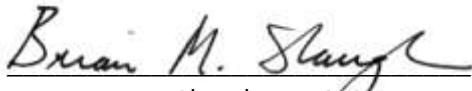


**AFFORDABLE HOUSING
THIRD ROUND MIDPOINT REVIEW
TOWNSHIP OF DEPTFORD
GLOUCESTER COUNTY, NEW JERSEY**

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PURPOSE

Deptford's Settlement Agreement with Fair Share Housing Center ("FSHC") requires that the Township comply with the statutory midpoint review requirements of the Fair Housing Act ("FHA") and specifically N.J.S.A. 52:27D-313, which provides in relevant part: "[t]he Council shall establish procedures for a realistic opportunity review at the midpoint of the certification period and shall provide for notice to the public." Pursuant to the FSHC Settlement Agreement, that review requires the Township to post on its website, with a copy to FSHC and an opportunity for comment, a status report as to its implementation of the terms of a Settlement Agreement executed between the Township and Fair Share Housing Center, and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity or should be replaced. This report has been prepared to satisfy those requirements.

BACKGROUND

Deptford filed a complaint on July 6, 2015 seeking a declaration of its compliance with the Mount Laurel doctrine and Fair Housing Act of 1985, N.J.S.A. 52:27D-301 et seq. in accordance with *In re N.J.A.C. 5:96 and 5:97, supra*. The Township and Fair Share Housing Center, an interested party in the matter, agreed to settle the litigation, and executed a Settlement Agreement in May 2019 that laid out two options for how the Township would meet its affordable housing obligations. An executed amendment to the Settlement Agreement, dated August 15, 2019, indicated which option the Township had selected.

Deptford's Settlement Agreement has not yet been subject to a fairness hearing, and the Township is continuing to negotiate with several property owners, the results of which are likely to result in a second amended Settlement Agreement. Once an amended agreement is executed, the Township will go through a fairness hearing to determine whether the terms of the Settlement Agreement are fair to the interests of low- and moderate-income households in the region. This report addresses the compliance mechanisms enumerated in the original Settlement Agreement, as amended, with updates where warranted.

The May 2019 Settlement Agreement established the Township's Third Round Fair Share obligation as follows:

- Rehabilitation share: 94 units
- Prior Round obligation: 296 units
- Third Round gap and prospective need obligation: 975 units

REHABILITATION OBLIGATION REVIEW

The Township has a Rehabilitation obligation of 94 units. At the time of the Settlement Agreement, it had rehabilitated 41 units through the Gloucester County Home Improvement Program, and 47 units at Deptford Park through the Housing Authority of Gloucester County. The Township’s continued participation in the county rehabilitation program was deemed sufficient to satisfy its remaining obligation of six units.

PRIOR ROUND REVIEW

The Township has a Prior Round obligation of 296 units, which it has satisfied with the existing affordable units and associated rental bonuses detailed in the table below.

Prior Round Obligation (296)	Family	Rental	Senior	Units	Rental Bonuses	Total Credits
100% Affordable (built)						
New Sharon Woods	X	X		50	0	50
Deptford Park (74 of 99)		X	X	74	0	74
Housing Authority of Gloucester County (scattered sites; 2 of 19)	X	X		2	0	2
Village at New Sharon	X			22	0	22
Conifer Village at Deptford – 74 of 90	X	X		74	74	148
Total				222	74	296

THIRD ROUND REVIEW

The Township has a Third Round obligation of 975 units, which the May 2019 Settlement Agreement, as amended, indicated it would satisfy with a combination of existing and proposed 100% affordable sites, existing and approved inclusionary sites, the rezoning of several properties, and existing and approved group home bedrooms.

Since the execution of the August 2019 amended Settlement Agreement, the Township has found three additional properties that present a realistic opportunity for inclusionary development, and that will be included as compliance mechanisms in an amended Third

Round Housing Element and Fair Share Plan. In addition, as negotiations with various property owners have continued, the unit yield from some of the other compliance mechanisms has changed. The table below provides additional detail.

Affordable Housing Mechanism	Family	Rental	Senior	Units	Bonuses	Total Credits
100% Affordable Housing - Built						
Deptford Park – 25 of 99		X	X	25	0	25
Nancy J. Elkis Senior Housing (formerly Deptford Park II)		X	X	80	0	80
Housing Authority of Gloucester County (scattered sites – 17 of 19)	X	X		17	0	17
Conifer Village (LIHTC; 16 of 90)	X	X		16	16	32
Tanyard Oaks (LIHTC)	X	X		65	65	130
Habitat for Humanity	X			2	0	2
100% Affordable Housing - Proposed						
Housing Authority of Gloucester County/Rowan College (special needs)	X	X		24	24	48
Donason Tract		X	X	80	0	80
Inclusionary Sites - Built						
Deptford Landing	X			4	0	4
Willow Ridge	X			4	0	4
Reserve at Willow Ridge	X			2	0	2
JAS Homes (Tarp Lane)	X			4	0	4
Inclusionary Site – Approved						
Rizzuto			X	12	0	12
Inclusionary Sites To Be Rezoned/Redeveloped						
Deptford 15, LLC	X	X		27	0	27
Miller	X			22	0	22
Haddonwood Remainder	X	X		25	0	25
NJTD Investment Group	X			41	0	41
Local 360 United F&C	X			9	0	9
P&I Investments	X			18	0	18
Five Points South	X	X		115	82	197
Lakes of Bankbridge	X	X		101	57	158
Alternative Living Arrangements						
Devereux Foundation Group Homes (6 properties, 22 bedrooms)		X		22	0	22

Affordable Housing Mechanism	Family	Rental	Senior	Units	Bonuses	Total Credits
Community Options		X		3	0	3
Assisted Living – Built and Approved: Twin Cedars Assisted Living		X	X	10	0	10
Group Home Bedrooms – Approved (ARC)		X		5	0	5
Total				733	244	977

Of the unbuilt compliance mechanisms, below are outlined the changes that have occurred since the amended Settlement Agreement was signed.

Lakes of Bankbridge: The Township is in the process of executing an agreement with the property owner that specifies the development of 57 affordable rental apartments and 44 affordable for-sale townhomes. The agreement will also require the Planning Board to conduct a redevelopment study of the property.

Rowan College: The Township continues to negotiate a four-way memorandum of understanding among the Township, Gloucester County, Rowan College, and the Housing Authority of Gloucester County, for the construction of housing on a portion of the Rowan College property included in a redevelopment area. The original Settlement Agreement contemplated 85 special-needs units on this site; the August 2019 amendment allowed the total to be divided between special-needs and age-restricted housing with the provision that any increase in age-restricted housing on this site would reduce correspondingly the number of age-restricted units the Donason site could produce, so that the total between the two sites would not exceed 120 age-restricted units. The most recent draft memorandum of understanding calls for 24 special-needs units to be built during the Third Round. Only the first phase is included in the table above. Once a final agreement is executed, the 2017 adopted redevelopment plan for the site will be amended to incorporate affordable housing as a permitted use in the area.

Donason Tract: The original Settlement Agreement contemplated 120 age-restricted units at this site. As noted above, ongoing negotiations may move some age-restricted units to the Rowan College site, and so the unit count on this site has been reduced accordingly.

The Donason Tract is not currently in the Township’s sewer service area. The county has submitted to the state Department of Environmental Protection an application to amend the county’s sewer service area, which application includes this site. Once the site is incorporated into the sewer service area and a final number and unit mix are determined, a redevelopment plan will be prepared and a redeveloper identified for the site.

Rizzuto: The developer has applied for final approvals, and is continuing to negotiate some outstanding issues with the county and with the state Department of Environmental Protection. A portion of this site is also not currently in the sewer service area. The county has submitted to the state Department of Environmental Protection an application to amend the county's sewer service area, which application includes this site.

Five Points South: The Township reports a memorandum of understanding with the designated redeveloper is in the process of being executed, and an amended Redevelopment Plan has been drafted to reflect the production of affordable housing as a primary goal, and to allow for a maximum of 575 units, a net density of approximately 11 units per acre, of which 20%, or 115, will be affordable.

Twin Cedars Assisted Living: In September 2018, the owner of this facility received zoning board of adjustment approval to expand the facility to 100 beds, of which 10% must be set aside for Medicaid-eligible residents, and. The property has since been sold.

ARC Gloucester: ARC Gloucester indicates that construction on this facility is complete and occupancy is expected to occur sometime in July 2020.

Additional sites: Since the execution of the Settlement Agreement, the Township has identified three additional sites that offer a realistic opportunity for the production of affordable housing, and that the Township will rezone for inclusionary development: the Miller site at 765 Cattell Rd. (Block 86, Lots 4, 5, 15 and 27), which will be rezoned to produce 16 affordable units; the Local 360, United F&C site at 1920 Delsea Drive (Block 397, Lot 3), which will be rezoned to produce nine affordable units; and the P&I Investments site on Tanyard Road near Mail Avenue (Block 407, Lots 31 and 40), which will be rezoned to produce nine affordable units. These sites will be included in the Township's Housing Element and Fair Share Plan.