

TOWNSHIP OF VERONA FOURTH ROUND HOUSING ELEMENT AND FAIR SHARE PLAN

PREPARED BY DMR ARCHITECTS
JUNE 9, 2025

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JUNE 19, 2025

ENDORSED BY THE TOWNSHIP COUNCIL
JUNE 23, 2025



ACKNOWLEDGMENTS

ACKNOWLEDGMENTS

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INTRODUCTION

EXECUTIVE SUMMARY

This Fourth Round Housing Element and Fair Share Plan ("HEFSP" or "Plan") has been prepared for the Township of Verona ("Township" or "Verona") in Essex County, New Jersey, in order to comply with its affordable housing obligation in accordance with the Fair Housing Act of 1985 (N.J.S.A. 52:27D-301 et seq.) ("FHA") as amended by the bill known as A4/S50 or P.L. 2024, c.2, signed on March 20, 2024.

An HEFSP is a document required by the Fair Housing Act and the Municipal Land Use Law (N.J.S.A. 40:55D-28) to be adopted by each municipality in the state to identify and address their respective, allocated need for safe and adequate housing for low- and moderate-income households. The HEFSP establishes the manner and means by which the Township of Verona will satisfy its Statemandated affordable housing or fair share obligation as that obligation is established in the Settlement Agreement. The Fair Share obligation is comprised of three components:

- ► The Present Need obligation, which reflects the estimated number of housing units in the Township which are occupied by low- and moderate-income households and are in deteriorated condition that can be corrected through rehabilitation¹. This obligation is also known as the "Rehabilitation Share", and the Township's estimated obligation for this component is 0 units.
- ► The "Fourth Round Prospective Need" obligation, which reflects the number of affordable units the Township must create to address its share of the projected "regional" need for low- and moderate-income housing for the period running from July 1, 2025 to June 30, 2035. That number is 155 units.
- ► A "review" of the Township's satisfaction of its Prospective Need obligations from the First, Second, and Third Rounds.

WHAT IS AFFORDABLE HOUSING

In 1975, the New Jersey Supreme Court ("Supreme Court") ruled in the case of <u>Southern Burlington County NAACP v. The Township of Mount Laurel</u>, now simply referred to as "<u>Mount Laurel I"</u>, that every "developing" municipality in the State of New Jersey has a constitutional obligation to provide a reasonable opportunity for the construction of housing that is affordable to low- and moderate-income households. Eight years later, in 1983, the Supreme Court decided in what is known as "<u>Mount Laurel II"</u> that every municipality, regardless if its stage of development, must provide that opportunity for construction of affordable housing.

Two years after the <u>Mount Laurel II</u> decision, the New Jersey State Legislature adopted the Fair Housing Act which, among other things, created the Council on Affordable Housing ("COAH") to:

- Define and delineate housing "regions" for estimating affordable housing need, defining low- and moderate-qualifying incomes, and other purposes;
- Estimating the need for low- and moderate-income housing by region and allocation of that need to municipalities;
- Establishing the rules and means by which each municipality may address its need; and
- Create a process for reviewing and "certifying" that a municipality is meeting that need.

Figure 1. Fair Housing Act Income Categories

Very-Low Income Household: Earns 30% or less of regional median income

Low-Income Household: Earns 30% to 50% of Regional Median Income

Moderate Income Household: Earns 50% to 80% of Regional median Income

The Fair Housing Act, when first adopted, identified only the income categories of "low" and "moderate" income households, but 2008 legislation known as the "Roberts Bill" updated the Act to

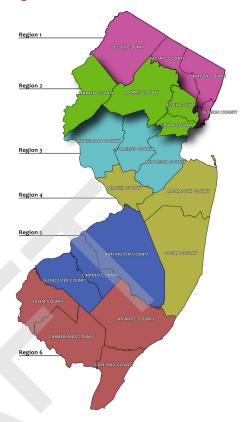
¹ Rehabilitation: Defined as the repair, renovation, alteration, or reconstruction of any building or structure, pursuant to the Rehabilitation Subcode, N.J.A.C. 5:23-6



add a "very-low" income category, in addition to making other changes. The three income categories are defined in Figure 1 - "Fair Housing Act Income Categories".

The values for what constitute very-low, low, or moderate income are based on the median incomes in COAH-defined "Regions". The Fair Housing Act tasked COAH with the delineation of these "Regions" having between two and four counties each which have "significant social, economic, and income similarities and which constitute to the greatest extent practicable the primary metropolitan statistical areas" reflected by the U.S. Census. Map 1 - "COAH Region Map" shows the current housing regions, with the relevant region highlighted.

The Fair Housing Act defers to HUD and other "recognized" standards to define what makes housing "affordable". HUD has, since the 1980s, considered housing to be affordable where the cost of such housing is less than 30% of the gross household's income. This rate has also been adopted by banks and other institutions as the threshold for "affordability". In practice, affordable housing in New Jersey must adhere to the Uniform Housing Affordability Controls (UHAC) at N.J.A.C. 5:80-26.1 et seq, which uses the 30% threshold for gross renter-household income and a 28% threshold for gross homeowner-household income. The UHAC also establishes additional standards to ensure that affordable housing units are available to households of various sizes and incomes and priced affordably, as shown in Figure 2 - "Required Distributions" and Figure 3 - "Affordability Standards"



Map 1. COAH Region Map

NEW JERSEY MOUNT LAUREL HISTORY

FIRST AND SECOND ROUNDS

COAH published what has come to be known as its "first round" rules (*N.J.A.C.* 5:92-1 et seq.) to calculate the affordable housing need which municipalities would be required to address between 1987 and 1993, and established the acceptable means to address that need. The rules included a calculation of an existing need based on an estimate of substandard housing that was occupied by low- and moderate-income households (commonly referred to as "present need", as well as a projection of future demand for housing opportunities by low- and moderate-income households (commonly referred to as "prospective need" or "new construction obligation"). The income classifications were based on the income metrics established by the U.S. Department of Housing and Urban Development. The present need would be addressed by rehabilitating existing substandard housing and the prospective need would be addressed by creating new housing.

In 1994, COAH adopted <u>N.J.A.C.</u> 5:93-1 et seq. which retroactively recalculated the present and prospective needs for 1987 to 1993 and provided new calculations of those needs for the period of 1993 to 1999. While the rules at the time were considered to be COAH's "second round" of rules, the obligations calculated through those rules are referred to today as the "Prior Round" because the Second Round need numbers recalculated and included the need calculated for 1987 to 1993.

THIRD ROUND RULES

While the Fair Housing Act required COAH to adopt new rules in 1999, COAH did not adopt its Third Round rules until 2004, meaning there had been a five year gap following the effective period of the Second Round rules and the creation of new rules and need calculations. The 2004-adopted rules, located at *N.J.A.C.* 5:94-1 and 5:95-1 et seq., calculated a need period extending from 1999 to 2014

INTRODUCTION

in order to capture the five years when rules were not in place and to project Prospective Need over the next 10 years (In 2001 the Fair Housing Act was amended to extend the effective time frame of any future-adopted COAH rules from the original 6 years used in Rounds 1 and 2 to a period of 10 years).

The 2004-adopted Third Round rules used a new method called "Growth Share" for calculating municipal new-construction obligation. Growth Share tied each municipality's affordable housing obligation to actual residential and non-residential growth between 2004 to 2014. The New Jersey Appellate Court invalidated substantial portions of the Third Round rules, including the Growth Share methodology, in the January 25, 2007 decision In re Adoption of N.J.A.C. 5:94 and 5:95, and ordered COAH to adopt amendments to the rules within six (6) months.

COAH did adopt amended rules more than 15 months later on June 2, 2008 (N.J.A.C. 5:96 and

5:97), which used a modified Growth Share methodology establishing a need for the period of 1999-2018, which had to be addressed by 2018, and recalculating the Prior Round obligations and the means of addressing those obligations. Once again, however, the new rules were challenged and largely invalidated in 2010 due to the continued use of the Growth Share methodology to calculate municipal obligations despite the methodology being struck down in 2007.

COAH once more attempted to adopt Third Round rules in 2014. Draft rules were published in April 30 of that year and scheduled for a decision on adoption on October 20, 2014. At that October 20 meeting, COAH deadlocked in its vote to adopt the rules and did not reschedule to consider the rules again, effectively failing to adopt the new rules.

Figure 2. Required Distributions

Within and across all developments addressing the Township's Prospective Need, the following ratios must be met:

Income Distribution: Income Categories as a % of affordable units

- Moderate Income: 50% or less
- Low Income: 37% or more
- Very-Low Income: 13% or more

Bedroom Distribution: Unit type as a % of affordable units (non-age-restricted development)

- One-Bedroom or Studios: 20% or less
- Two-Bedroom: At least 30%
- Three-Bedroom: At least 20%

MOUNT LAUREL IV

After COAH failed to adopt its 2014 draft rules, Fair Share Housing Center, a prominent advocacy organization for the creation of affordable housing in New Jersey, filed with the New Jersey Supreme Court a motion in aid of litigant's rights. On March 10, 2015, the Supreme Court issued a ruling on that Motion In re Adoption of N.J.A.C. 5:96 & 5:97, which is now commonly referred to as "Mount Laurel IV", which transferred COAH's responsibilities to designated Mount Laurel trial judges. These responsibilities primarily consist of reviewing and approving municipal Housing Elements and Fair Share Plans. Additionally, the Mount Laurel IV

Figure 3. Affordability Standards

Rentals Units:

- Maximum Rent: Affordable to 60% of RMI
- Average Rent: Affordable to 52% of RMI

For-Sale Units

- Maximum Rent: Affordable to 70% of RMI
- Average Rent: Affordable to 55% of RMI

*RMI = Regional Median Income

decision directed municipalities to file Declaratory Judgments with those judges to seek to find themselves in compliance with their fair share obligations, and to prepare Housing Element and Fair Share Plans based on COAH's Second Round rules and those portions of COAH's 2008-adopted Third Round rules that were upheld by the Appellate Division in 2010.

Given that the Supreme Court did not establish the affordable housing obligations that each municipality would be required to address, there had been much debate in the years following the Mount Laurel IV decision as to how to calculate municipal present and prospective need obligations in a manner that complies with that decision as well as Appellate Division decisions that had invalidated earlier versions of the Third Round rules. Numbers had been offered by experts recruited

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by Fair Share Housing Center, a consortium of municipalities, and even the Courts.

As an intervenor recognized by the Courts in the affordable housing matters, Fair Share Housing Center (FSHC) has played a key role in municipalities' Declaratory Judgment actions to be certified as compliant with their affordable housing obligation. As a result, municipalities have been required to enter into Settlement Agreements with FSHC as part of their compliance actions.

On March 8, 2018, The Honorable Judge Mary Jacobson of the Superior Court of New Jersey Law Division in Mercer County published her opinion in the Matters of the Municipality of Princeton and the Township of West Windsor settling on a methodology for establishing the affordable housing obligations of municipalities in the vicinage containing Mercer County. Judges across New Jersey have since accepted and adopted her opinion and it has served as the basis for affordable housing settlement agreements since that time. Up until that point, most Settlement Agreements sought to find a middle ground between the affordable housing obligation calculations offered by the various "numbers" experts.

Historically, a municipality that prepared a Housing Element and Fair Share Plan for compliance with the Fair Housing Act would prepare and submit a Plan to COAH pursuant to COAH's rules and seek "substantive certification", a documented determination by COAH that a municipality's HEFSP complies with COAH's regulations and the FHA. Substantive certification would have the affect of protecting municipality's from "builder's remedy" lawsuits, defined in Figure 4 - "Builder's Remedy". Rather than seeking substantive certification, a municipality currently participating in the affordable housing compliance process is seeking a Judgment of

Figure 4. Builder's Remedy

Defined at N.J.S.A. 52:27D-328 as "a court imposed remedy for a litigant who is an individual or a profit-making entity in which the court requires a municipality to utilize zoning techniques such as mandatory set-asides or density bonuses which provide for the economic viability of a residential development by including housing which is not for low and moderate income households."

Compliance from the Court stating that the municipality has adopted an HEFSP and any ordinances and resolutions required to implement that HEFSP according to the Supreme Court's <u>Mount Laurel IV</u> decision, which has the same affect as substantive certification.

FOURTH ROUND RULES

On March 20, 2024, Governor Phil Murphy signed into law the bill known as A4/S50 (P.L. 2024 c.2), which amended the Fair Housing Act ("FHA" or "Act") to abolish the Council on Affordable Housing ("COAH") and set forth the processes by which municipal affordable housing obligations will be determined and satisfied for the Fourth Affordable Housing Round (beginning on July 1, 2025 and terminating on June 30, 2035) and beyond.

The Bill tasked the New Jersey Department of Community Affairs ("DCA") with determining municipal affordable housing obligations for the Fourth Round by October 20, 2024, and required municipalities to declare their affordable housing obligations by binding resolution no later than January 31, 2025, and to adopt their HEFSPs by June 30, 2025, along with draft implementing ordinances, adopted resolutions, and supporting documents. Ordinances necessary to implement the plan, such as zoning and affordable housing standards, are to be adopted by March 16, 2026.

The Bill also created a new body called the Affordable Housing Dispute Resolution Program ("Program") which will be responsible for reviewing plans for consistency with the Fair Housing Act and handling challenges to municipalities' stated housing obligations or to their affordable housing plans.

THE AFFORDABLE HOUSING OBLIGATION

The Township's obligation consists of two components:

- The "Prospective Need" new construction obligation reflecting the need for new affordable housing projected between 2025 and 2035; and
- The "Present Need" or "Rehabilitation" obligation, reflecting the number of estimated housing units in the municipality that are substandard and occupied by low- and moderate-income households.

The Plan must also review the Township's satisfaction of the Prospective Need assigned to it in the previous three rounds (from 1987 to 2025), and determine if the mechanisms intended to meet that Need have been successful or if they should be enhanced or replaced.

DETERMINING PROSPECTIVE NEED

Prospective Need obligations are calculated at the housing Region level and allocated to the municipalities within the region based on household income, nonresidential property values, and land use factors that reflect the wealth of the municipality's residents, job opportunities, and land availability. These obligations are required to be addressed through the creation of new affordable units, the renewal of affordability controls on existing affordable housing units (Figure 6 - "Affordability Controls"), or the adoption of zoning or redevelopment plans that provide for a realistic opportunity create affordable housing units.

The NJ DCA published its non-binding calculations of the Prospective and Present Needs for every municipality in New Jersey on October 18, 2024, based upon the methodology prescribed in A4/S50. The DCA determined that the Township had a zero (0) unit Present Need, meaning that the Township is not obligated to fund a lowincome housing rehabilitation program between 2025

and 2035. The DCA also estimated the Township's Prospective Need obligation at 173 units.

The Township reviewed the methodology used by the DCA in achieving the 173-unit estimate, and determined that the data that the DCA had used to estimate the Township's available land area was outdated. Specifically, more than 18 of the 23 acres that the DCA evaluated as vacant and developable in the Township are located on lands that are preserved for open space but not yet shown in the State-published geospatial data used by the DCA to identify available land. The Township Council passed a resolution on January 20, 2025 that declared 149-units as its Prospective Need, reflecting the removal of those 18 preserved acres from the Township's share of available land in Region 2.

The Township was among dozens of other towns that also sought to correct the Prospective Need calculated by the DCA and whose number declarations were challenged by the New Jersey Builders' Association and Fair Share Housing Center. In a settlement conference held before the Honorable Julio L. Mendz, J.S.C. (Retired) on March 14, 2025, the Township and Fair Share Housing Center agreed to set Verona's Prospective Need at 155 units. A settlement agreement to this effect was executed between the Township and Fair Share Housing Center on April 2, 2025. See Appendix 2.

Figure 5. 4th Round Housing Plan Ratios

The affordable housing development and units addressing the Township's Prospective Need Obligation must also comply with the following ratios:

Family Unit: Affordable units that are available to families (i.e. units that are not age-restricted or for persons with special needs) must comprise at least half of:

- All affordable units
- All rental units
- All very-low income units

Rental Minimum: At least 25% of affordable units shall be rentals;

Age-Restricted Maximum: Not more than 30% of affordable units

Transitional Housing: Not more than 10% of the obligation

Very-Low Income Units: At least 13% of affordable units

Figure 6. Affordability Controls

Controls by deed restriction, contract, or other legal or binding means which ensure that housing units remain affordable to lowand moderate-income households over a certain period of time in accordance with the Fair Housing Act and applicable regulations.

- ABOUT VERONA

SATISFYING PROSPECTIVE NEED

Satisfaction of the Prospective Need is subject to certain restrictions and minimum requirements, some of which are detailed in Figure 5 - "4th Round Housing Plan Ratios".

The Fourth Round Rules allow municipalities to a number claim a number of bonus credits equal to not more than 25% of the prospective need for the units from the types of projects listed below. Bonuses are per unit falling into the respective category:

- Special Needs/Supportive Housing 1 bonus credit per bedroom
- Non-Profit Partnership 0.5 bonus credits per affordable unit
- Transit Oriented (0.5 mile from public transit stop) 0.5 bonus credits per affordable unit
- Age-Restricted Units 0.5 bonus credits per age-restricted affordable unit available for up to 10% of the age-restricted units.
- Surplus Very-Low Income Units 0.5 bonus credits per affordable unit
- Surplus Three-Bedroom Units 0.5 bonus credits per surplus 3-BR unit
- Redevelopment of commercial properties 0.5 bonus credits per affordable unit
- Extension of Affordability Controls 1 bonus credit per affordable unit with extended controls
- Municipally-Sponsored Development (contribute lands or funds equal to at least 10% of cost of constructing a 100% affordable development - 1 bonus credits per affordable unit with extended controls
- Market-to-Affordable Program 1 bonus credit per affordable unit

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WHAT IS A HOUSING ELEMENT AND FAIR SHARE PLAN

A Housing Element and Fair Share Plan is a document required by the New Jersey Fair Housing Act of 1985 ("FHA") to be adopted by each municipality in the state to identify and address their respective, allocated need for safe and adequate housing for low- and moderate-income households.

As the next section of this report discusses, the "need" and the manner in which that "need" can be addressed had historically been promulgated by the Council on Affordable Housing (COAH), an entity created by the Fair Housing Act in 1985.

However, A4/S50 (P.L. 2024, c.2) amended the Fair Housing Act and other statutes such that it disbanded COAH, restructured the jurisdictional regime for the administration of the affordable housing process, and established the Fair Housing Act as the regulatory document for calculating addressing the affordable housing obligation. Where the amended Fair Housing Act falls short in outlining the means of determining and satisfying a municipality's responsibilities, P.L. 2024, c.2 permits municipalities, the Courts, and developers to rely on previously accepted and upheld practices and rules to fill in the gaps in the statute. See "Figure 8. Section 24 of P.L. 2024, c.2 (Section 311.m of the Fair Housing Act)" on page 11.

The affordable housing "need" identified and addressed in this Plan is comprised of the Present Need and Fourth Round Prospective Need for 2025 to 2035, and is based on the methodology detailed in A4/S50, which largely codifies a methodology approved during the Third Round by the Honorable Mary C. Jacobson of Mercer County in 2018.

Figure 7. Required Contents of a Housing Element and Fair Share Plan

- Inventory of municipal housing stock and occupant characteristics;
- Demographic analysis;
- Analysis of existing and 10-year projected employment characteristics;
- 10-year housing stock projection;
- Determination of municipal present and prospective needs for low- and moderateincome housing;
- Consideration of lands most appropriate for the construction of low- and moderateincome housing and/or identification of existing structures appropriate to convert to low- and moderate-income housing;
- Analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity;
- An analysis of consistency with the State Development and Redevelopment Plan, including water, wastewater, stormwater, and multi-modal transportation based on guidance and technical assistance from the State Planning Commission

Figure 8. Section 24 of P.L. 2024, c.2 (Section 311.m of the Fair Housing Act)

 All parties shall be <u>entitled</u> to rely upon regulations on municipal credits, adjustments, and compliance mechanisms adopted by the Council on Affordable Housing unless those regulations are contradicted by statute, including but not limited to P.L.2024, c.2 (C.52:27D-304.1 et seq.), or binding court decisions.

ABOUT VERONA

The Township of Verona is a suburban municipality in Essex County, New Jersey, neighboring Cedar Grove, Montclair, West Orange, Essex Fells, and North Caldwell. The Township is two (2) miles from Interstate-280 (a.k.a. Essex Freeway) and four (4) miles from the Garden State Parkway, and is adjacent to Montclair, which contains five NJ Transit Commuter Rail stations. The Township has a population of 14,572 as of the 2020 Census, which represents a 10% increase since 2010. The Township's peak population was calculated in the 1970 Census at 15,067 persons.

The Township is mostly developed; however, the 2020 Land Use / Land Coverage analysis conducted by the NJ DEP estimates 30% of the Township's land areas as being some form of parkland or natural lands, and an additional 11.7% is composed of wetlands and water areas. The Township's 2021 Open Space and Recreation Plan indicates that 14.7% of the Township's area is preserved

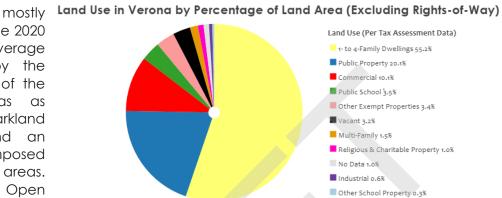


Figure 9. <u>Use of lands other than road rights-of-way, as classified by the Township Tax Assessor</u>

lands, including Verona Park, and the Hilltop Reservation. Similarly, 2024 MOD-IV² tax assessor data shows that 50 acres of the Township (3.2% of Township area, excluding rights-of-way) is classified as "vacant". The largest land use based on tax assessor data is one- to four-family residential properties comprising 55.2% of the Township (862.1 acres). Public property other than school properties make up the next largest use at 20.1% (313.2 acres).

Bloomfield Avenue runs east-to-west through the center of the Township and serves as its main commercial corridor and the main connector road to nearby Caldwell and Montclair. Along with north-to-south running Pompton Avenue and Fairview Avenue, Bloomfield Avenue serves as one of the main corridors for the Township's higher density residential and mixed-use development.

The northwestern portion of the Township is occupied by Hilltop Reservation; a park under split ownership between Essex County and Verona Township which has been partially redeveloped with high-density residential development known as the Highlands at Hilltop. Much of the southeast part of the Township is occupied by Verona Park or Montclair Golf Club.

The New Jersey State Development and Redevelopment Plan ("SDRP") - a policy document intended to guide State-level allocation of funding and local planning policy, and which is historically integral to the State's affordable housing policy - puts Verona Township in its Metropolitan Planning Area (Planning Area 1), with the exception of the hilly lands along the border with Montclair and the lands generally in and around the Hilltop Reservation parks, which are classified as Environmentally Sensitive (Planning Area 5). The SDRP envisions the Metropolitan Planning Area as accommodating much of the State's growth, through compact development and redevelopment, particularly near transit and amenities, while urging sensitivity to natural habitats and historically overburdened communities.

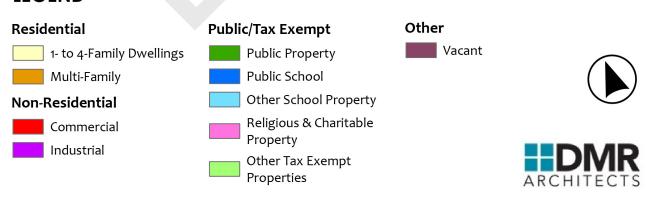
AFFORDABLE HOUSING HISTORY

The Township of Verona adopted its First Round Housing Element and Fair Share Plan in 1992. The Plan used 159 "Section 8" housing units to address the Township's prospective need and present need (then called the "indigenous need"), but does not appear to have been certified by COAH. The Township adopted its second HEFSP in February of 1995 to address its Second Round obligation and

² MOD-IV is the system used in the State of New Jersey for the uniform preparation, maintenance, presentation and storage of property tax information across jurisdictions



LEGEND



Map 2. Verona Township Land Use Map

its recalculated First Round obligation.

While the First Round prospective need was calculated as 127 units in 1987, the second round plan calculated the full 1987 to 1999 Prospective Need at 27 units. Again, the Township addressed its obligation with a portion of the 159 Section 8 "Prior Cycle" credits³ as part of granting substantive certification for the First Round. COAH certified the Township's Second Round HEFSP on August 2, 1995.

The Township adopted Third Round Fair Share Plans to comply with both the 2004 and 2008 iterations of the Third Round Rules; however, COAH did not certify either Third Round Plan before its rules were invalidated by the Courts. Following the New Jersey Supreme Court's Mount Laurel IV decision in 2015, the Township engaged in a settlement process with Fair Share Housing Center that resulted in a Court-approved settlement agreement in 2021 and a Third Round Housing Element and Fair Share Plan adopted in June of 2023.

WHAT IS "AFFORDABLE" IN VERONA TOWNSHIP

Verona is located in Housing Region 2, which includes Essex County, Morris County, Union County, and Warren County. Whereas COAH has historically had the responsibility of annually publishing "income limits" establishing the maximum very-low, low-, and moderate-income household incomes based on household size in each region, as well as the maximum value of assets qualifying households may own, that responsibility has been assumed by the NJ HMFA for the Fourth Round. Income limits are generally calculated based on HUD's methodology for calculating its own income limits.

Chart 1 - "2025 Region 2 Income Limits" summarizes the maximum incomes for very-low, low, and moderate income households in Region 2 by household size as published for the year 2025 by NJ HMFA.

Chart 1. 2025 Region 2 Income Limits

HOUSEHOLD INCOME CATEGORY	1-PERSON	2-PERSON	3-PERSON	4-PERSON	5-PERSON
MODERATE	\$75,840	\$86,640	\$97,440	\$108,240	\$116,960
LOW	\$47,400	\$54,150	\$60,900	\$67,650	\$73,100
VERY-LOW	\$28,440	\$32,490	\$36,540	\$40,590	\$43,860

Source: NJHMFA 2025 UHAC Affordable Regional Income Limits

Based on the Uniform Housing Affordability Controls (UHAC) at *N.J.A.C.* 5:80-26.3, the "gross" rent for affordable units, which means the rents and any utilities and services (example: trash, gas, electric, water/sewer) included therein, cannot exceed 30% of gross incomes at the 30% of regional median income level for very-low income units, 50% of regional median income level for low-income units, or 60% of regional median income for moderate income units.

The UHAC limits the highest affordable-unit sales price to that which is affordable to moderate income households earning 70% of regional median income. Affordability for for-sale / homeowner units are more variable than rental units as they depend upon current mortgage rates, homeowner insurance rates, and homeowner association or condominium fees, but are not affected by utilities. Additionally, unlike affordable rents, which are based upon 30% of gross household income, sales prices are considered to be affordable when the costs of the mortgage, insurance, and HOA/Condo fees are less than or equal to 28% of gross household income.

As of the writing of this Plan, the HMFA has not yet published calculators, like those previously provided by COAH or the Affordable Housing Professionals of New Jersey, to assist in calculating affordable rents or sales prices. However, based on the guidelines for affordability as a percentage of household income, affordable monthly renter and homeowner costs for a 1, 2, or 3 bedroom unit would be as follows. See Chart 2 - "2025 Region 2 Affordable Rents" and Chart 3 - "2025 Region 2 Affordable Monthly Costs for Homeowners"

³ Prior Cycle Credits: Defined in the Second Round Rules as credits granted by COAH for low- and moderate-income units constructed after April 1, 1980 (but before December 15, 1986)

2 • ABOUT VERONA

Chart 2. 2025 Region 2 Affordable Rents

HOUSEHOLD INCOME CATEGORY	1-BEDROOM (1.5-PERSON H.H.)	2-BEDROOM (3-PERSON H.H.)	3-BEDROOM (4.5-PERSON H.H.)
MODERATE (60% RMI)	\$1,523	\$1,827	\$2,111
LOW	\$1,269	\$1,523	\$1,759
VERY-LOW	\$762	\$914	\$1,056

Source: NJHMFA 2025 UHAC Affordable Regional Income Limits

Chart 3. 2025 Region 2 Affordable Monthly Costs for Homeowners

HOUSEHOLD INCOME CATEGORY	1-BEDROOM (1.5-PERSON H.H.)	2-BEDROOM (3-PERSON H.H.)	3-BEDROOM (4.5-PERSON H.H.)
MODERATE (70% RMI)	\$1,659	\$1,989	\$2,299
LOW	\$1,185	\$1,421	\$1,642
VERY-LOW	\$711	\$853	\$985

Source: NJHMFA 2025 UHAC Affordable Regional Income Limits

VERONA TOWNSHIP DEMOGRAPHICS AND HOUSING STOCK

INTRODUCTION

This section of the Housing Element and Fair Share Plan is intended to provide the following information required at *N.J.S.A.* 52:27D-310:

- ▶ 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; and
- ▶ An analysis of the existing and probable future employment characteristics of the municipality.

The data in this section represents the most recent data publicly available from standard and typical data sources used in preparing Housing Elements, including from the 2019-2023 Five-year American Community Survey (ACS) data published by the U.S. Census Bureau, Longitudinal Employer Household Data (LEHD) published by the U.S. Census Bureau, and labor statistics published by the New Jersey Department of Labor and Workforce Development (LWD), which are standard data sources for use in preparing this section.

HOUSING CHARACTERISTICS

Chart 4 - "Housing Units in Verona Township by Type of Structure, Tenure, and Occupancy Status in 2023" displays the total number of housing units in the Township broken down by tenure type (renter or owner) and the type of building or vehicle containing the housing unit(s). Six out of every ten housing units in the Township is in a detached single family house, typical for suburban communities in New Jersey. One in five units are in apartment buildings with more than 20 apartments. The remainder of the Township's housing is in townhouses, duplexes, and apartment houses (11.5%) and small apartment buildings with five to 19 units (6.3%). The 2023 ACS data indicates that about one-fifth of apartments in buildings with 20 to 49 units is vacant. It also shows, as would be expected, that virtually all of the Township's occupied attached single-family housing stock is owner-occupied, rather than being rented out by a landlord or property investor.

Chart 4. Housing Units in Verona Township by Type of Structure, Tenure, and Occupancy Status in 2023

TYPE OF BUILDING/ STRUCTURE	TOTAL UNITS	PERCENT OF TOTAL	OWNER OCCUPIED	RENTER OCCUPIED	NOT OCCUPIED
1, DETACHED	3,717	62.0%	3,509	107	101
1, ATTACHED	149	2.5%	148	1	0
2 UNITS	346	5.8%	130	216	0
3 OR 4	194	3.2%	25	169	0
5 TO 9	248	4.1%	153	95	0
10 TO 19	129	2.2%	56	73	0
20 TO 49	249	4.2%	48	145	56
50 OR MORE	965	16.1%	474	491	0
MOBILE HOME	0	0.0%	0	0	0
BOAT, RV, VAN, ETC.	0	0.0%	0	0	0
TOTAL	5,997	100.0%	4,543 (75.75%)	1,297 (21.63%)	1,57 (2.62%)

Source: 2023 American Community Survey - 5 year estimate (B25032, B25024)

Chart 5- "Housing Units in Verona Township by Year Built and Tenancy Type in 2023" breaks down the total number of housing units occupied in 2023 by the period of time in which they were built, as well as showing how many of those units were owner or renter occupied in 2023. The Chart shows that one third (32.74%) of occupied units were built in 1939 or earlier and another third (34.69%) were built between 1940 and 1959. For contrast, less than 5% of housing units were built in after 2010.^{1,2}

The median year of construction of owneroccupied units is 1951 whereas the
median year of construction for renteroccupied units is 1973, showing that local
rental market demand is being addressed
by construction or maintenance of newer
development in contrast to some municipalities we

development, in contrast to some municipalities where older, larger housing units are converted into apartments.

Chart 6 - "Housing Units in Verona Township by Number of Rooms in a Unit in 2023" shows the number of housing units in the Township of Verona by their number of rooms. The plurality of units (19.03%) have nine or more rooms, which is consistent with the visibly large size of homes in Verona and the higher wealth and housing value of households and their homes in this towns, further explored later in this chapter.

Similarly, Chart 7 - "Housing Units in Verona Township by Number of Bedrooms in 2023" shows that more than one-third (37.60%) of units have 3 bedrooms at of the total occupied units, and six out of ten (61.9%) housing units in the Township have three bedrooms or more, which is consistent with the predominantly single-family nature of the Township's housing stock.

Chart 5. Housing Units in Verona Township by Year Built and Tenancy Type in 2023

YEAR BUILT	OCCUPIED UNITS	PERCENT OF TOTAL	OWNER	RENTER
2020 OR LATER	11	0.19%	-	11
2010 TO 2019	276	4.73%	60	216
2000 TO 2009	230	3.94%	77	153
1990 TO 1999	33	0.57%	-	33
1980 TO 1989	207	3.54%	88	119
1970 TO 1979	721	12.35%	542	179
1960 TO 1969	424	7.26%	383	41
1950 TO 1959	1,469	25.15%	1,277	192
1940 TO 1949	557	9.54%	461	96
1939 OR EARLIER	1,912	32.74%	1,655	257
(%) OF TOTAL	5,840	100.00%	4,543	1,297
MEDIAN YEAR	1953		1951	1973

Source: 2023 American Community Survey - 5 year estimate (B25035, B25036, B25037)

Chart 6. Housing Units in Verona Township by Number of Rooms in a Unit in 2023

ROOMS	NUMBER OF UNITS	PERCENT
1 ROOM	81	1.35%
2 ROOMS	192	3.20%
3 ROOMS	576	9.60%
4 ROOMS	594	9.90%
5 ROOMS	652	10.87%
6 ROOMS	969	16.16%
7 ROOMS	976	16.27%
8 ROOMS	816	13.61%
9+ ROOMS	1,141	19.03%
TOTAL	5,997	100.00%

Source: 2023 American Community Survey - 5 year estimate (DP04)

Chart 7. Housing Units in Verona Township by Number of Bedrooms in 2023

BEDROOMS	NUMBER OF UNITS	PERCENT
EFFICIENCY	140	2.33%
1 BEDROOM	962	16.04%
2 BEDROOMS	1122	18.71%
3 BEDROOMS	2145	35.77%
4 BEDROOMS	1191	19.86%
5 OR MORE BEDROOMS	437	7.29%
TOTAL	5,997	100%

Source: 2023 American Community Survey - 5 year estimate (DP04)

² The Verona Township Building Department issued Certificates of Occupancy for 408 housing units between 2010 and 2019



ACS estimates of housing stock and housing characteristics often do not align exactly with local building department data, because it uses a combination of data sources and statistical methods to generate comprehensive and wide ranging data about characteristics like the age, occupancy status, and physical characteristics. It is standard practice to utilize ACS/Census data, despite the margin of error in the data, to paint a comprehensive picture of the housing stock at the expense of precision in certain numbers.

Chart 8 - "Owner-Occupied Housing Units in Verona Township by Value in 2023" compares the estimated housing values 2015 and 2023 American Community Survey data. The plurality of housing units in 2015 (51.25%) had estimated value between \$300,000 and \$499,000. In 2023, 59.61% of owner-occupied housing units were valued between \$500,0000 and \$999,999. The median occupied home value in 2015 was \$430,400 in 2015 dollars ("nominal"), or \$551,851 in 2023 dollars ("real", or accounting for inflation). The median home value in 2023 was \$595,000.

Chart 8. Owner-Occupied Housing Units in Verona Township by Value

HOUSING UNIT VALUE	2015 UNITS	PERCENT	2023 UNITS	PERCENT
LESS THAN \$50,000	35	0.88%	152	3.35%
\$50,000-\$99,000	9	0.23%	8	0.18%
\$100,000-\$149,000	30	0.75%	18	0.40%
\$150,000-\$199,000	198	4.98%	27	0.59%
\$200,000-\$299,000	379	9.53%	414	9.11%
\$300,000-\$499,000	2,037	51.25%	844	18.58%
\$500,000-\$999,999	1,226	30.84%	2,708	59.61%
\$1,000,000 OR MORE	61	1.53%	372	8.19%
TOTAL	3,975	100.00%	4,543	100.00%
MEDIAN (NOMINAL)	\$430,400	(x)	\$595,000	(X)
MEDIAN (REAL, 2023)	\$551,851			

Source: 2015 and 2023 American Community Survey - 5 year estimate (DP04, B25075)

Chart 9. Housing Units in Verona Township, Essex County, and New Jersey by Gross Rent in 2023

GROSS RENT	VERONA	TOWNSHIP	ESSEX COUNTY		NEW JERSEY	
GROSS REIVI	UNITS	PERCENT	UNITS	PERCENT	UNITS	PERCENT
LESS THAN \$500	106	8.24%	17,560	10.17%	76,830	6.27%
\$500 TO \$999	98	7.61%	19,907	11.53%	106,648	8.70%
\$1,000 TO \$1,499	61	4.74%	53,634	31.07%	322,368	26.29%
\$1,500 TO \$1,999	291	22.61%	46,316	26.83%	349,936	28.54%
\$2,000 TO \$2,499	349	27.12%	21,870	12.67%	194,492	15.86%
\$2,500 TO \$2,999	158	12.28%	6,572	3.81%	82,425	6.72%
\$3,000 OR MORE	224	17.40%	6,778	3.93%	93,469	7.62%
MEDIAN DOLLARS (\$)	\$2,125	(x)	\$1,459	(X)	\$1,653	(x)
NO CASH RENT	10	(X)	3,459	(x)	36,705	(x)
TOTAL OCCUPIED RENTAL UNITS	1,287	(X)	172,637	(X)	1,226,168	(X)

Source: 2023 American Community Survey - 5 year estimate (DP04, B25063)

Chart 9 - "Housing Units in Verona Township, Essex County, and New Jersey by Gross Rent in 2023" compares gross rent payments in Verona Township, the entirety of Essex County, and the State of New Jersey in 2023. Housing costs for renters in Verona are generally higher than those across Essex County or the rest of the state - the median rent in Verona is \$2,125 compared to \$1,459 in Essex County or \$1,653 across New Jersey. One-sixth (17.4%) of renters in Verona pay \$3,000 or more each month (versus 3.93% in Essex County and 7.62% across New Jersey), while 15.85% pay less than \$1,000 each month (21.7% in Essex, 15% in New Jersey).

Based on the 2023 ACS data (ACS table B25068), 154 of the Township's 614 1-bedroom rental units and 35 of its 2-bedroom rental units would be affordable based on the 2025 affordable rent rates identified on page 15 of this plan. The ACS data does not account for the affordable units created at Verona Flats or units pending at the Sunset Avenue Redevelopment site.

Housing is considered to be affordable if costs associated with occupying that housing are lower than 28% of gross income for owner occupied units and 30% of gross income for renter occupied units. Households paying more than 30% of their gross income (before taxes, other deductions) for housing are considered to be cost burdened, and households paying more than 50% of their gross income for housing are considered to be severely cost burdened. Chart 10 - "Housing Units in Verona Township by Tenure and by Monthly Cost of Housing as a Percentage of Household Income in 2023" shows that 22.38% of households in Verona are cost are severely cost burdened. The

Chart 10. Housing Units in Verona Township by Tenure and by Monthly Cost of Housing as a Percentage of Household Income in 2023

MONTHLY COST AS % OF INCOME	OWNER	PERCENT	RENTER	PERCENT	ALL	PERCENT
LESS THAN 10.0 %	684	15.06%	100	7.71%	784	13.42%
10.0 TO 14.9 %	738	16.24%	75	5.78%	813	13.92%
15.0 TO 19.9 %	900	19.81%	116	8.94%	1,016	17.40%
20.0 TO 24.9 %	693	15.25%	197	15.19%	890	15.24%
25.0 TO 29.9 %	414	9.11%	230	17.73%	644	11.03%
30.0 TO 34.9 %	182	4.01%	153	11.80%	335	5.74%
35.0 TO 39.9 %	75	1.65%	60	4.63%	135	2.31%
40.0 TO 49.9 %	310	6.82%	67	5.17%	377	6.46%
50.0 % OR MORE	519	11.42%	276	21.28%	795	13.61%
NOT COMPUTED	28	0.62%	23	1.77%	51	0.87%
TOTAL H.H.	4,543	100.00%	1,297	100.00%	5,840	100.00%
TOTAL COST BURDENED	1,086	23.90%	556	42.87%	1,307	22.38%

burdened, including 13. 61% who Source: 2023 American Community Survey - 5 year estimate (B25070, B25091)

rates are higher among renters, where 42.87% are cost burdened including 21.28% who are severely cost burdened.



DEMOGRAPHICS AND HOUSING STOCK

Chart 11 - "Population Changes in Verona Township, Essex County, and New Jersey between 2000 and 2023" compares the population change over the last two-and-a-half decades in Verona Township, Essex County, and across New Jersey. The trend across the three geographies has been one of growth, with Verona growing 6.7% since the beginning of the century compared to 7.6% in Essex County and 10.1 % in New Jersey overall. While Verona grew faster than the County from 2000 to 2015, that growth slowed down from 2015 to 2023, with growth of Essex County outpacing the growth in Verona and across the state.

Chart 11. Population Changes in Verona Township, Essex County, and New Jersey between 2000 and 2023

LOCATION	2000	2015	00 -'15 CHANGE	2023	15'- '23 CHANGE	00' TO 23' CHANGE
VERONA TOWNSHIP	13,533	14,418	6.54%	14,441	0.2%	6.7%
ESSEX COUNTY	793,633	832,848	4.94%	854,130	2.6%	7.6%
NEW JERSEY	8,414,350	9,093,435	8.07%	9,267,014	1.9%	10.1%

Source: 2000 and 2015 Decennial Census, 2023 American Community Survey

Chart 12 - "Population Age Distribution Chart 12. Population Age Distribution in 2015 and 2023. in 2015 and 2023." shows the age distribution of individuals living in Verona, and the 'change in age distributions between 2015 and 2023. While many communities in New Jersey have gotten older, due to lower birthrates and outmigration of young adults, the age of the median Verona resident dropped from 45.6 years old to 42.9 years old. A broader look at the ACS data reveals a 19.9% increase in the number of children since 2015, coinciding with a 29.4% growth in the number of adults in the early and middle child-raising life stages (35 to 44 years old). Meanwhile, the Township saw its population aged 60 to 64 years old decline by 33.9%. The data suggests that the Township has source: become more attractive to families, while failing to retain or attract those

nearing retirement age. Notwithstanding the growth in the number of school-aged children in Verona, enrollment across its public schools remained relatively unchanged from the 2015-16 school year (2,144) and 2023-24 school year (2,163).

Chart 13 - "Households in Verona Township by Type in 2023" breaks down households in Verona by type. The Census Bureau defines as household as consisting of "all the people who occupy a housing unit" including "the related family members and all the unrelated people, if any, such as lodgers, foster children, wards, or employees who share the housing unit. A person living alone in a housing unit, or

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AGE GROUP (YEARS OLD)	2015	OF TOTAL	2023	PERCENT OF TOTAL	CHANGE	
UNDER 5	719	5.33%	889	6.16%	24%	
5 TO 9	581	4.31%	838	5.80%	44%	
10 TO 14	1,180	8.75%	1,164	8.06%	-1%	
15 TO 19	629	4.66%	837	5.80%	33%	
20 TO 24	525	3.89%	460	3.19%	-12%	
25 TO 34	1,283	9.51%	1,111	7.69%	-13%	
35 TO 44	1,736	12.87%	2,247	15.56%	29%	
45 TO 54	2,218	16.44%	2,166	15.00%	-2%	
55 TO 59	937	6.95%	916	6.34%	-2%	
60 TO 64	1,034	7.67%	683	4.73%	-34%	
65 +	2,647	19.62%	3,130	21.67%	18%	
TOTAL	13,489	100.00%	14,441	100.0%	9.3%	
MEDIAN AGE (YEARS OLD)	45.6	(X)	42.9	(X)	(X)	

2015 and 2023 American Community Survey - 5 year estimate (DP05)

Chart 13. Households in Verona Township by Type in 2023

HOUSEHOLD TYPE	NUMBER OF HOUSEHOLDS	PERCENT
MARRIED COUPLE	3,162	54.14%
WITH CHILD UNDER 18	1,482	25.38%
COHABITANT COUPLE	305	5.22%
WITH CHILD UNDER 18	75	1.28%
SINGLE MALE	809	13.85%
WITH CHILD UNDER 18	116	1.99%
SINGLE FEMALE	1,564	26.78%
WITH CHILD UNDER 18	73	1.25%
LIVING ALONE & 65 Y/O OR OLDER	1,179	20.19%
TOTAL	5,840	

Source: 2023 American Community Survey (DP02)

a group of unrelated people sharing a housing unit such as partners or roomers, is also counted as a household. The count of households excludes group quarters."

Married couple households make up half of all households in the Chart 14. Average Household Size in Township, and just half of those households have children younger than 18 years old. One-in-four (26.78%) households in the Township are headed by single females, and one-in-five (20.19%) households consist of seniors living alone.

Chart 14 - "Average Household Size in Verona in 2015 and 2023" shows that the average household size in Verona Township has shrunk since 2015, despite the increase in the number of school-age children. This is consistent with broader declining fertility trends.

Verona in 2015 and 2023

AVERAGE HOUSEHOLD SIZE						
HOUSEHOLD TYPE	2015	2023				
OWNER	2.82	2.68				
RENTER	1.87	1.74				
ALL HOUSEHOLDS	2.6	2.47				

Community Survey (DP02)

ECONOMIC CHARACTERISTICS

Chart 15 - "Households in Verona by Income in 2023" shows that the plurality of households (38.12%) in Verona earn incomes of \$200,000 or more. An equal portion of households in the Township (37.26%) earn less than \$100,000. The median household income in 2023 was \$159,044, with the median income for a three-person household at \$189,605.

The 2023 American Community Survey does breakdown household income by household size to easily compare the Township's demographics to the 2025 income limits. However, in the context that the average household size in the Township is 2.47 persons, it should be noted that 2,176 of the Township's 5,840 households in 2023 made less than \$100,000, whereas a (hypothetical) 2.5 person household would need to have an income of \$115,050 or less in 2025 to qualify for affordable housing.

Chart 16 - "Poverty Rates in Verona Township, Essex County, and New Jersey in 2023" shows the distribution of individuals and families living below the poverty level in Verona, Essex County, and New Jersey. Verona has a low poverty rate for both families (2.6%) and individuals (5%). This makes it an outlier in Essex County, which has individual and family poverty rates of 15% and 7%.

Chart 15. Households in Verona by Income in 2023

HOUSEHOLD INCOME	NUMBER OF HOUSEHOLDS	PERCENT
LESS THAN \$10,000	345	5.91%
\$10,000 TO \$14,999	118	2.02%
\$15,000 TO \$24,999	184	3.15%
\$25,000 TO \$34,999	113	1.93%
\$35,000 TO \$49,999	179	3.07%
\$50,000 TO \$74,999	433	7.41%
\$75,000 TO \$99,999	804	13.77%
\$100,000 TO \$149,999	594	10.17%
\$150,000 TO \$199,999	844	14.45%
\$200,000 OR MORE	2,226	38.12%
MEDIAN INCOME	\$159,044	(X)

Source: 2020 American Community Survey - 5 year estimate (DP03)

Chart 16. Poverty Rates in Verona Township, Essex County, and New Jersey in 2023

•	-	
LOCATION	INDIVIDUAL	FAMILY
VERONA TOWNSHIP	5.0%	2.6%
ESSEX COUNTY	15.00%	7.0%
NEW JERSEY	9.80%	11.7%

Source: 2023 American Community Survey - 5 year estimate (DP03)

Chart 17 - "Employed Verona Residents by Sector in 2023" shows the number of employed Verona residents by sector of employment as defined by the North American Industrial Classification System (NAICS). The two most represented industries of resident employment in the Township of Verona are education/ healthcare/social services at 26.16% of employed persons and Professional, Scientific, Management/Administration, and Waste Services at 21.28%. The former sector tends to consist of lower to middle iobs, earnina althouah American Community Survey Table B24031 shows Verona Township residents earning a median income of \$77128 in that sector compared to a median of \$113,203 in the second largest sector of employment. Just 1.56% of Township residents work in the highest-earning sector (Wholesale Trade) where median reported income for Verona Township residents employed in that sectors in 2023 was \$205,332.

Chart 18 - "Employed Verona Residents by Chart 18. Employed Verona Residents by Occupation Category Occupation Category" shows the number employed Verona residents "Occupation", which describes the nature of the actual jobs performed. The majority of employed Verona Township residents' jobs are categorized as Management, Business, Science, and the Arts, representing 4,743 people (65.48% of employed residents). According to American Community Survey data Table B24011 for 2023, that category of occupation earned a median of \$100,546.

Based on estimates by the New Jersey Department of Labor and Workforce Development, the unemployment rate in Verona was 4.3% in 2015 and 3.3% in 2023. As shown in "Chart 19. Labor Force and Unemployment Rates Since 2015" on page 22, unemployment peaked at 7.7% in 2020 due to the Coronavirus Pandemic, which caused businesses around the world to shut down or limit activities. The labor force in Verona has grown by more than 500 people since 2015.

Chart 17. Employed Verona Residents by Sector in 2023

SECTOR	NUMBER	PERCENT
AGRICULTURE, FORESTRY, MINING, FISHING & HUNTING	0	0.00%
CONSTRUCTION	280	3.87%
MANUFACTURING	633	8.74%
WHOLESALE TRADE	113	1.56%
RETAIL TRADE	584	8.06%
TRANSPORTATION, WAREHOUSING, UTILITIES	138	1.91%
INFORMATION	254	3.51%
FINANCE/INSURANCE, REAL ESTATE	946	13.06%
PROFESSIONAL, SCIENTIFIC, MANAGEMENT, ADMINISTRATION, WASTE MGMT.	1,541	21.28%
EDUCATION, HEALTH CARE, SOCIAL ASSISTANCE	1,895	26.16%
ARTS, ENTERTAINMENT, RECREATION, HOSPITALITY	231	3.19%
OTHER SERVICES	252	3.48%
PUBLIC ADMIN	376	5.19%
TOTAL EMPLOYED WORKFORCE	7,243	100.00%

Source: 2023 American Community Survey - 5 year estimate (DP03)

OCCUPATION CATEGORY	NUMBER	PERCENT
MANAGEMENT, BUSINESS, SCIENCE, ARTS	4,743	65.48%
SERVICE	469	6.48%
SALES AND OFFICE	1,317	18.18%
NATURAL RESOURCES, CONSTRUCTION, MAINTENANCE	217	3.00%
PRODUCTION, TRANSPORTATION, MATERIALS	497	6.86%
TOTAL EMPLOYED WORKFORCE	7,243	100.00%

Source: 2020 American Community Survey - 5 year estimate (DP03)

Chart 19. Labor Force and Unemployment Rates Since 2015

YEAR	LABOR FORCE	EMPLOYED PERSONS	UNEMPLOYED PERSONS	UNEMPLOYMENT RATE (%)
2015	7,150	6,846	304	4.3
2016	7,102	6,851	251	3.5
2017	7,277	7,033	244	3.4
2018	7,226	7,019	207	2.9
2019	7,359	7,178	181	2.5
2020	7,358	6,791	567	7.7
2021	7,351	6,981	370	5.0
2022	7,526	7,309	217	2.9
2023	7,672	7,415	257	3.3

Source: NJ Department of Labor and Workforce Development Annual Average Labor Estimates by Municipality

EMOGRAPHICS AND HOUSING STOCK

As shown by the 2023 ACS data contained in Chart 20 - "Mode of Commute for Employed Residents of Verona Township, Essex County, and New Jersey in 2023" employed residents of Verona commute mostly by personal automobile (61.1%), similar to the rest of the state (63.7%). They are also slightly more likely to commute by public transportation than workers elsewhere in New Jersey, but less likely than workers across Essex County. Verona residents and Essex County residents overall have a slightly longer commute than the average New Jersey worker.

Chart 20. Mode of Commute for Employed Residents of Verona Township, Essex County, and New Jersey in 2023

MODE OF TRANSPORT	VERONA TOWNSHIP	ESSEX COUNTY	NEW JERSEY
DRIVE ALONE	61.1%	53.9%	63.7%
CARPOOL	3.7%	0.08%	7.7%
TRANSIT	11.7%	16.2%	8.5%
WALK	0.4%	3.1%	2.6%
WORK AT HOME	1.2%	4.7%	2.4%
OTHER	22.0%	14.2%	15%
MEAN COMMUTE TIME (MINUTES)	33.1	34	30.9

Source: 2023 American Community Survey - 5 year estimate (DP03)

Chart 21. Number of Employees in Verona Covered by Unemployment Insurance in 2023

EMPLOYMENT SECTOR	2023 AVERAGE NUMBER OF EMPLOYERS / FIRMS	2023 AVERAGE NUMBER OF EMPLOYEES	AVERAGE ANNUAL WAGES IN 2023
FEDERAL GOVT TOTALS	1	1	\$101,817
LOCAL GOVT TOTALS	8	558	\$68,914
LOCAL GOVT EDUCATION	6	304	\$77,972
AGRICULTURE			
CONSTRUCTION	30	123	\$67,742
MANUFACTURING	10	32	\$91,818
WHOLESALE TRADE	15	79	\$97,270
RETAIL TRADE	40	375	\$54,707
TRANSPORT/WAREHOUSING	5	54	\$46,645
INFORMATION			
FINANCE/INSURANCE	21	109	\$139,659
REAL ESTATE	18	70	\$46,902
PROFESSIONAL/TECHNICAL	57	209	\$90,495
MANAGEMENT			
ADMIN/WASTE REMEDIATION	31	119	\$59,119
EDUCATION			
HEALTH/SOCIAL	87	752	\$56,005
ARTS/ENTERTAINMENT	9	32	\$41,936
ACCOMMODATIONS /FOOD	30	314	\$24,525
OTHER SERVICES	53	378	\$34,306
UNCLASSIFIEDS	16	23	\$42,883
PRIVATE SECTOR TOTALS ³	441	2,971	\$56,083
ALL TOTALS	450	3,530	\$58,124

Source: NJ LWD 2023 Covered Employment - Annual Municipal Data By Sector

Employees covered by unemployment insurance represent approximately 95% of all workers in the State of New Jersey. Chart 21 - "Number of Employees in Verona Covered by Unemployment Insurance in 2023" contains data for 3,833 people who work in Verona Township, including 2,971 private sector totals across 441 firms or employer units. The health and social services sector was the largest employer in the Township, with 752 employees over 87 firms or employers, and paid an

³ Private Sector Totals on Chart 21: Total row does not correspond with total of individual rows, because some data from individual sectors is withheld by the source (NJ Dept. Labor and Workforce Development) to protect individuals privacy.



average annual wage of \$56,005 in 2023. The highest paying sector in the Township was the financial and insurance sector, which paid its employees an average of \$139,659, whereas the lowest paying sector was the food and accommodations sector, paying an average wage of \$24,525 annually. Local government - which includes municipal and county - employed 558 person including 304 in local educational contexts. The average wage for any employee in Verona in 2023 was \$58,124.

HOUSING, EMPLOYMENT, AND POPULATION PROJECTIONS

The North Jersey Transportation Planning Authority (NJTPA) published demographic forecasts in 2021, projecting population, household, and employment levels in 2050 from a base year of 2015. As shown in Chart 22 - "Projection of Population, Households, Employment from 2015-2050", Verona Township in 2023 already exceeded the Authority's population and household projection (based on their statistical model's annualized rate of change), while falling short of NJTPA's projection of number of jobs in the Township. If the Township grows NJTPA's estimated annual growth rate from 2023 levels through 2035, the year the Fourth affordable housing round ends, Verona could expect a population of 15,240 people in 2035 across 6,195 households (a growth of 355 households with 2.46 people per household) and a job base of 3,753.

Chart 22. Projection of Population, Households, Employment from 2015-2050

	2015	PROJECTED ANNUALIZED RATE OF CHANGE*	2023 PROJECTED*	2023 ACTUAL	2035 PROJECTED†	2050 PROJECTED*
POPULATION	13,374	0.45%	13,863	14,441	15,240	15,649
HOUSEHOLDS	5,441	0.49%	5,659	5,840	6,195	6,462
EMPLOYMENT	4,438	0.51%	4,622	3,530	3,753	5,306

Source: NJTPA Municipal Demographics Forecast, 2021

Please note: The projections on the top of page 68 of the 2022 Master Plan are intended to estimate the number of new residents and housing units that may be created if developers were to build the maximum number of housing units and non-residential space permitted by zoning already in place or being proposed at the time of the 2022 writing. Meanwhile, the projections in Chart 22 of this plan are based on statistical analyses and assumptions from the North Jersey Transportation Planning Authority that assume that zoning is likely to change to accommodate growth.

The HEFSP is required to included a projection of the number of housing units to be constructed in the municipality during the Third Round based on known factors such as historic development patterns and approved or pending development applications. Per the Fair Housing Act's guidance, Chart 23 - "Housing Supply Trend 2014 to 2024" uses building permits to represent new housing creation and demolition permits to represent loss of housing supply. Based on data collected from the Township Building Department the Township issued 314 permits for new housing units and 14 demolition permits between 2014 and 2024, for a net of 300 new housing units in the Township over the 10 year period, or an average of 30 new housing units per year.

Of the 314 permitted units, 95 are part of the 100% affordable Verona Flats project created to satisfy the Third Round affordable housing obligation and comply with the terms of a Settlement Agreement with Fair Share Housing Center to do the same. Another 159 units were permitted at other multi-unit developments, and 60 were single-family dwellings. An additional 200 units are expected to be permitted at the Sunset Avenue / Spectrum 360 project included in the Third Round Plan.

^{*} NJTPA estimates

[†] DMR Architects estimates

Chart 23. Housing Supply Trend 2014 to 2024

YEAR	NEW UNITS PERMITTED	UNITS PERMITTED FOR DEMO	DIFFERENCE
2014	32	0	32
2015	29	1	28
2016	7	3	4
2017	120	1	119
2018	2	1	1
2019	4	1	3
2020	7	5	2
2021	2	0	2
2022	3	2	1
2023	103	0	103
2024	5	0	5
TOTAL	314	14	300
10 YR AVG.	31.4	1.4	30

Source: Township Building Department



^{*}Please Note: The 2022 Master Plan presented 10- year building permit data from the Township Building Department which encapsulated 2010-2020. Chart 23, presents building data for 2014-2024.

CONSIDERATION OF LANDS & THE VACANT LAND ANALYSIS (APPENDIX 5)

The Fair Housing Act at N.J.S.A. 52:27D-310.f requires the HEFSP to include "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". The Fourth Round rules at N.J.S.A. 52:27D-310.1 (Section 23 of P.L. 2024, c.2) lay out the steps and conditions by which a municipality can request an adjustment of its Prospective Need to reflect a lack of vacant and developable land through a process referred to as a "vacant land analysis". See "Figure 10. Vacant Land Analysis" on page 26.

VACANT LAND ANALYSIS

The Township conducted a vacant land analysis that identified all vacant private and public lands in the Township as well as underutilized lands such as oversized parking lots and the vacant parts of unconsolidated tracts of land (multiple lots under common ownership that have not been merged into one lot). The vacant land analysis considered densities that would be reasonable on each property based upon surrounding conditions and site capacity, and determined that the Township's realistic development potential was just 57 units.

The Township is not required to develop or zone the lands identified as vacant or available in a vacant land analysis, as long that it can create realistic opportunities for affordable housing elsewhere in town. The vacant land adjustment exercise is meant to provide a uniform process for towns around the state to demonstrate a lack of available land and quantify the realistic development potential of that land.

LANDS CONSIDERED

The bonus credit structure of the Fourth Round rules incentivizes municipalities to zone for affordable housing within half a mile of transit

stops or on current or former commercial properties. To maximize the yield from this bonus structure, the Township primarily considered lands in its commercial districts along Bloomfield Avenue and Grove Avenue.

Prior to the announcement of the Fourth Round obligation or the determination of the Township's

Figure 10. Vacant Land Analysis

Vacant land is previously defined in the rules of the now defunct Council on Affordable housing as "undeveloped and unused land area" which has clear title and is free of encumbrances which preclude development for low- and moderate-income housing.

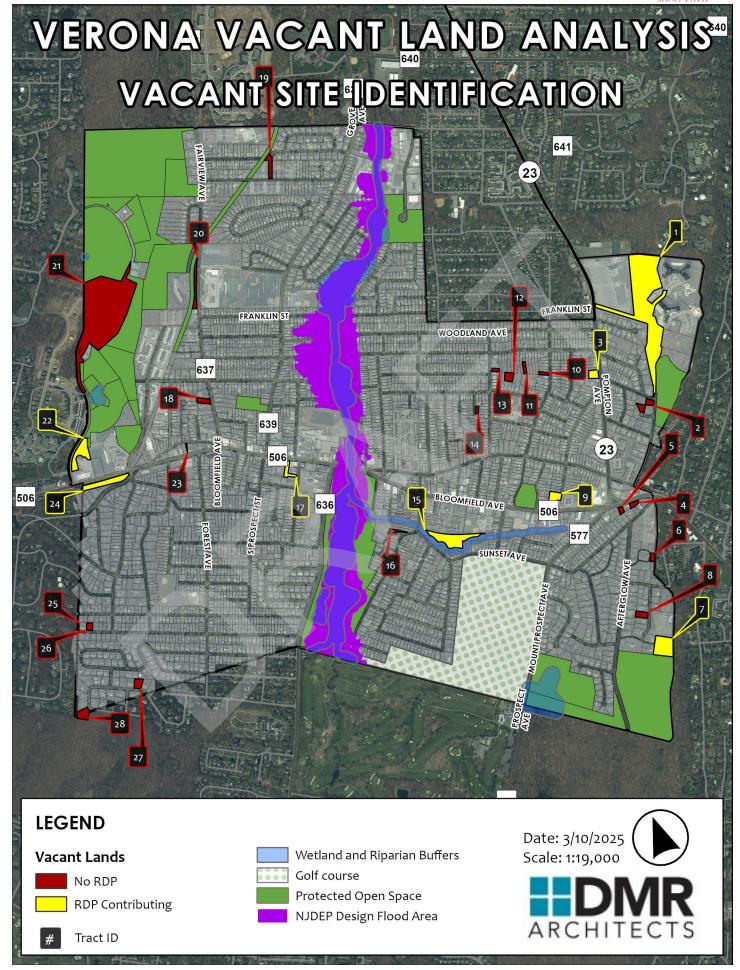
The following categories of land can be excluded from the inventory of vacant land:

- a. Local government owned land restricted by resolution prior to 1/1/1997 for public purposes other than housing;
- b. Land listed in the municipal master plan as being dedicated, by easement or otherwise, for purposes of conservation, park lands or open space and which is owned, leased, licensed, or in any manner operated by a county, municipality or tax-exempt, nonprofit organization including a local board of education, or by more than one municipality by joint agreement;
- Any vacant contiguous parcels of land in private ownership of a size which would accommodate fewer than five housing units based on appropriate housing densities;
- d. Sites listed on the State Register of Historic Places or National Register of Historic Places prior to the date of filing a housing element and fair share plan;
- e. Preserved agricultural lands;
- f. Sites designated for active recreation that are designated for recreational purposes in the municipal master plan; and
- g. Environmentally sensitive lands where development is prohibited by any State or federal agency, including, but not limited to, the Highlands Water Protection and Planning Council, established pursuant to section 4 of P.L.2004, c.120 (C.13:20-4), for lands in the Highlands Preservation Area, and lands in the Highlands Planning Area for Highlands-conforming municipalities.

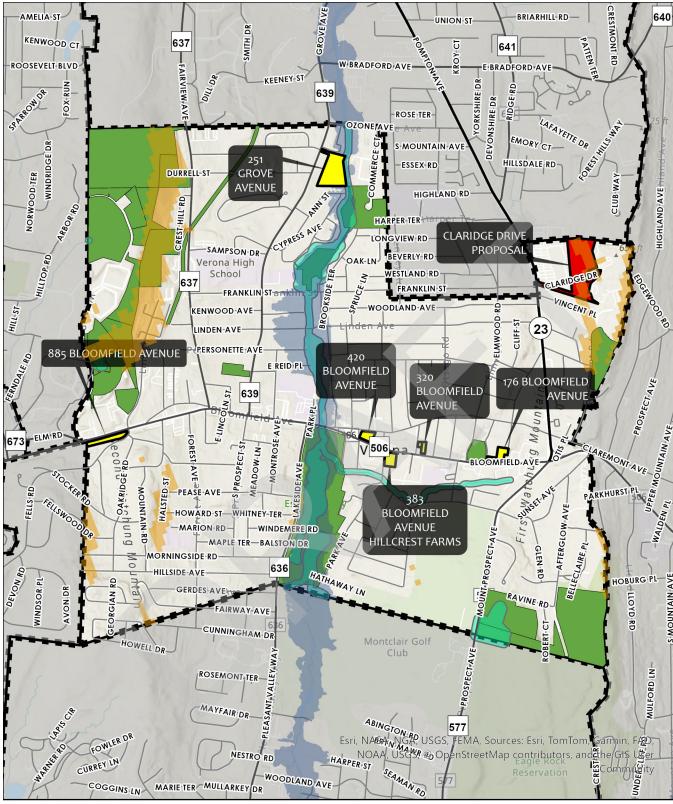
vacant land adjusted Prospective Need, the Township had already been engaged by developers interested in redeveloping underutilized properties in the Township for mixed-use or multi-family development. All of the sites considered and developers engaged to date are included in the Fourth Round Fair Share Plan, with the exception of one proposed project on Block 103, Lot 2.

The Township received a letter dated May 1, 2025 from an interested developer, proposing to create a 220-unit inclusionary project on Block 103, Lot 2, with a 20% set-aside adjacent to an existing apartment community on Claridge Drive ("Claridge House"). The site is zoned A-3 which permits townhouses at a density of not more than 8 units an acre on a tract of this size. The Township received a letter dated May 16 from the owner of the site (The Claridges, LLC) indicating that they do not have a contract giving site control to the interested developer and that the owners preference is to pursue sale of the property in question to the Township to preserve for open space through the Green Acres Program. Due to the lack of site control by the proposed developer, and the expressed desire of the property owner to preserve the site for open space, the Township is not including the proposed project in its Fourth Round HEFSP as of this writing. Notwithstanding, this HEFSP shows that the Township is able to meet or exceed its Prospective Need obligation without the site, including its 57-unit RDP and any Unmet Need that may be required.

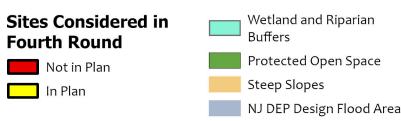




Map 3. Map of properties analyzed for the vacant land analysis.



LEGEND





FAIR SHARE PLAN

REVIEW OF PRIOR ROUND COMPLIANCE MECHANISMS

N.J.S.A 52:27-304.1.3.f(2)(a) requires that the Fourth Round Housing Element and Fair Share Plan, as well as plans adopted in all future rounds, review the status of projects and zones that were necessary for the satisfaction of prior round obligations.

The Prior Round compliance mechanisms included an existing senior housing site and several special needs group homes, as well as proposed projects that were effectuated by way of redevelopment plans. One redevelopment, Verona Flats, is constructed and occupied, and the other, Sunset Avenue / Spectrum 360, is approved and received an extension of approval to allow additional time to obtain water approvals. Additionally, the Township adopted a Township-wide affordable housing set-aside requirement for any development that creates five or more new housing units to include a affordable housing set-aside of 15% for rental units and 20% for for-sale units.

The affordable housing law only requires municipalities to re-examine zoning or projects if they were put in place prior to July 1, 2020 and have not led to construction. As the redevelopment plans and zoning addressing the Third Round were put in place after that date, any redevelopment areas or zones that have not yet attracted development will continue to be valid until July 1, 2030, when the Township will be required to conduct a midpoint review of all new construction mechanisms put in place since July 1, 2020 and amend its Housing Element and Fair Share Plan to replace or enhance projects or zones that have not been effective.

FAIR SHARE PLAN - PROSPECTIVE NEED

The Township is eligible for a vacant land adjustment, which permits it over the next 10 years to address a smaller number than the 155 unit Prospective Need. The vacant land analysis identifies a Realistic Development Potential (RDP) of **57 units.** The RDP is, traditionally, satisfied by using a combination of zoning, development, and housing programs that have a high likelihood of being fully implemented/developed within the 10-year housing round.

However, P.L. 2024, c.2 also states that the Township must "identify sufficient parcels likely to redevelop during the current round of obligations to address at least 25 percent of the

Figure 11. 25% Rule

N.J.S.A. 52:27D-310.1: "Any municipality that receives an adjustment of its prospective need obligations for the fourth round or subsequent rounds based on a lack of vacant land shall, as part of the process of adopting and implementing its housing element and fair share plan, identify sufficient parcels likely to redevelop during the current round of obligations to address at least 25 percent of the prospective need obligation that has been adjusted and adopt realistic zoning that allows for such adjusted obligation, or demonstrate why the municipality is unable to do so."

prospective need obligation that has been adjusted and adopt realistic zoning that allows for such adjusted obligation" (See Figure 11 on page 30). This language has been subject to a variety of interpretations, particularly as to what the "prospective need obligation that has been adjusted" or the "adjusted obligation" refers to. This Fourth Round Plan has been crafted to satisfy the most conservative interpretation of the language, although it does not agree with it, which is that in addition to planning for the 57-unit RDP, the Township must also plan for 25% of the "Unmet Need"¹, or 25 units. Unmet Need may be addressed through zoning and other strategies that do not necessarily need to produce a specific number of housing units during the housing round (in this case, 25 units), but must create a realistic opportunity for those units to be created through redevelopment. Zoning is one of the most common means of achieving this.

Verona Township's Fair Share Plan to address its **57**-unit Fourth Round RDP and **25**-unit minimum unmet need obligation shall be satisfied with the developments and zoning identified in this section of the HEFSP. The rules of the Council on Affordable Housing (COAH) at N.J.A.C. 5:97-5.3(b) required

¹ Unmet Need: The difference between the Prospective Need (155) and RDP (57) or **98** units. A quarter of 98, rounding up, is 25, which is the minimum unmet need the Township must plan for.

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fair share plans to demonstrate that sites intended for inclusionary development are "available, suitable, developable and approvable, as defined in N.J.A.C. 5:93-1". Operating on the presumption that those rules continue to be valid, the "suitability analysis", as it has historically been referred, for each site is below:

TOWN CENTER MIXED USE OVERLAY ZONE DISTRICT – BLOCK 1807, LOTS 2 THROUGH 12 AND LOT 14 (APPENDIX 9)

As part of its Settlement Agreement with Fair Share Housing Center in the Third Round, the Township adopted an overlay zone permitting as many as 14 affordable units through mixed use inclusionary development with up to 70 total residential units in the Township's downtown. The project was a condition of the Settlement that was not needed to satisfy the Third Round obligation, and can therefore be carried into the Fourth Round to address a portion of the Prospective Need for 2025 to 2035.

The overlay zone, created on October 17, 2022, permits one or more buildings up to three stories in height along the south side of Bloomfield Avenue between Montrose Avenue and South Prospect Street, having non-residential uses on the ground floor and residential uses on the second and third floors. The ordinance also permits ground-level residential units at least 50 feet from Bloomfield Avenue, and permits a maximum of 70 units in the Overlay Zone or a maximum density of 22 units per acre. For the purposes of the Fourth Round compliance plan, the Township anticipates that the zoning will permit at least 11 affordable units based on the required 15% set-aside for rental units.

The zoning affects a 3.24-acre area located within a designated sewer service area. The lots are currently within the TC- Town Center Zone and the C-2 – Professional Office and Business Zone (Lots 3 and 4 on Block 1807). The properties in question are occupied by commercial uses including a gasoline station, personal services, and retail in 1- or 1.5-story buildings in the Township's town center. Surrounding uses include commercial and civic uses fronting upon Bloomfield Avenue and residential uses along intersecting streets. The properties are not within a flood hazard area nor do they have other environmentally sensitive conditions.

Any development completed in compliance with the overlay zone shall be required to set aside units for low- and moderate-income households at a rate of 15% of all residential units for rental projects a 20% of all residential units for for-sale projects. In order to ensure that the provision of parking is not an obstacle to the creation of the maximum number of units on the property, the ordinance sets a parking ratio of 1.5 spaces per unit, which is lower than the Residential Site Improvement Standard of 1.8 spaces/unit for 1-bedroom apartments, 2 spaces/unit for 2-bedroom apartments, and 2.1 spaces per unit for 3-bedroom apartments (*N.J.A.C.* 5:21-4.14, Table 4.4). The ordinance also allows for onsite parking structures up to 28 feet in height and provides for off-site parking arrangements.

GROVE AVENUE ASSISTED LIVING REZONING - BLOCK 1201, LOT 12 (APPENDIX 10)

The Township adopted Ordinance 2024-28 on September 8, 2024, which amended its C-2 Professional Office and Business Zone language to conditionally permit assisted living facilities on lots at least 4.5 acres in area, with a specific objective of permitting such a use at a low-intensity industrial site at 251 Grove Street. The ordinance permits a facility with a density of 30 beds per acre and requires 15% of the beds to be deed restricted for low and moderate income households, which at full build-out would result in 165 total assisted living beds/units of which 25 would be affordable age-restricted units. Due to the statutory limit on the number of age-restricted housing units that may be included in the plan², the Township will only utilize a portion of these units to satisfy the Fourth Round, and reserves the right to carry over any surplus units towards the Fifth Round.

"Available site" means a site with clear title, free of encumbrances which preclude development for low- and moderate-income housing.

² N.J.S.A. 52:27D-311.l, "A municipality may not satisfy more than 30 percent of the affordable housing units, exclusive of any bonus credits, to address its prospective need affordable housing obligation through the creation of age-restricted housing."

The Township is not aware of any deed restrictions or other legal encumbrances to the redevelopment of the site for low- and moderate-income housing.

- ▶ "Suitable site" means a site that is adjacent to compatible land uses, has access to appropriate streets and is consistent with the environmental policies delineated in N.J.A.C. 5:93-4.
 - The site has direct street access and is located in between an established single-family neighborhood and established industrial and commercial uses. The site is partially within the NJ Inland Design Flood Elevation Area; however, this should not preclude the site from being capable of being redeveloped for inclusionary housing.
- ▶ "Developable site" means a site that has access to appropriate water and sewer infrastructure, and is consistent with the applicable areawide water quality management plan (including the wastewater management plan) or is included in an amendment to the areawide water quality management plan submitted to and under review by DEP.

The site is served by public water and sewer.

"Approvable site" means a site that may 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. A site may be approvable although not currently zoned for low and moderate income housing.

The site appears to be developable consistent with the Residential Site Improvement Standards, *N.J.A.C.* 5:21. Any development must receive site plan approval from the relevant land use review board prior to being constructed.

320 BLOOMFIELD AVENUE & 11 CHURCH STREET- BLOCK 704, LOTS 18 & 20 (APPENDIX 11)

The Township designated these two contiguous properties as an area in need of redevelopment without condemnation by way of Resolution 2024-151. The Township's planner, H2M, in coordination with an interested developer, prepared a draft Redevelopment Plan (included in the appendices) which would allow for a mixed-use development with at a density of 23 units per acre, which would permit 12 total housing units of which two (2) would be affordable family units. As of this writing, the prospective redeveloper requested that the adoption of the Redevelopment Plan be delayed.

The site meets the suitability criteria as follows:

- ► "Available site" means a site with clear title, free of encumbrances which preclude development for low- and moderate-income housing.
 - The Township is not aware of any deed restrictions or other legal encumbrances to the redevelopment of the site for low- and moderate-income housing.
- ▶ "Suitable site" means a site that is adjacent to compatible land uses, has access to appropriate streets and is consistent with the environmental policies delineated in N.J.A.C. 5:93-4.
 - The site has direct street access and is located on the Bloomfield Avenue Commercial corridor, which includes commercial, mixed-use, and multi-family developments, as well as bus service. The site does not have any environmental constraints.
- "Developable site" means a site that has access to appropriate water and sewer infrastructure, and is consistent with the applicable areawide water quality management plan (including the wastewater management plan) or is included in an amendment to the areawide water quality management plan submitted to and under review by DEP.
 - The site is served by public water and sewer.
- "Approvable site" means a site that may 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. A site may be approvable although not currently zoned for low and moderate income housing.
 - The site appears to be developable consistent with the Residential Site Improvement Standards,

N.J.A.C. 5:21. The project must receive site plan approval from the relevant land use review board prior to being constructed.

HILLCREST FARMS - 383 BLOOMFIELD AVENUE - BLOCK 708, LOT 1 (APPENDIX 12)

The property is located at the corner of Bloomfield Avenue and Park Avenue and is occupied by and in use as a "garden center" and "farmers market" business. It is comprised of greenhouses and commercial buildings over a 1.26-acre area. The property was designated as an area in need of redevelopment on February 3, 2025, and the Township has been in good faith negotiations with an interested developer to produce a redevelopment plan that would allow for the redevelopment of the site for mixed-use, inclusionary housing purposes. The most current proposal, as of the writing of this Housing Plan, contemplates 33 total units, of which five (5) would be affordable. Of the five affordable, the developer proposes four (4) special needs bedrooms and one (1) three-bedroom family unit. The four special needs bedrooms would count as four affordable housing units and be eligible for four (4) bonus credits. The concept plan to be included in the Appendices for evidential purposes is deliberative, and subject to negotiation and modification. A final site plan will be required to comply with a redevelopment plan to be adopted by the Township, and be reviewed and considered for approval by the Township's Planning Board at one or more public hearings.

The site meets the suitability criteria as follows:

- "Available site" means a site with clear title, free of encumbrances which preclude development for low- and moderate-income housing.
 - The Township is not aware of any deed restrictions or other legal encumbrances to the redevelopment of the site for low- and moderate-income housing.
- ▶ "Suitable site" means a site that is adjacent to compatible land uses, has access to appropriate streets and is consistent with the environmental policies delineated in N.J.A.C. 5:93-4.
 - The site has direct street access and is located on the Bloomfield Avenue Commercial corridor, which includes commercial, mixed-use, and multi-family developments, as well as bus service. The site does not have any environmental constraints.
- "Developable site" means a site that has access to appropriate water and sewer infrastructure, and is consistent with the applicable areawide water quality management plan (including the wastewater management plan) or is included in an amendment to the areawide water quality management plan submitted to and under review by DEP.
 - The site is served by public water and sewer.
- "Approvable site" means a site that may 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. A site may be approvable although not currently zoned for low and moderate income housing.
 - The site appears to be developable consistent with the Residential Site Improvement Standards, *N.J.A.C.* 5:21. The project must receive site plan approval from the relevant land use review board prior to being constructed.

420 BLOOMFIELD AVENUE - BLOCK 710, LOT 3 (APPENDIX 13)

The Township proposes to rezone this property, locally known as the Richfield Regency, to permit a mixed-use development with a minimum of 45 total units, of which at least seven (7) would be affordable family units, pending ongoing negotiations. Although the affordable housing units are proposed on the one-acre tract at 420 Bloomfield, the project will also include off-site parking on a 0.42-acre lot on Claremont Avenue in order to accommodate parking for both the residents and the ground-level commercial uses. The site is located in the Bloomfield Avenue rehabilitation area, and redevelopment designation and a redevelopment plan will be pursued to make the project feasible. The concept plan to be included in the Appendices to represent that the project is realistic and has an interested developer is deliberative and subject to negotiation and modification. A final

site plan will be required to comply with a redevelopment plan to be adopted by the Township, and be reviewed and considered for approval by the Township's Planning Board at one or more public hearings.

The site meets the suitability criteria as follows:

- ► "Available site" means a site with clear title, free of encumbrances which preclude development for low- and moderate-income housing.
 - The Township is not aware of any deed restrictions or other legal encumbrances to the redevelopment of the site for low- and moderate-income housing.
- ▶ "Suitable site" means a site that is adjacent to compatible land uses, has access to appropriate streets and is consistent with the environmental policies delineated in N.J.A.C. 5:93-4.
 - The site has direct street access and is located on the Bloomfield Avenue Commercial corridor, which includes commercial, mixed-use, and multi-family developments, as well as bus service. The site does not have any environmental constraints.
- "Developable site" means a site that has access to appropriate water and sewer infrastructure, and is consistent with the applicable areawide water quality management plan (including the wastewater management plan) or is included in an amendment to the areawide water quality management plan submitted to and under review by DEP.
 - The site is served by public water and sewer.
- ▶ "Approvable site" means a site that may 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. A site may be approvable although not currently zoned for low and moderate income housing.
 - The site appears to be developable consistent with the Residential Site Improvement Standards, *N.J.A.C.* 5:21. The project must receive site plan approval from the relevant land use review board prior to being constructed.

176 BLOOMFIELD AVENUE - BLOCK 202, LOTS 1 & 23 (APPENDIX 14)

This project is the subject of a settlement agreement between the Township and DMH2 LLC. The Township proposes to rezone the property to allow for a four-story, **28-unit family apartment building**, **of which - as a condition of the settlement - four (4) units would be affordable.** The site is located in the Bloomfield Avenue rehabilitation area, and redevelopment designation may be considered to allow for a redevelopment plan that would make the project feasible. The concept plan to be included in the Appendices to represent that the project is realistic and has an interested developer is deliberative and subject to negotiation and modification. A final site plan will be required to comply with a redevelopment plan to be adopted by the Township, and be reviewed and considered for approval by the Township's Planning Board at one or more public hearings.

The site meets the suitability criteria as follows:

- "Available site" means a site with clear title, free of encumbrances which preclude development for low- and moderate-income housing.
 - The Township is not aware of any deed restrictions that would prohibit multi-family, inclusionary housing, or other legal encumbrances to the redevelopment of the site for low- and moderate-income housing. A deed restriction is in place on Lot 1, first recorded in 1893 and recognized in subsequent deeds recorded to date, which prohibits the use of the site for "commercial or manufacturing purposes"; however, neither the Township nor DMH2 believe this precludes multifamily residential development.
- ▶ "Suitable site" means a site that is adjacent to compatible land uses, has access to appropriate streets and is consistent with the environmental policies delineated in N.J.A.C. 5:93-4.
 - The site has direct street access and is located on the Bloomfield Avenue Commercial corridor,

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which includes commercial, mixed-use, and multi-family developments, as well as bus service. The site does not have any environmental constraints.

- ▶ "Developable site" means a site that has access to appropriate water and sewer infrastructure, and is consistent with the applicable areawide water quality management plan (including the wastewater management plan) or is included in an amendment to the areawide water quality management plan submitted to and under review by DEP.
 - The site is served by public water and sewer.
- "Approvable site" means a site that may 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. A site may be approvable although not currently zoned for low and moderate income housing.

The site appears to be developable consistent with the Residential Site Improvement Standards, N.J.A.C. 5:21. The project must receive site plan approval from the relevant land use review board prior to being constructed.

885 BLOOMFIELD AVENUE - BLOCK 2205, LOT 6 (APPENDIX 15)

The Township Council adopted resolution 2019-56 on February 11, 2019, which established the above referenced property as an area in need of redevelopment subsequent to an investigation performed by the Planning Board pursuant to *N.J.S.A.* 40A:12A-5. The property in question is a narrow 1.77 acre lot fronting on Bloomfield and having a depth of 100 feet at its largest point and 84.9 feet at its narrowest point. South of the property is a single-family neighborhood along Fells Road. The rear of the property along the Fells Road residences is wooded and sloped.

The Township never adopted a Redevelopment Plan for the property. The property owner had previously shared with the Township a conceptual plan depicting a 60-unit inclusionary townhouse development with 0-foot front yard setbacks along Bloomfield Avenue and wooded buffers only three feet deep along the rear property lines shared the Fells Road residential properties. In order to prepare a compliant plan for its Fourth Round obligation, the Township has engaged the property owner in negotiations to arrive at a mutually agreeable concept plan. As of the writing of this HEFSP, the development is expected to include a minimum of 19 total housing units, which will include at least two (2) special needs bedrooms in a townhouse unit and at least two (2) affordable family units, pending ongoing negotiations. The concept plan to be included in the Appendices to represent that the project is realistic and has an interested developer is deliberative and subject to negotiation and modification. A final site plan will be required to comply with a redevelopment plan to be adopted by the Township, and be reviewed and considered for approval by the Township's Planning Board at one or more public hearings.

- ► "Available site" means a site with clear title, free of encumbrances which preclude development for low- and moderate-income housing.
 - The Township is not aware of any deed restrictions or other legal encumbrances to the redevelopment of the site for low- and moderate-income housing.
- ▶ "Suitable site" means a site that is adjacent to compatible land uses, has access to appropriate streets and is consistent with the environmental policies delineated in N.J.A.C. 5:93-4.
 - The site has direct street access and is located on the Bloomfield Avenue Commercial corridor, which includes commercial, mixed-use, and multi-family developments, as well as bus service. A portion of the site is believed to be steep-slope encumbered.
- ▶ "Developable site" means a site that has access to appropriate water and sewer infrastructure, and is consistent with the applicable areawide water quality management plan (including the wastewater management plan) or is included in an amendment to the areawide water quality management plan submitted to and under review by DEP.
 - The site is served by public water and sewer.

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"Approvable site" means a site that may 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. A site may be approvable although not currently zoned for low and moderate income housing.

The site appears to be developable consistent with the Residential Site Improvement Standards, *N.J.A.C.* 5:21. The project must receive site plan approval from the relevant land use review board prior to being constructed.

SURPLUS CREDITS - HILLWOOD / VERONA SENIOR HOUSING - 100 HILLWOOD TERRACE - BLOCK 2701, LOT 23 (APPENDIX 16)

The Hillwood Senior Housing project was completed in 1979 and funded through New Jersey Housing and Mortgage Finance Agency (HMFA) as a Section 8 apartment building with 159 units. The Township was limited to applying only 59 of the 159 affordable units at this site towards its affordable housing obligations for the years 1987 to 2025 due to terms of its Third Round Settlement Agreement with Fair Share Housing Center. In the Fourth Round, the Township is able to use age-restricted housing for up to 30% of the housing units satisfying the Fourth Round Plan. **The Township is claiming credit for eight (8) units from this site in the Fourth Round.**

RDP COMPLIANCE SUMMARY

The above listed projects will provide enough affordable housing units and bonus credits to meet or exceed the RDP of 57 units.

UNMET NEED (APPENDIX 17)

Although Verona Township does not agree that the Fourth Round statute includes an unmet need requirement, the Township will provide for the long term and ongoing potential for the creation of new affordable housing in its Bloomfield Avenue corridor. In accordance with its Third Round Settlement Agreement with Fair Share Housing Center and the subsequently adopted Third Round Housing Element and Fair Share Plan, the Township adopted an ordinance requiring any and all new multi-unit development resulting in five or more new housing units to include minimum set-asides of 15% for rentals and 20% for for-sale arrangements.

TC ZONE AMENDMENTS

Recognizing the Bloomfield Avenue corridor as the preferred location for mixed-use, inclusionary development, the Township - in 2024 - designated the corridor as an area in need of rehabilitation, which will enable the Township to offer tax abatements for redevelopment in the corridor. The Township will amend its TC Town Center zoning standards to eliminate current barriers to mixed-use development - namely an existing provision that requires any mixed-use development in the TC zone to have an equal amount of residential to non-residential floor area - and to permit residential density of 10 units per acre. This amendment creates a realistic opportunity for more than 25 affordable housing units in the event that the entire TC zone is redeveloped. Any development must receive site plan approval from the relevant land use review board prior to being constructed.

SURPLUS TRUST FUNDS

Additionally, the Township anticipates having surplus trust fund revenues in excess of \$150,000 over the next 10 years³ - after allocating funds permitted for administrative purposes, required for affordability assistance, or previously committed to pay down debt on the Verona Flats site - for one of the following purposes:

- 1. To work with a special needs housing provider to incorporate special needs housing into one of the inclusionary projects identified in this plan; or
- 2. To increase the affordable housing set-aside on one of the inclusionary projects identified in this plan.

³ As reflected in the Spending Plan contained in the Appendices.

The Township reserves the right to amend its plan as may be necessary to reflect the outcome of these expenditures, or to carry over surplus credits into the Fifth Round in 2035.

REHABILITATION / PRESENT NEED

The Township is not required to commit funding to a local housing rehabilitation program under the calculations from the NJ DCA, as it has a present need obligation of zero (0) units. Income qualified homeowners in the Township can obtain housing rehabilitation services through Essex County's home improvement candidate.

• FAIR SHARE PLAN

Chart 24. Compliance Plan to satisfy the 57-unit RDP

PROJECT	UNIT TYPES	TENURE	TOTAL UNIT	AFFORDABLE UNITS	BONUS TYPE	PROJECT TYPE	BONUS RATIO	BONUS CREDITS	TOTAL CREDITS
TCMU OVERLAY	Family	Rental	70	11	Transit/Redevelopment	Zone			11
GROVE AVENUE ASSISTED LIVING	Senior	Rental	165	5 (of 25)	Redevelopment/Senior	Zone			5
320 BLOOMFIELD AVE	Family	Rental	12	2	Transit/Redevelopment	Redevelopment	0.5	1	3
HILLCREST FARMS	Family			1	Transit/Redevelopment	Redevelopment	0.5	0	1
	Special Needs	Rental	33	33 4	Special Needs		1	4	8
RICHFIELD REGENCY / 420 BLOOMFIELD	Family	Rental	≥45	≥ 7	Transit/Redevelopment	Redevelopment	0.5	≥3	≥10
176 BLOOMFIELD	Family	Rental	28	4	Transit/Redevelopment	Redevelopment	0.5	2	6
855-885 BLOOMFIELD AVE	Special Needs	Sales &	≥19	±2	Transit/Redevelopment	Redevelopment	1	±2	±4
	Family	Rentals	±2	±2			0.5	±1	±3
HILLWOOD SURPLUS*	Senior	Rental		8 (of 100)	Senior	Existing Surplus	0.05	0	8
TOTAL			≥372	≥ 46				±13	≥ 59
* EXISTING UNITS	1		f				1	1	f

Chart 25. Required Minimums and Maximums

REQUIREMENT	FORMULA	MAXIMUM/MINIMUM AMOUNT	PROVIDED	
SENIOR MAXIMUM	30% of Affordable Units	30% x ±46	13 units	13 units
BONUS CREDIT MAXIMUM	25% x Realistic Development Potential	25% x 57	14 bonus credits	13 bonus credits
FAMILY MINIMUM	50% of Affordable Units	50% x ±46	± 23 units	±29 units

ADMINISTRATION

OTHER HEFSP REQUIREMENTS

ADMINISTRATION AND MARKETING OF AFFORDABLE HOUSING

The Township of Verona adopted its Affordable Housing and Development Fee Ordinances as part of the adoption of its 2008 Third Round Housing Element and Fair Share Plan, for which COAH did not award substantive certification before the Appellate Division invalidated N.J.A.C. 5:97 and 5:98 in 2010. The Township amended these ordinances in the Third Round and will amend the ordinance further to reference the Fair Housing Act, P.L. 2024, c.2, and - should they be adopted - the draft rules under consideration by the NJ DCA and the NJ HMFA at N.J.A.C. 5:99-1 et seq. and 5:80-26.1 et seq. at such time that those draft regulations are finalized and adopted.

The Township previously appointed an Administrative Agent to administer affordable housing units created by inclusionary or municipally-sponsored housing

Figure 12. Specific Targets Entities to Advertise to Include:

- ► The Fair Share Housing Center
- ► The New Jersey State Conference of the NAACP,
- ► The Latino Action Network
- Newark NAACP
- Oranges and Maplewood NAACP
- Morris County NAACP
- ► Elizabeth NAACP,
- ► The Supportive Housing Association An Affirmative Marketing Plan can be found in Appendix 8.

development. The existing age-restricted units at Hillwood Senior Housing have been and will continue to be administered by NJ HMFA. Special needs units have been and will continue to be administered by the NJ Division of Developmental Disabilities. In certain cases, a developer may have an in-house Agent who will coordinate with the Township's Agent and its Municipal Housing Liaison.

COST GENERATION

The Fair Housing Act requires the Fair Share Plan to detail efforts by the municipality to eliminate features of municipal land use ordinances and regulations that generate unnecessary or prohibitive costs on builders of inclusionary or affordable housing. The Township has or will facilitate the creation of the affordable housing units identified in this Plan by adopting zoning ordinances and redevelopment plans (for eligible sites) which reasonably accommodate the developments conceptually agreed upon between the parties. As part of its Unmet Need satisfaction, the Township will also eliminate barriers to mixed-use development in its Town Center (TC) zone by eliminating an existing requirement in that zone that any mixed-use development must include an equal amount of residential and non-residential floor area.

MULTIGENERATIONAL FAMILY HOUSING CONSISTENCY

The Multigenerational Family Housing Continuity Commission was established by the State of New Jersey in 2021. As noted in N.J.S.A. 52:27D-329.20, one of the primary duties of the Commission is to "prepare and adopt recommendations on how State government, local government, community organizations, private entities, and community members may most effectively advance the goal of enabling senior citizens to reside at the homes of their extended families, thereby preserving and enhancing multigenerational family continuity, through the modification of State and local laws and policies in the areas of housing, land use planning, parking and streetscape planning, and other relevant areas." As of the date of this HEFSP, the Multigenerational Family Housing Continuity Commission has not yet adopted any recommendations.

STATE DEVELOPMENT & REDEVELOPMENT PLAN CONSISTENCY & SEWER/WATER CAPACITY

The sites included and proposed to satisfy the Fourth Round Prospective Need are located in Planning Area 1 - Metropolitan Planning Area, which is the priority area for the creation of inclusionary housing through redevelopment of non-residential development. The sites are generally within a half-mile of one or more forms of transit, supporting multi-modal transportation. Additionally, the sites are located in approved sewer service areas and have or will have adequate sewer and water service to provide the number of affordable units necessary for the Township to meet its RDP and any Unmet Need.

CONCLUSION

This 2025 Fourth Round Housing Element and Fair Share Plan prepared for and adopted by the Township of Verona, Essex County, New Jersey, complies with P.L. 2024, c.2, the Fair Housing Act of New Jersey, and all applicable regulations. It also maintains consistency and compliance with the Settlement Agreement entered into between the Township and Fair Share Housing Center dated March 10, 2021 and approved by the Honorable Robert H. Gardner, J.S.C. by way of a Fairness Order dated September 15, 2021.

The Plan provides a realistic opportunity for the creation of affordable housing in Verona Township through 2035 and beyond, through zoning, redevelopment planning, and cooperation with developers interested in providing their fair share of affordable housing. The Plan addresses the 57-unit Realistic Development Potential claimed through a vacant land adjustment, as well as more than 25% of the 98-unit unmet need, or 25 units. The Township also continues to comply with its Affordable Housing obligation for the years 1987 to 2025. The Housing Element and Fair Share Plan advances the Township's objectives of increasing the vitality of its Bloomfield Avenue corridor and protecting its single-family neighborhoods.