decide that they can derive more economic benefit by selling the sites for residential units than renewing their leases or leasing to another commercial tenant before residential units would be built.

6. Why did New Providence agree to this settlement?

The courts have mandated that virtually every town in New Jersey provide for affordable housing. Various non-profit advocates have challenged the compliance plans presented by towns and have, for the most part, been successful in forcing the towns to adopt higher densities than they thought prudent. One of those non-profits entered into litigation with New Providence to force us to accept significantly higher densities than what we had proposed to the court. After seeing how other communities spent enormous sums litigating, only to lose their battle in the courts, the Borough Council had to decide whether it was prudent to settle or litigate the case. After seeing what has been happening around the state, with the advice of their professionals (planners and legal counsel) the council believed that the settlement eliminated the potential of a significantly higher number of units that could be ordered through litigation. By doing so, New Providence avoided the high costs of litigation associated with hiring of lawyers and planners to fight the battle and precluded the possibility of Builder's Remedy law suits while at the same time controlling where development would take place rather than having the non-profits, the developers, and the court dictate that for us.

7. What is affordable housing?

Affordable housing is divided into three (3) income classifications: moderate, low and very low, and is based upon income limits. The 2018 income limits for Region 2, the Essex, Morris, Union and Warren County area, range from \$53,404 for a single person, \$76,921 for a family of four, up to \$100,705 for a family of eight people as a moderate income household; \$33,377 for a single person, \$47,682 for a family of four, and up to \$62,940 for eight people as a low income household; and \$20,026 for a single person, \$28,609 for a family of four, and up to \$37,764 for eight people as a very low income household.

8. Why didn't New Providence pay another municipality under a "Regional Contribution Agreement" to shift our affordable housing obligation?

In the earlier rounds of affordable housing compliance, municipalities had the option to pay another municipality to take their obligation. However, legislation signed by Governor Corzine in July of 2008 eliminated Regional Contribution Agreements. Prior to that time, New Providence was in full-compliance with our affordable housing obligation and there was no need to export our share to another community.

9. There is a [Fairness Hearing](#) scheduled for April 5th where Judge Cassidy of the Union County Superior Court will review the settlement to determine whether it conforms to the law concerning affordable housing. What happens after that hearing?

If Judge Cassidy finds the settlement in compliance, New Providence is expected to have 120 days to enact the changes to the zoning ordinances to satisfy the provisions of the settlement agreements. After the 120 period, the Borough will appear again before Judge Cassidy at a compliance hearing to assure that the steps required to be in compliance with the settlement has been achieved.

10. When could redevelopment begin?

The compliance hearing is expected to occur around August-September of 2019. At that time, the zoning will have been changed to permit the redevelopment. If a developer has property and plans, they could make application to the planning board. Review of plans of this magnitude would take some time – likely at least 9-12 months. Thereafter, permits could be issued and construction could begin.

11. Where can I find additional information about the settlement?

New Providence has posted the settlement agreements on the Borough's web-site (www.newprov.org). Click on Affordable Housing Program (left column). Additionally, the Borough Council will host a special meeting on March 18th at 7 PM in the council chambers to answer any questions from the public.