HOUSING ELEMENT AND FAIR SHARE PLAN

Borough of Ship Bottom

Ocean County, New Jersey

April 19, 2024

Adopted by the Planning Board ____ 2024

Prepared By:



Heyer, Gruel & Associates

Community Planning Consultants 236 Broad Street, Red Bank, NJ 07701 (732) 741-2900 ______

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M. McKinley Mertz, AICP, P.P. #6368

Contributing content by Megan Adam, Associate Planner
Bailey Surbrook, Associate Planner

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PART 1: HOUSING ELEMENT

INTRODUCTION

The need to provide a realistic opportunity for the construction of affordable housing in New Jersey, the country's densest state, has been recognized for decades. In the case of <u>Southern Burlington County NAACP v.</u> the <u>Township of Mount Laurel</u>, (commonly known as <u>Mount Laurel I</u>), the New Jersey Supreme Court established the doctrine that municipalities in New Jersey have a constitutional obligation to zone for a variety and choice of housing types that would be affordable to low- and moderate-income households. In its <u>Mount Laurel II</u> decision, decided on January 20, 1983 (<u>Mount Laurel II</u>), the Supreme Court expanded the <u>Mount Laurel</u> doctrine by determining that each New Jersey municipality was required to create a realistic opportunity for the construction of housing affordable to low- and moderate-income households sufficient to meet its "fair share" of the need for housing. Developing municipalities were required to address a fair share of the regional need for affordable housing.

In response to the threat of "builder's remedy" lawsuits endorsed by the Mount Laurel II decision, the New Jersey Legislature adopted the Fair Housing Act in 1985 (Chapter 222, Laws Of New Jersey, 1985). The New Jersey Fair Housing Act (FHA) established the Council on Affordable Housing (COAH) as an administrative alternative to builder's remedy lawsuits and the concomitant jurisdiction of the courts. COAH was given the responsibility of dividing the state into housing regions, determining regional and municipal fair share affordable housing obligations, and adopting regulations that would establish the guidelines and approaches that municipalities may use in addressing their affordable housing need.

In 2008, the Legislature amended the Fair Housing Act to add requirements for very-low-income housing. Very-low-income households are those in which the gross household income is 30% or less than the region's median household income. Low-income households are those with incomes no greater than 50 percent of the region's median household income. Moderate-income households are those with incomes no greater than 80 percent and no less than 50 percent of the region's median household income. Each is adjusted for household size and is in relation to the median gross income of the housing region in which the municipality is located.

This Housing Element and Fair Share Plan for the Borough of Ship Bottom has been prepared in accordance with applicable law. In re Adoption of N.J.A.C. 5:96 & 5:97 by the N.J. Council on Affordable Housing, 221 N.J. 1 (2015) ("Mount Laurel IV"), the Supreme Court held that since COAH was moribund, trial courts were to resume their role as the forum of first instance for evaluating municipal compliance with Mount Laurel obligations, and also established a transitional process for municipalities to seek temporary immunity and ultimately a Judgment of Compliance and Repose ("JOR") or the "judicial equivalent" of Substantive Certification from COAH.

After the disbanding of COAH, methodologies for calculating Mount Laurel Obligations were issued by EConsult Solutions ("ESI") on behalf of a consortium of municipalities across the state, and by Dr. David Kinsey ("Kinsey") on behalf of the Fair Share Housing Center ("FSHC"). In the winter and spring of 2017, the Honorable Judge Mary C. Jacobson of the Mercer County Superior Court conducted a trial to determine the appropriate obligations for two municipalities in Mercer County: Princeton Borough and West Windsor Township. During this trial, the Mercer County Superior Court appointed Special Master Richard B. Reading to evaluate the merits of the competing methodologies and offer recommendations.

On March 8, 2018, Judge Jacobson issued her opinion (the "Jacobson Opinion") outlining a methodology which adopted factors from both the municipal expert and FSHC's expert. The Court's decision also included a ruling on the gap years of 1999-2015 when COAH had failed to produce an approvable set of obligations. While Judge Jacobson's decision only applied to the two Mercer County municipalities, many municipalities across the state accepted the Court's approach and utilized the methodology in their settlement agreements with the FSHC.

AFFORDABLE HOUSING ROUNDS

The need for affordable housing in New Jersey is divided into three components:

- Present Need The present need, or rehabilitation share, represents the number of existing
 housing units that are both deficient and occupied by low- and moderate- income households. This
 number is derived from review and analysis of housing conditions reported in the U.S. Census and
 American Community Survey.
- Prior Round Obligation The Prior Round obligation is the cumulative 1987-1999 fair share obligation determined by COAH regulations. The First Round comprised the years 1987 to 1993 and the Second Round consisted of 1993 to 1999. The First Round and the Second Round are mutually referred to as the "Prior Round."
- Third Round Need July 1, 1999 June 30, 2025 (which includes what is commonly referred to as the "gap period" (1999-2015)) On January 18, 2017, the Supreme Court issued In Re Declaratory Judgment Actions Filed by Various Municipalities, County of Ocean, Pursuant To The Supreme Court's Decision In In re Adoption of N.J.A.C. 5:96, 221 N.J. 1 (2015) ("Mount Laurel V") (referred to as the "Jacobson Opinion"), holding that the need for affordable housing that accrued during the gap period (1999-2015) was not present or prospective need under the plain definitions of those terms in the FHA; however, there is an obligation with respect to that period for households that came into existence during that period that must be addressed in the Third Round.

SHIP BOTTOM'S HISTORY OF AFFORDABLE HOUSING

Historically, the Borough of Ship Bottom (the "Borough" or "Ship Bottom") petitioned for Substantive Certification from COAH throughout the first two rounds of compliance (cumulatively known as the "Prior Round", between 1987 and July 1, 1999). After adopting a Municipal Plan with a Housing Element and Fair Share Plan (HEFSP), the Borough petitioned COAH for First Round Substantive Certification on January 27, 1993. However, COAH did not make a final determination prior to the adoption of its revised Substantive rules on August 16, 1993. As permitted by these revised rules, Ship Bottom elected to amend its HEFSP to meet its Prior Round obligations, and then re-petition for Substantive Certification. This motion was filed by the Borough on May 4, 1994, and was granted by COAH on July 20, 1994; however, the Borough did not re-petition with an amended HEFSP within the mandatory timeframe. As a result, Ship Bottom received a letter dated March 23, 1995, that it was no longer under the jurisdiction of COAH.

Ship Bottom initiated efforts towards compliance in 2000, following the adoption of COAH's Third Round methodologies. On July 19, 2000, the Borough's Land Use Review Board adopted an amended HESFP, prepared in May of 2000 by Thomas J. Scangarello, P.P., which addressed its cumulative Prior Round obligations of 79 units, consisting of eight (8) rehabilitation units and 71 new construction units. The Borough then submitted this amended HEFSP to COAH for approval on August 14, 2000, to petition for Second Round Substantive Certification. The 2000 HEFSP relied on a Vacant Land Adjustment (VLA), which would reduce the Borough's 71-unit new construction obligation to a Realistic Development Potential (RDP) of zero (0) units. Ship Bottom's rehabilitation obligation would remain at 8 units. In a response memorandum dated September 22, 2004, COAH agreed that no vacant parcels were adequate for development.

However, COAH deemed Ship Bottom's petition incomplete in this response memorandum concluding that additional information was needed regarding the Borough's plans for funding, rehabilitation program, and proposed development ordinances. The Borough did not submit the additional information requested within the timeframe established by COAH, thus preventing Prior Round Substantive Certification.

The Borough has now prepared a new Housing Element and Fair Share Plan and seeks from the N.J. Supreme Court an affirmative declaration of compliance regarding all aspects of its affordable housing obligation for the Third Round.

PLANNING FOR AFFORDABLE HOUSING

Pursuant to both the Fair Housing Act (52:27D-310) and the Municipal Land Use Law (MLUL) N.J.S.A. 40:55D-28, municipalities in New Jersey are required to include a housing element in their master plans. The principal purpose of the housing element is to describe the specific, intended methods that a municipality plans to use in order to meet its low- and moderate-income housing needs. Further, the housing element is meant to demonstrate the existing zoning or planned zoning changes that will allow for the provision of adequate capacity to accommodate household and employment growth projections, to achieve the goal of access to affordable housing for present and future populations. The statutorily required contents of the housing element are:

- a. 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 lowand moderate-income housing, for ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands;
- c. An analysis of the municipality's demographic characteristics, including but not necessarily limited to, household size, income level and age;
- d. An analysis of the existing and probable future employment characteristics of the municipality;
- A determination of the municipality's present and prospective fair share for low- and moderateincome housing and its capacity to accommodate its present and prospective housing needs, including its fair share for low- and moderate-income housing; and
- f. 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.

MUNICIPAL SUMMARY

The Borough of Ship Bottom is a 0.71 square mile developed community located on Long Beach Island, a barrier island located along the southern shore of Ocean County, New Jersey. The Borough is surrounded by Surf City Borough to the north, a section of Long Beach Township to the south, Manahawkin Bay and Little Egg Harbor to the west, and the Atlantic Ocean to the east. The Borough prides itself as the "Gateway to Long Beach," and operates primarily as a coastal resort town. Ship Bottom welcomes an influx of visitors during the summer months, with an estimated daily population of 20,000 people. Of all the Borough's housing units, approximately 23% are inhabited year-round. The remaining 77%, estimated at 1,674 housing units by the US Census Bureau 2022 5-Year American Community Survey (ACS), stand vacant during the colder months.

According to the 2020 Census, Ship Bottom's population was 1,098 residents, which represents a decrease of 5 percent from 2010. The 2022 5-Year ACS estimates a total population in 2022 of 995. The median age in 2022 was 63.1 years, and the average household size increased from the 2010 level of 1.98 persons to 2.11 persons in 2020.

The housing stock of the Borough is predominantly single-family detached dwelling units. A majority of the housing structures were built prior to 1970, with over 30% of the entire housing stock built in the 1950s and 1960s. Nonetheless, an influx of residential construction occurred between 2000 and 2019, where 525 units (approximately 24.1% of the total stock) were built. Ship Bottom's location along LBI attracts many seasonal residents; ACS estimates that only 23% of the Borough's housing units are occupied year-round.

According to the guidelines established by COAH, the Borough is located in Housing Region 4, a region that consists of Mercer, Monmouth, and Ocean Counties. Based on the 2023 Regional Income Limits¹, the median income in Region 4 for a four-person household is \$130,054, the moderate-income for a four-person household is \$104,043, the low-income for a four-person is \$65,027, and the very-low income for a four-person household is \$39,016.

Municipal Obligations for the Borough of Ship Bottom, under the Jacobson Opinion, dated March 28, 2018, assigns a Present Need obligation of 0 units, a Prior Round obligation of 71 units, and a Prospective Need obligation of 125 units (43 units during the "gap period" (July 1, 1999-2015) + 82 units between 2015 and 2025).

¹ Prepared by the Affordable Housing Professionals of New Jersey, 2023

DEMOGRAPHIC CHARACTERISTICS

Population

The population trends experienced in Ship Bottom Borough, Ocean County (the "County"), and the State of New Jersey (the "State") from 1930 through 2020 are shown below, as well as the 2022 population estimates from the U.S. Census Bureau American Community Survey. There were 1,098 residents in Ship Bottom in 2020, which was a decrease of 58 people, or 5 percent, from 2010. Ship Bottom experienced steady growth between 1930 and 1980, but experienced a population decrease of 5.3% (75 residents) between 1980 and 1990. Ship Bottom's most significant increase in population occurred during the 1960s, when the Borough increased by 50.5 percent. Since 1990, the Borough has generally experienced a population decrease; the 2022 estimated population of 995 residents is less than the 1,079 residents recorded back in 1970.

Conversely, Ocean County and New Jersey have experienced continued growth since 1930. Both the County and State saw significant population increases during the 1960s and 1970s.

Population Trends									
Ship Bottom			m	00	Ocean County			New Jerse	у
Year	Population	CI	hange	Population	Cl	hange	Population	Ch	ange
	Population	Number	Percentage	Population	Number	Percentage	ropulation	Number	Percentage
1930	277	-	-	33,069	-	-	4,041,334	-	-
1940	396	119	43.0%	37,675	4,606	13.9%	4,160,165	118,831	2.9%
1950	533	137	34.6%	56,609	18,934	50.3%	4,835,329	675,164	16.2%
1960	717	184	34.5%	108,240	51,631	91.2%	6,066,782	1,231,453	25.5%
1970	1,079	362	50.5%	208,470	100,230	92.6%	7,171,112	1,104,330	18.2%
1980	1,427	348	32.3%	346,038	137,568	66.0%	7,365,011	193,899	2.7%
1990	1,352	-75	-5.3%	433,203	87,165	25.2%	7,730,188	365,177	5.0%
2000	1,384	32	2.4%	510,916	77,713	17.9%	8,414,350	684,162	8.9%
2010	1,156	-228	-16.5%	576,567	65,651	12.8%	8,791,894	377,544	4.5%
2020	1,098	-58	-5.0%	637,229	60,662	10.5%	9,288,994	497,100	5.7%
2022 Estimates	995	-103	-9.4%	638,691	1,462	0.2%	9,249,063	-39,931	-0.4%

Source: U.S. Census Bureau, Decennial Census and 2022: ACS 5-Year Estimates Table S0101

Population Composition by Age

As the population in Ship Bottom continues to decrease, the median age of the residents is rising, with a median age of 63.1 years in 2022, an increase of 7.3 years from the median age in 2010. Analysis of age group characteristics provides insight into the actual changes in population. This comparison is helpful in determining the impacts these changes have on housing needs, community facilities, and services for the municipality. As detailed in the following table, the entire population composition of Ship Bottom has experienced notable shifts since 2010. The most significant increase was in the 65 and older age cohort, which saw an increase of 29.1 percent. This age cohort was the only one which did not experience a

decrease within the 12-year span. Large decreases were seen in the under 5 years age cohort (-85.6%), the 25 to 34 age cohort (-61.2%), and the 35 to 44 age cohort (-49.5%).

Population by Age 2010 and 2022, Borough of Ship Bottom							
Population	2	2010	2	2022	Change, 2	2010 to 2022	
Population	Number	Percentage	Number	Percentage	Number	Percentage	
Total population	1,156	100.0%	995	100.0%	-161	-13.9%	
Under 5 years	76	6.6%	11	1.1%	-65	-85.6%	
5 to 14	55	4.8%	46	4.6%	-9	-17.1%	
15 to 24	62	5.4%	51	5.1%	-11	-18.3%	
25 to 34	101	8.7%	39	3.9%	-62	-61.2%	
35 to 44	117	10.1%	59	5.9%	-58	-49.5%	
45 to 54	138	11.9%	122	12.3%	-16	-11.3%	
55 to 64	286	24.7%	252	25.3%	-34	-11.7%	
65 and over	321	27.8%	415	41.7%	94	29.1%	
Median Age		55.8		63.1	-	+7.3	

Source: US Census Bureau, ACS 5-Year Estimates Table S0101

Ocean County experienced population fluctuation as well, but not nearly as dramatic as the Borough. The most significant increase was in the 55 to 64 age cohort, which grew by 22.5 percent. Significant increases were also seen in the 65 and over cohort (19.0%) and the under 5 years cohort (18.5%). Like Ship Bottom, decreases were experienced in the 35 to 44 cohort (-8.8%) and the 45 to 54 age cohort (-10.1%).

Population by Age 2010 and 2022, Ocean County							
Denulation	2	2010	2	2022	Change, 2	Change, 2010 to 2022	
Population	Number	Percentage	Number	Percentage	Number	Percentage	
Total population	576,567	100.0%	638,691	100.0%	62,124	10.8%	
Under 5 years	38,630	6.7%	45,783	7.2%	7,153	18.5%	
5 to 14	73,224	12.7%	85,372	13.4%	12,148	16.6%	
15 to 24	64,576	11.2%	73,030	11.4%	8,454	13.1%	
25 to 34	59,386	10.3%	69,781	10.9%	10,395	17.5%	
35 to 44	71,494	12.4%	65,200	10.2%	-6,294	-8.8%	
45 to 54	77,837	13.5%	69,943	11.0%	-7,894	-10.1%	
55 to 64	70,341	12.2%	86,182	13.5%	15,841	22.5%	
65 and over	120,503	20.9%	143,400	22.5%	22,897	19.0%	
Median Age	4	42.4	4	41.8		-0.6	

Source: US Census Bureau, ACS 5-Year Estimates Table S0101

Households

A household is defined as one or more persons, either related or not, living together in a housing unit. In 2020, there was a total of 2,153 households in Ship Bottom, of which only 549 (25.5%) were occupied on a year-round basis. A total of 469 units (85.4%) of the year-round households were owner-occupied, while the remaining 80 units (14.6%) were renter-occupied.

In Ship Bottom, roughly 82 percent of the year-round, owner-occupied households were occupied by two persons or less. Both the Borough's and the County's largest percentage of households were two-person households, at 49.5% and 36.4% respectively. The second most common household size for owner-occupied units in both Ship Bottom and Ocean County was one-person households, accounting for 32.4% and 27.4%, respectively. The average household size for owner-occupied units within the Borough in 2020 was 2.12, slightly less than that of the County's average of 2.54.

Trends of renter-occupied units within Ship Bottom mirrored that of Ocean County; the most common household size for both the Borough and County was one-person households, at 40% and 30%, respectively. The second most common household size for renter-occupied units was two-person households; the Borough recorded a total of 25% two-person households, while the County reported 24.4%.

Household Size: Owner-Occupied Housing Units, 2020 Borough of Ship Bottom and Ocean County					
	Ship Bottom Borough Ocean Coun				
	Number	Percent	Number	Percent	
Total Households	469 100.0% 185,345 100				
1-person household	152	32.4%	50,768	27.4%	
2-person household	232	49.5%	67,452	36.4%	
3-person household	40	8.5%	25,606	13.8%	
4-person household	25	5.3%	21,376	11.5%	
5-person household	11	2.3%	9,845	5.3%	
6-person household	6	1.3%	4,425	2.4%	
7-or-more-person household	3	0.6%	5,873	3.2%	
Average Household Size*	2.	12	2.	54	

Source: US Census Bureau 2020 Table H12; American Community Survey 5-Year Estimates, Table B25010*

Household Size: Renter-Occupied Housing Units, 2020 Borough of Ship Bottom and Ocean County					
	Ship Botto	m Borough	Ocean	ean County	
	Number	Percent	Number	Percent	
Total Households	80 100.0% 53,467 10				
1-person household	32	40.0%	16,048	30.0%	
2-person household	20	25.0%	13,069	24.4%	
3-person household	7	8.8%	8,175	15.3%	
4-person household	9	11.3%	6,401	12.0%	
5-person household	3	3.8%	4,029	7.5%	
6-person household	5	6.3%	2,259	4.2%	
7-or-more-person household	4	5.0%	3,486	6.5%	
Average Household Size*	2.	11	2.8	82	

Source: US Census Bureau 2020 Table H12; American Community Survey 5-Year Estimates, Table B25010*

Just over one-half of all households in the Borough in 2020 were married couple households, of which approximately 15.2% of these households had children under the age of 18. Approximately 4.6 percent of the overall households were cohabitating couples, of which 40 percent had children under the age of 18. Over 16% of the overall households had a male householder with no partner or spouse present. Of those households, 71 percent lived alone, and 2 percent had children under the age of 18. Over 28 percent of Borough's overall households had a female householder with no partner or spouse present, of which almost three-quarters (72%) of households lived alone, and 5.1% had children under the age of 18. The average family size in 2022 was 2.11 persons.

Household Size and Type, 2020 Borough of Ship Bottom					
	Total	Percent			
Total Households	549	100.0%			
Married Couple Household	276	50.3%			
With own children under 18 years	42	15.2%			
Cohabitating Couple Household	25	4.6%			
With own children under 18 years	10	40.0%			
Male Householder, no spouse or partner	91	16.6%			
Living alone	71	78.0%			
With own children under 18 years	2	2.2%			
Female Householder, no spouse or partner	157	28.6%			
Living alone	113	72.0%			
With own children under 18 years	8	5.1%			
Average Family Size 2.11*					

Source: US Census Bureau 2020, Table P20, 2020: ACS 5-Year Estimates, Table S1101*

Income

As measured in 2022, Ship Bottom had a significantly higher per capita household income compared to Ocean County and the State of New Jersey. In 2022, the per capita income in Ship Bottom was \$74,531, which was roughly \$32,057 more than the County and \$23,259 more than the State's per capita income. The Borough's 2022 median income exceeded that of the County by \$1,918 but was \$12,829 less than the State's median income.

Per Capita and Household Income, 2022 Estimates						
2022 Per Capita 2022 Median Income Household Income						
Ship Bottom	\$74,531	\$95,208				
Ocean County	\$42,474	\$82,379				
New Jersey \$51,272 \$97,126						
Source: 2022 ACS 5-year Estimates, Table S1901						

In 2022, 78 percent of all households in the Borough earned \$50,000 or more, with the largest percentage (19.6%) earning \$200,000 or more. This percentage was followed by those households that earned \$50,000 to \$74,999 (17.2%) and finally, those who earned \$150,000 to \$199,999 (15.8%). About 11 percent of households earned less than \$35,000. In Ocean County, the most common income bracket was \$100,000 to \$149,999 with 19 percent of households earning that much. Conversely, 19.6 percent of households in the County earned less than \$35,000.

Household Income Borough of Ship Bottom and Ocean County, 2022 Estimates						
	Ship Bott	tom Borough	Ocean County			
	Number	Percentage	Number	Percentage		
Total Households	500	100.0%	241,983	100.0%		
Less than \$10,000	8	1.6%	8,469	3.5%		
\$10,000 to \$14,999	7	1.4%	6,050	2.5%		
\$15,000 to \$24,999	31	6.2%	15,729	6.5%		
\$25,000 to \$34,999	9	1.8%	17,181	7.1%		
\$35,000 to \$49,999	55	11.0%	25,166	10.4%		
\$50,000 to \$74,999	86	17.2%	38,233	15.8%		
\$75,000 to \$99,999	65	13.0%	29,764	12.3%		
\$100,000 to \$149,999	62	12.4%	45,977	19.0%		
\$150,000 to \$199,999	79	15.8%	24,682	10.2%		
\$200,000 or more	98	19.6%	30,490	12.6%		
Median Household Income \$95,208 \$82,379						

Source: 2022 ACS 5-Year Estimates, Table B19001

Poverty Status

Of the 995 persons of Ship Bottom's population for which poverty status is determined, 21 individuals, or 2.1 percent, lived in poverty in 2022. Of those in poverty, a majority (81%) were aged 18 to 64 years old. None of these persons were children (under the age of 18), and 19 percent were seniors (over 65). The County reported a poverty rate of 11.7 percent, a significantly higher rate than the Borough's 2.1 percent.

Poverty Status Ship Bottom Borough and Ocean County, 2022						
	Ship Bottom Borough Ocean County					
	Number	Percentage	Number	Percentage		
Total persons for whom poverty status is determined	995	-	649,023	-		
Total persons below poverty level	21	2.1%	75,990	11.7%		
Under 18 years old	0	0.0%	32,100	42.2%		
18 to 64 years old	17	81.0%	31,900	42.0%		
65 years old and over	4	19.0%	11,990	15.8%		
Source: 2022 American Community Survey 5-Year Estimate, Table S1701						

Household Costs

General affordability standards set a limit at 30 percent of gross income to be allocated for owner-occupied housing costs and 28 percent of gross income to be allocated for renter-occupied housing costs. The following tables show the expenditures for housing for those who own and rent housing in Ship Bottom and Ocean County. Most people in the Borough lived in homes they owned, and according to the 2022 5-Year Estimates by the American Community Survey, roughly 47.2 percent of all owner-occupied household units with a mortgage and 20.5 percent of owner-occupied units without a mortgage spent 30 percent or more of their household income on housing. More than one-half (54.4%) of renter-occupied households spent 30 percent or more of their household income on housing.

Similar to Ship Bottom, a large majority of Ocean County residents own their home. Of all owner-occupied homes, 35.6 percent of all owner-occupied household units with a mortgage and 22.5 percent of owner-occupied household units without a mortgage, spent 30 percent or more of their household income on housing. Further, nearly 60 percent of renter-occupied households spent 30 percent or more of their household income on housing within Ocean County.

Selected Monthly Owner Costs as a Percentage of Household Income 2022 Estimates

	Ship Bot	tom Borough	Ocean County			
	Number	Percentage	Number	Percentage		
Total Owner-Occupied Housing Units with a Mortgage	210	100.0%	112,831	100.0%		
Less than 20%	76	36.2%	41,419	36.7%		
20 to 24.9%	29	13.8%	18,216	16.1%		
25 to 29.9%	6	2.9%	13,022	11.5%		
30 to 34.9%	9	4.3%	8,878	7.9%		
35% or more	90	42.9%	31,296	27.7%		
Not computed	0	0.0%	399	0.4%		

Source: 2022 American Community 5-Year Estimates, Table DP04

Selected Monthly Owner Costs as a Percentage of Household Income 2022 Estimates						
	Ship Bot	tom Borough	Ocea	n County		
	Number	Percentage	Number	Percentage		
Total Owner-Occupied Housing Units without a Mortgage	244	100.0%	77,365	100.0%		
Less than 10%	60	24.6%	20,435	26.4%		
10 to 14.9%	39	16.0%	15,983	20.7%		
15 to 19.9%	47	19.3%	10,970	14.2%		
20 to 24.9%	17	7.0%	7,532	9.7%		
25 to 29.9%	34	13.9%	5,065	6.5%		
30 to 34.9%	10	4.1%	3,985	5.2%		
35% or more	40	16.4%	13,395	17.3%		
Not computed	0	0.0%	733	0.9%		

Source: 2022 American Community 5-Year Estimates, Table DP04

Gross Rent as a Percentage of Household Income 2022 Estimates						
	Ship Bot	tom Borough	Ocea	an County		
	Number	Percentage	Number	Percentage		
Total Renter-Occupied Housing Units	46	100.0%	44,507	100.0%		
Less than 15%	8	17.4%	4,363	9.8%		
15 to 19.9%	10	21.7%	4,314	9.7%		
20 to 24.9%	0	0.0%	3,944	8.9%		
25 to 29.9%	3	6.5%	5,198	11.7%		
30 to 34.9%	4	8.7%	3,848	8.6%		
35% or more	21	45.7%	22,840	51.3%		
Not computed	0	0.0%	3,631	8.2%		

Source: 2022 American Community 5-Year Estimates, Table DP04

EXISTING HOUSING CONDITIONS

Housing Unit Data

Ship Bottom's housing stock consists primarily of structures built prior to 1970 (approximately 53%), with 30.7 percent built between 1950 and 1970. An influx of residential construction occurred between 2000 and 2019, where 525 units (approximately 24.1% of the total housing stock) were built. A total of 20 homes have been built since 2020. As of 2022, the median year of construction for the housing stock in Ship Bottom is 1968.

In 2022, Ship Bottom recorded a total of 500 occupied housing units and 1,674 vacant housing units (on a year-round basis). Nearly all of the occupied units (454 or 90.8%) were owner-occupied while 46 units (9.2%) were renter-occupied.

Housing Data Ship Bottom Borough, 2022 Estimates						
Number Percentage						
Total Housing Units	2,174	100.0%				
Occupied Housing Units	500	23.0%				
Owner Occupied 454 90.8%						
Renter Occupied 46 9.2%						
Vacant Housing Units 1,674 77.0%						
Source: 2022 American Community Su	ırvey 5-Year Estimates, Ta	able DP04				

Year Structure Built, Ship Bottom Borough					
	Number	Percentage			
Built 1939 or earlier	295	13.6%			
Built 1940 to 1949	195	9.0%			
Built 1950 to 1959	324	14.9%			
Built 1960 to 1969	344	15.8%			
Built 1970 to 1979	174	8.0%			
Built 1980 to 1989	184	8.5%			
Built 1990 to 1999	113	5.2%			
Built 2000 to 2009	343	15.8%			
Built 2010 to 2019	182	8.4%			
Built 2020 or later	20	0.9%			
Total	2,174	100.0%			
Median Year Structure Built 1968					
Source: 2022 American Community Survey 5-Year Estimates, Tables B25034 and B25035					

Housing Type and Size

The majority of the housing stock in Ship Bottom is single-family detached housing, with most structures containing between six (6) and seven (7) rooms (38.6%). In 2022, there were 1,844 single-family detached homes, representing roughly 84.8 percent of the housing stock. The second most common housing type in the Borough was buildings with two (2) units, representing 6.5 percent of the Borough's housing stock. The median number of rooms within housing structures in the Borough was 6.4.

Housing Type and Size Ship Bottom Borough, 2022 Estimates				
Units in Structure	Total	Percentage		
Total	2,174	100.0%		
1, detached	1,844	84.8%		
1, attached	37	1.7%		
2	141	6.5%		
3 or 4	66	3.0%		
5 to 9	39	1.8%		
10 to 19	0	0.0%		
20 to 49	13	0.6%		
50 or more	34	1.6%		
Mobile home	0	0.0%		
Boat, RV, van, etc.	0	0.0%		
Rooms	Total	Percentage		
1 room	3	0.1%		
2 rooms	9	0.4%		
3 rooms	151	6.9%		
4 rooms	294	13.5%		
5 rooms	293	13.5%		
6 rooms	367	16.9%		
7 rooms	472	21.7%		
8 rooms	274	12.6%		
9 or more rooms	311	14.3%		
Median number of rooms	6.4			

Housing Growth and Projections

In terms of residential growth, for the period January 2013 through December 2022, the Borough issued building permits authorizing the development of 295 units, which averages approximately 30 units per year. If this rate were to remain relatively constant over the next approximately 13-year period, the Borough could expect to see an additional 390 residential units authorized between January 2023 and the end of 2035. External factors such as zoning, redevelopment, environmental constraints, and economic cycles may cause this projection to fluctuate. Given the built-out nature of the Borough, it's expected the majority of future development will be through teardowns and rebuilds.

Further, throughout the same 10-year period, Ship Bottom issued permits authorizing the demolition of 221 units, which averages to approximately 22 units per year. The average demolition rate is approximately 73% of the abovementioned development rate (i.e., a home net increase of around 27%). If the demolition rate were to remain relatively constant over the next approximately 13-year period, an additional 287 residential units could be expected to be demolished between January 2023 and the end of 2035, resulting in a projected net increase of 103 units.

Housing Units Authorized by Building Permits: 2013-2022 Borough of Ship Bottom						
Year	1 & 2 Family	Multi Family	Mixed-Use	Total		
2013	25	0	1	26		
2014	59	1	2	62		
2015	32	0	1	33		
2016	24	0	0	24		
2017	21	0	0	21		
2018	25	24	0	49		
2019	18	0	1	19		
2020	27	0	0	27		
2021	23	0	0	23		
2022	11	0	0	11		
Total 2013-2022 281 25 5						
10-Year Average						
13-Year Permit Projection (2023-2035)				390		

Source: State of New Jersey Department of Community Affairs Building Permits: Yearly Summary Data

Housing Units Demolished by Building Permits: 2013-2022 Borough of Ship Bottom						
Year	1 & 2 Family	Multi Family	Mixed-Use	Total		
2013	50	0	0	50		
2014	46	0	0	46		
2015	15	0	0	15		
2016	11	0	0	11		
2017	16	0	0	16		
2018	16	0	0	16		
2019	18	0	0	18		
2020	12	0	1	13		
2021	20	0	0	20		
2022	16	0	0	16		
Total 2013-2022 338 0 35						
10-Year Avera	22					
	13-Year Demolition Projection (2023-2035) 287					

Source: State of New Jersey Department of Community Affairs Demolition Permits: Yearly Summary Data

Housing Values and Contract Rents

According to the 2022 American Community Survey, nearly 40% of the owner-occupied housing stock in Ship Bottom was valued between \$750,000 to \$999,999, and 46.3 percent of all units were financed by a mortgage. Housing values for owner-occupied housing units are listed in the following table, along with mortgage status data. Following the most common housing-value range of \$750,000 to \$999,999 were units ranging between \$500,000 to \$749,999 (23.1%) and \$1,000,000 to \$1,499,999 (17.8%), respectively.

The median value of an owner-occupied housing unit in Ship Bottom was \$850,900, which exceeded the County's median value by \$451,500. More than half of the units within the Borough (53.7%) had no mortgage at all. The County's trends did not reflect that of the Borough; roughly 23.2 percent of homes valued between \$300,000 to \$399,999, and more than one-half (57.5%) of housing units function with a mortgage, contract to purchase, or similar debt.

Value for Owner-Occupied Housing Units Borough of Ship Bottom and Ocean County, 2022 Estimates Ship Bottom Borough Ocean County Number Percentage Number Percentage 454 100.0% 195,515 100.0% Total 2.9% Less than \$50,000 0 0.0% 5,707 9,375 4.8% \$50,000 to \$99,999 13 2.9% 6,593 3.4% \$100,000 to \$149,999 0 0.0% 9,805 5.0% \$150,000 to \$199,999 0 0.0% 30,314 15.5% \$200,000 to \$299,999 8 1.8% 45,284 23.2% \$300,000 to \$399,999 3 0.7% 30,262 15.5% \$400,000 to \$499,999 27 5.9% 36,398 18.6% \$500,000 to \$749,999 105 23.1% 6.0% 11,677 \$750,000 to \$999,999 176 38.8% 2.9% 5,767 \$1,000,000 to \$1,499,999 81 17.8% 4,333 2.2% \$1,500,000 or more 41 9.0% \$850,900 \$379,400 **Median Value**

Source: 2022 American Community Survey 5-Year Estimates, Tables B25075 and B25077

Mortgage Status Borough of Ship Bottom and Ocean County, 2022 Estimates						
	Ship Botto	Ship Bottom Borough Ocean County				
	Number	Percentage	Number	Percentage		
Housing units with a mortgage, contract to purchase, or similar debt:	210	46.3%	112,410	57.5%		
Housing units with no second mortgage and no home equity loan	148	32.6%	95,696	48.9%		
Housing units with multiple mortgages:	20	4.4%	10,205	5.2%		
Mortgage, with both second mortgage and home equity loan	0	0.0%	64	0.0%		
Mortgage, with only home equity loan	17	3.7%	8,750	4.5%		
Mortgage, with only second mortgage	3	0.7%	1,391	0.7%		
Home equity loan without a primary mortgage	42	9.3%	6,509	3.3%		
Housing units without a mortgage	244	53.7%	83,105	42.5%		

Source: 2022 American Community Survey 5-Year Estimates, Table B25081

According to the American Community Survey, the median contract rent in Ship Bottom was \$1,393 in 2022, compared to the County's \$1,418. Within the Borough, the highest percentage of renters (52.2%) paid between \$1,000 and \$1,499 for rent, followed by 30.4% percent paying between \$1,500 and \$1,999. The

County experienced similar trends in contract rent, with roughly 38.5 percent of renters paying between

\$1,000 and \$1,499 for rent, followed by 29.5% percent paying between \$1,500 and \$1,999.

Contract Rent Borough of Ship Bottom and Ocean County, 2022 Estimates						
	Ship Bott	Ship Bottom Borough Ocean County				
	Number	Percentage	Number	Percentage		
Total Renter Occupied Units	46	100.0%	46,468	100.0%		
Less than \$200	0	0.0%	284	0.6%		
\$200 to \$499	0	0.0%	2,528	5.4%		
\$500 to \$699	0	0.0%	969	2.1%		
\$700 to \$899	3	6.5%	1,696	3.6%		
\$900 to \$999	5	10.9%	1,793	3.9%		
\$1,000 to \$1,499	24	52.2%	17,902	38.5%		
\$1,500 to \$1,999	14	30.4%	13,722	29.5%		
\$2,000 or more	0	0.0%	5,196	11.2%		
No cash rent	0	0.0%	2,378	5.1%		
Median Contract Rent		1,393		1,418		

Source: 2022 American Community Survey 5-Year Estimates, Table B25056 and B25058

As mentioned above, according to the 2022 American Community Survey 5-Year Estimates, the median contract rent in Ship Bottom was \$1,393 per month (\$16,716 annually). A minimum annual income of at least \$55,720 (i.e., \$16,716/0.30) would be necessary to afford the median contract rent in Ship Bottom Borough.

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Housing Conditions

The table below details the condition of the housing within Ship Bottom. Overcrowding and age, plumbing, and kitchen facilities are used to determine housing deficiency. In 2022, 46 renter-occupied units and no owner-occupied units in Ship Bottom experienced overcrowding (more than one person per room). Throughout the Borough, no units lacked complete plumbing facilities, complete kitchen facilities, or telephone services.

Housing Conditions Borough of Ship Bottom, 2022 Estimates						
	Number	Percentage				
House Heating Fuel-Occupied Housing Units						
Total	500	100.0%				
Utility gas	437	87.4%				
Bottled, tank, or LP gas	2	0.4%				
Electricity	58	11.6%				
Fuel oil, kerosene, etc.	0	0.0%				
Coal or coke	0	0.0%				
Wood	3	0.6%				
Solar energy	0	0.0%				
Other fuel	0	0.0%				
No fuel used	0	0.0%				
Occupants per Room- Occupie	d Housing	Units				
Total	500	100.0%				
Owner-Occupied (Over 1.0)	0	0.0%				
Renter-Occupied (Over 1.0)	46	9.2%				
Facilities-Total U	nits					
Total	500	100.0%				
Lacking complete plumbing facilities	0	0.0%				
Lacking complete kitchen facilities	0	0.0%				
Telephone Service - Occupied	Housing	Units				
Total	500	100.0%				
No Service	0	0.0%				

Sources: 2022 ACS 5-Year Estimates, Table B25043, B25048, DP04

EMPLOYMENT DATA

The following tables detail changes in employment from 2010 to 2022 for Ship Bottom Borough, Ocean County, and New Jersey. Ship Bottom's employment has increased gradually over the past 13 years, after experiencing periodic fluctuations. The unemployment rate in Ship Bottom was at its highest in 2012, at 12.6%. The unemployment rate remained high in 2013 at 10.5% but began to see steady decline through 2019 reaching a low of 4.0%. It's noted that the end of 2012 and the entire 2013 beach season would have been impacted by Superstorm Sandy, which hit the New Jersey coast in October 2012. In 2020, the unemployment rate for Ship Bottom saw a spike to 7.8%, coinciding with the beginning of the COVID-19 pandemic. The Borough's unemployment rate in 2021 reached 8.0%, a 0.2% increase from the prior year. The unemployment rate of Ship Bottom reflects that of the County and State as a whole, who have experienced similar unemployment trends over the past 13 years.

Ship Bottom Borough Employment and Residential Labor Force: 2010 – 2022							
Year	Labor Force	Employment	Unemployment	Unemployment Rate			
2010	565	534	32	5.6%			
2011	597	559	38	6.4%			
2012	612	535	77	12.6%			
2013	599	536	63	10.5%			
2014	582	539	43	7.4%			
2015	578	542	36	6.2%			
2016	588	553	35	6.0%			
2017	605	571	34	5.6%			
2018	605	580	25	4.1%			
2019	623	598	25	4.0%			
2020	613	565	48	7.8%			
2021	640	589	51	8.0%			
2022	637	617	20	3.1%			
Source: N	NJ Dept. of Labor & W	orkforce Developmen	t Labor Force Estimates				

Ocea	Ocean County Employment and Residential Labor Force: 2010 - 2022						
Year	Labor Force	Employment	Unemployment	Unemployment Rate			
2010	264,164	236,591	27,573	10.4%			
2011	265,401	237,652	27,749	10.5%			
2012	267,594	238,964	28,630	10.7%			
2013	265,401	240,258	25,143	9.5%			
2014	264,604	245,127	19,477	7.4%			
2015	265,533	249,320	16,213	6.1%			
2016	268,831	254,901	13,930	5.2%			
2017	277,823	264,758	13,065	4.7%			
2018	281,631	270,013	11,618	4.1%			
2019	289,325	279,014	10,311	3.6%			
2020	289,547	263,207	26,340	9.1%			
2021	292,423	274,068	18,355	6.3%			
2022	298,372	287,322	11,050	3.7%			
Source:	NJ Dept. of Labor 8	Workforce Develo	oment Labor Force Estin	nates			

New	New Jersey Employment and Residential Labor Force: 2010 – 2022						
Year	Labor Force	Employment	Unemployment	Unemployment Rate			
2010	4,559,800	4,119,000	440,800	9.7%			
2011	4,561,800	4,134,700	427,100	9.4%			
2012	4,576,300	4,147,200	429,100	9.4%			
2013	4,528,000	4,147,700	380,400	8.4%			
2014	4,493,900	4,191,300	302,600	6.7%			
2015	4,494,600	4,237,900	256,700	5.7%			
2016	4,492,800	4,271,200	221,600	4.9%			
2017	4,615,000	4,406,200	208,800	4.5%			
2018	4,604,800	4,420,700	184,100	4.0%			
2019	4,686,300	4,524,300	162,000	3.5%			
2020	4,650,300	4,212,400	437,900	9.4%			
2021	4,666,100	4,357,200	308,900	6.6%			
2022	4,739,800	4,564,100	175,700	3.7%			
Source:	NJ Dept. of Labor	& Workforce Develo	pment Labor Force Esti	mates			

Employment Status

The American Community Survey Estimates reveal that 45.9 percent of Ship Bottom's 16-years-old and over population is in the labor force. The County's employment status is similar to that of Ship Bottom, and generally reflects the Borough's trends. More than one-half (54.1%) of the Borough's over 16-years-old and over population is not in the labor force, while only 41.1% of the County's over 16-years-old and over population is not in the labor force.

Employment Borough of Ship Bottom and Ocean County, 2022 Estimates				
	Ship Bottom Borough		tom Borough Ocean County	
	Number	Percentage	Number	Percentage
Population 16 years and over	936	100.0%	499,060	100.0%
In labor force	430	45.9%	293,760	58.9%
Civilian Labor Force	430	100.0%	293,101	99.8%
Employed	420	97.7%	276,387	94.3%
Unemployed	10	2.3%	16,714	5.7%
Armed Forces	0	0.0%	659	0.2%
Not in labor force	506	54.1%	205,300	41.1%

Source: 2022 American Community Survey 5-Year Estimates, Table DP03

Class of Worker and Occupation

According to the American Community Survey Estimates, the majority of workers (70.2%) living in Ship Bottom were a part of the private wage and salary worker group. This group includes people who work for wages, salary, commission, and tips for a private for-profit employer or a private not-for-profit, tax-exempt, or charitable organization. The second largest category was government workers (20.5%), followed by those who were self-employed (9.3%).

Class of Worker Borough of Ship Bottom, 2022 Estimates			
	Number	Percentage	
Employed Civilian population 16 years and over	420	100.0%	
Private Wage and Salary Worker	295	70.2%	
Government Worker	86	20.5%	
Self-Employed Worker	39	9.3%	
Unpaid Family Worker	0	0.0%	

Source: 2022 American Community Survey 5-Year Estimates, Table DP03

The occupational breakdown shown in the table below includes only private wage and salary workers. Those who worked within the private wage field concentrated heavily in management and professional positions and sales and office occupations. Together the two fields account for roughly 78 percent of the entire resident workforce. Service occupations were also a significant employer of Borough residents, employing 9.5 percent, followed by production, transportation, and material moving occupations, employing 6.4 percent of residents.

Resident Employment by Occupation Borough of Ship Bottom, 2022 Estimates		
	Number	Percentage
Employed Civilian population 16 years and over	420	100.0%
Management, business, science and arts occupations	218	51.9%
Service occupations	40	9.5%
Sales and office occupations	110	26.2%
Natural resources, construction and maintenance occupations		6.0%
Production Transportation and material moving occupations	27	6.4%
Source: 2022 American Community Survey 5-Year Estimates, Table DP03		

The most common industry for Ship Bottom residents is the educational services, and health care and social assistance sector, employing approximately 28.6 percent of the Borough's resident workforce. The second most common industry is retail trade, which employs 13.1 percent of the Borough's resident workforce.

Employment by Industry Borough of Ship Bottom, 2022 Estimates		
Industry	Number	Percentage
Civilian employed population 16 years and over	420	100.0%
Agriculture, forestry, fishing and hunting, mining	0	0.0%
Construction	47	11.2%
Manufacturing	24	5.7%
Wholesale Trade	11	2.6%
Retail Trade	55	13.1%
Transportation and Warehousing, and Utilities	20	4.8%
Information	5	1.2%
Finance and insurance, and real estate and rental and leasing	30	7.1%
Professional, scientific, and management, and administrative and waste management services	42	10.0%
Educational services, and health care and social assistance	120	28.6%
Arts, entertainment, and recreation, and accommodation and food services	36	8.6%
Other Services, except public administration	7	1.7%
Public administration	23	5.5%

Source: 2022 American Community Survey 5-Year Estimates, Table DP03

Commuting to Work

According to the American Community Survey Estimates, the mean travel time to work for those who lived in the Borough is 33.2 minutes. The Borough's commuting patterns vary greatly, as nearly one-half of commuters travel less than 20 minutes to work, while around 20.8% have a commute longer than one hour.

Travel Time to Work Borough of Ship Bottom, 2022 Estimates		
	Number	Percentage
Workers who did not work at home	371	100.0%
Less than 10 minutes	93	25.1%
10 to 14 minutes	45	12.1%
15 to 19 minutes	38	10.2%
20 to 24 minutes	27	7.3%
25 to 29 minutes	21	5.7%
30 to 34 minutes	11	3.0%
35 to 44 minutes	45	12.1%
45 to 59 minutes	14	3.8%
60 to 89 minutes	33	8.9%
90 or more minutes	44	11.9%
Mean travel time to work (minutes) 33.2		33.2
Source: 2022 American Community Survey 5-Year Estimates, Table B08303 and DP03		

The largest portion of workers drove to work alone (77.4%), while approximately 5.8 percent carpooled. Less than 2 percent of workers commuted via public transportation, and another 10 percent worked from home.

Means of Commute Borough of Ship Bottom, 2022 Estimates		
	Number	Percentage
Workers 16 years and over	412	100.0%
Car, truck, van - Drove Alone	319	77.4%
Car, truck, van - Carpooled	24	5.8%
Public Transportation 8 1.9%		
Walked 8 1.9%		
Other Means 12 2.9%		
Worked at home 41 10.0%		
Source: 2022 American Community Survey 5-Year Estimates, Table DP03		

Covered Employment

There is currently very limited information available on actual job opportunities within municipalities. The Department of Labor and Workforce Development collects information on covered employment, which is employment and wage data for private employees covered by unemployment insurance. The following table provides a snapshot of private employers located within Ship Bottom. The first table reflects the number of jobs covered by private employment insurance from 2012 through 2022.

According to data from the New Jersey Department of Labor and Workforce Development, the highest number of covered jobs in Ship Bottom between 2012 and 2022 was in 2022 when 1,101 jobs were covered by unemployment insurance. Private employment has remained relatively steady in Ship Bottom since 2012, with its largest loss occurring between 2019 and 2020 (-9.7%), and largest gain occurring between 2020 and 2021 (18.7%). Ship Bottom Borough experienced a gain of 49 jobs in 2022, representing an increase of 4.7 percent from 2021.

Private Wage Covered Employment 2012 - 2022 Ship Bottom Borough			
Year	Number of Jobs	# Change	% Change
2012	696	-	-
2013	656	-40	-5.8%
2014	694	38	5.8%
2015	730	37	5.3%
2016	767	37	5.1%
2017	845	78	10.1%
2018	856	10	1.2%
2019	981	126	14.7%
2020	886	-95	-9.7%
2021	1,052	166	18.7%
2022	1,101	49	4.7%
Source: NJ Dept. of Labor & Workforce Development Labor Force Estimates			

In-Borough Establishments and Employees by Industry: 2022

The following table depicts the average annual number of establishments and employees by industry sector that exist within the Borough, as grouped by North American Industry Classification System (NAICS). In 2022, the Borough had an annual average of 117 establishments employing on average 1,101 persons. The retail trade industry was the predominant sector, accounting for 25.6 percent of the establishments in Ship Bottom, and 23.9 percent of the Borough's in-place employment.

Average Number of Establishments and Employees by Industry: Ship Bottom, 2022				
Industry	2022	2022 Average		
muustry	Units	Employment		
Agriculture	-	-		
Construction	16	97		
Manufacturing	-	-		
Wholesale Trade	-	-		
Retail Trade	30	264		
Transp./Warehousing	-	-		
Information	-	-		
Finance/Insurance	-	-		
Real Estate	7	23		
Professional/Technical	10	32		
Admin/Waste Remediation	-	-		
Education	-	-		
Health/Social	9	89		
Arts/Entertainment	-	-		
Accommodations/Food	23	455		
Other Services	3	15		
Unclassified	4	11		
Private Sector Totals	117	1,101		
Local Government Totals	2	93		

Source: NJ Dept. of Labor & Workforce Development Labor Force Estimates

Data have been suppressed (-) for industries with few units or where one employer is a significant percentage of employment or wages of the industry.

Probable Future Employment Opportunities

The New Jersey Transportation Planning Authority's forecasts for Ship Bottom Borough estimate a total of 586 employed residents by 2050, which represents an increase of 64 jobs and an annualized percent employment change of 0.5% between 2015 and 2050. Due to the nature and location of the Borough, there is minimal opportunity for new job growth.

North Jersey Transportation Planning Association 2050 Demographic Forecasts Borough of Ship Bottom and Ocean County			
	Ship Bottom Borough	Ocean County	
2015 Population	1,152	583,450	
2050 Population	1,347	727,653	
Annualized % Population Change 2015-2050	0.4%	0.6%	
2015 Employment	522	166,005	
2050 Employment	586	199,086	
Annualized % Employment Change 2015-2050	0.3%	0.5%	

Source: NJTPA 2050 Regional Transportation Plan Update, Appendix E

PART 2: FAIR SHARE PLAN

INTRODUCTION

The following Fair Share Plan (the "Plan") details Ship Bottom's Present Need, Prior Round obligation, and Prospective affordable housing need (i.e., Third Round Need). This Plan proposes mechanisms for which the Borough can realistically provide opportunities for affordable housing for moderate-, low-, and very low-income households.

The need for affordable housing in New Jersey is divided into three components:

- Present Need The present need, or rehabilitation share, represents the number of existing
 housing units that are both deficient and occupied by low- and moderate- income households. This
 number is derived from review and analysis of housing conditions reported in the U.S. Census and
 American Community Survey.
- Prior Round Obligation The Prior Round obligation is the cumulative 1987-1999 fair share obligation determined by COAH regulations. The First Round comprised the years 1987 to 1993 and the Second Round consisted of 1993 to 1999. The First Round and the Second Round are mutually referred to as the "Prior Round."
- Third Round Need July 1, 1999 June 30, 2025 (which includes what is commonly referred to as the "gap period" (1999-2015)) On January 18, 2017, the Supreme Court issued <u>In Re Declaratory Judgment Actions Filed by Various Municipalities, County of Ocean, Pursuant To The Supreme Court's Decision In In re Adoption of N.J.A.C.</u> 5:96, 221 N.J. 1 (2015) ("Mount Laurel V") (referred to as the "Jacobson Opinion"), holding that the need for affordable housing that accrued during the gap period (1999-2015) was not present or prospective need under the plain definitions of those terms in the FHA; however, there is an obligation with respect to that period for households that came into existence during that period that must be addressed in the Third Round.

Ship Bottom's affordable housing obligations are as follows, per the Municipal Obligations under the Jacobson methodology:

Rehabilitation Share	0
Prior Round Obligation	71
Third Round (1999-2025)	125 (43 units during the "gap period" + 82 units between 2015 and 2025).

Vacant Land Adjustment

Municipalities can request an adjustment to their obligation based on the determination that there is not sufficient vacant or developable land within the municipality. As permitted by N.J.A.C. 5:93-4 a municipality can submit a Vacant Land Adjustment (VLA) that examines the amount of parcels available for development. The end result of the Vacant Land Adjustment is the determination of the Borough's Realistic Development Potential (RDP) for new affordable housing units.

Ship Bottom petitioned for a Prior Round Vacant Land Adjustment in August of 2000, within its amended HEFSP. The resulted in a 0-unit RDP, producing a 71-unit unmet need. After conducting its own site visits between 2003 and 2004, COAH ultimately approved the 71-unit unmet need, noting that "none of the vacant parcels in Ship Bottom were of an adequate size to produce one affordable unit." However, as outlined in the "Ship Bottom's History of Affordable Housing" section in Part 1 of this Plan, the Borough did not receive Prior Round Substantive Certification from COAH; therefore, the VLA could not be formally applied. The Borough's remaining Prior Round obligation included an 8-unit rehabilitation component, which, according to the 2000 HEFSP, would be addressed through a rehabilitation program funded through State grants and mandatory development fees.

According to the Jacobson Opinion the Borough accumulated a 125-unit obligation during the Third Round. Thus, the Borough's affordable housing obligation for all rounds amounts to 196 units.

An updated VLA was conducted in March of 2024 by this office (see Appendix B), to inventory vacant land that may be used to determine the Borough's RDP. All vacant land within the Borough is environmentally constrained by the 100-year floodplain, as mapped by FEMA. After excluding all environmentally constrained and undersized parcels in the Borough, there is no vacant land within Ship Bottom which was determined to be developable. As such, the Borough's total RDP is zero (0) units.

SUITABILITY ANALYSIS

Pursuant to <u>N.J.A.C.</u> 5:93-1.3, sites that are designated to produce affordable housing shall be available, approvable, developable, and suitable according to the following criteria:

- "Available site" means a site with clear title, free of encumbrances which preclude development for low- and moderate-income housing. N.J.A.C. 5:93-1.3.
- "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 agencies with jurisdiction over the site. A site
 may be approvable although not currently zoned for low- and moderate-income housing. <u>Ibid.</u>
- "Development site" means a site that has access to appropriate water and sewer infrastructure,
 and is consistent with the applicable area wide water quality management plan (including the

² COAH Response Memorandum to Ship Bottom Requesting Additional Information, dated September 22, 2004, page 5.

wastewater plan) or is included in an amendment to the area wide water quality management plan submitted to and under review by the DEP. <u>Ibid</u>.

• "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. <u>Ibid.</u>

In addition to the above qualifications, it is also sound planning for sites to be consistent with the State Development and Redevelopment Plan.

The entire Borough is located within the Planning Area 5B: Environmentally Sensitive Barrier Islands, which contain irreplaceable topographic, geological, and ecological resources. Thus, new development is directed into existing Centers, to ultimately preserve open space and natural resources, to improve community character, and to capitalize on the inherent efficiencies of compact development. Outside of the designated Centers, existing sewer service areas are the preferred location for municipalities to address their fair share obligation. Ship Bottom and the rest of the State's coastal barrier islands remain highly vulnerable to natural forces; in response, many homes have been elevated above the base flood elevation in the last decade.

Per the Borough's 2018 Comprehensive Master Plan Re-Examination Report (the "2018 Borough Re-Exam"), Ship Bottom's existing utility infrastructure consists of public water, sanitary sewers, and storm sewers, and is served by natural gas, electric, cable service and solid waste and recycling provided by the municipality. Between 2009 and 2017, approximately 90,000 feet of sanitary sewer main and 70,000 feet of water main were replaced through the NJ Environmental Infrastructure Trust.

Flooding in Ship Bottom

The Borough of Ship Bottom, as well as all municipalities on Long Beach Island, remain vulnerable to the adverse impacts of flooding. The entire Borough is located within the Federal Emergency Management Agency's (FEMA) 100-year floodplain, and a majority of the Borough is designated within the Coastal Zone AE Zone. Per FEMA, the AE Zone designation indicates areas that have at least a 1%-annual-chance of being flooded, but where wave heights are less than 3 feet.

There are also areas of the Borough designated within the Coastal Zone VE Zone; these high-hazard areas are susceptible to rapid water flow during a flood event. Sand dunes and barriers established along the coastline have diminished the flood risk of many beachfront homes to a Coastal X Shaded Zone. The Coastal X Shaded Zone is an area of moderate coastal flood risk, and within the 200-year floodplain.

During Superstorm Sandy in October 2012, the entire Borough was inundated, as the Atlantic Ocean met Manahawkin Bay. According to local reports, Superstorm Sandy damaged 46% of the Borough's housing stock; this loss was the greatest amongst all municipalities on Long Beach Island. Other major storms within the last 15 years which left extensive damage in the Borough include: Tropical Storm Irene (August

2011), Tropical Storm Fay (July 2020), Tropical Storm Isaias (August 2020), and Tropical Storm Elsa (July 2021).

In addition to major storms, the Borough is susceptible to more frequent nuisance flooding. Nuisance flooding occurs around every two months, and often affects main roadways/evacuation routes such as Long Beach Boulevard, 8th Street, and 9th Street. One of the most inundated sections of the Borough is the drainage area between 24th and 28th Streets, between Central Avenue and Long Beach Boulevard. When flooded, this area can completely prevent traffic from the south leaving Long Beach Island.

NEW REHABILITATION SHARE/ PRESENT NEED OBLIGATION

The term Present Need, as used in COAH's Prior Round Rules (N.J.A.C. 5:93), meant the sum of a municipality's indigenous need (the deficient housing units in the municipality occupied by low- and moderate-income households), and the reallocated present need, which is the portion of the housing region's present need that is redistributed to other municipalities throughout the housing region. Under the Prior Round rules, evidence of deficient housing included: year structure was built, persons per room, plumbing facilities, kitchen facilities, heating fuel, sewer service, and water supply.

The Third Round rules reduced the number of criteria used as evidence of deficient housing to three: pre-1960 over-crowded units, which are units that have more than 1.0 persons per room; incomplete plumbing; and incomplete kitchen facilities. This reduction in the number of criteria was found by the Appellate Division to be within COAH's discretion and was upheld in the Supreme Court's decision In re N.J.A.C. 5:96 & 97.

The previously discussed <u>Mount Laurel IV</u> decision agreed under the Appellate Division that reallocated Present Need is no longer a component in the determination of the Present Need. Therefore, Present Need now equates only to the indigenous need, the obligation based on deficient housing as determined by pre-1960 over-crowded units, incomplete plumbing, and incomplete kitchen facilities, generated within the Borough itself, now refined as the Rehabilitation Share/Present Need.

Pursuant to the 2018 Jacobson Opinion, Ship Bottom has a rehabilitation obligation of 0 units.

PRIOR ROUND OBLIGATION (1987-1999)

The Borough has a Prior Round obligation of 71 units. As outlined in the Housing Element of this Plan, a VLA was proposed within Ship Bottom's HEFSP from 2000. This VLA reduced the Borough's obligation to an RDP of 0 units (i.e., creating a 71-unit unmet need). The VLA was ultimately approved in 2004 by COAH, but the Borough did not receive their Substantive Certification for this round. This Plan, however, will rely on the 2000 VLA data as its outcome was approved by COAH at that time. The Borough's Prior Round obligation is therefore an RDP of 0 and an unmet need of 71.

ROUND 3 OBLIGATION

Per the Jacobson methodology, the Borough has a Third-Round obligation of 125 units. The abovementioned VLA from March of 2024 (Appendix B) inventories vacant land that may be used to determine the Borough's RDP.

All vacant land within the Borough is environmentally constrained by the 100-year floodplain, as mapped by FEMA. The March 2024 VLA identifies no properties that contribute to the Borough's RDP. As such, the Borough has a Third Round RDP of zero (0) units and an unmet need of 125 units.

AFFIRMATIVE MEASUREMENTS

Spending Plan and Development Fee Ordinance

The Borough will prepare a development fee ordinance and subsequent spending plan, in accordance with N.J.A.C. 5:93, which will allow the Borough to collect non-residential and residential development fees. A separate, interest-bearing trust fund account will be established where any and all development fees, payments-in-lieu of constructing units on site, and any interest generated by the fees will be deposited. Funds deposited into the affordable housing trust fund will be spent in accordance with N.J.A.C. 5:93 et. seq., or applicable regulations. The collection of funds constitutes a "commitment" for expenditure pursuant to N.J.S.A. 52:27D-329.2 and -329.3.

APPENDIX A

COAH Response to the Borough of Ship Bottom's Petition for Prior Round Substantive Certification and Request for Additional Information, dated September 22, 2004.



JAMES E. MCGREEVEY
Governor

101 SOUTH BROAD STREET
PO BOX 813
TRENTON NJ 08625-0813
(609) 292-3000
(609) 633-6056 (FAX)

SUSAN BASS LEVIN
Commissioner
LUCY VOORHOEVE
Executive Director

September 22, 2004

The Honorable William Huelsenbeck Borough of Ship Bottom 1621 Long Beach Boulevard Ship Bottom, NJ 08008-5499

Dear Mayor Huelsenbeck:

Enclosed please find a COAH Report Requesting Additional Information regarding your municipality's petition for substantive certification.

The enclosed report is a review of your Housing Element and Fair Share Plan and indicates the information that must be forwarded to the Council on Affordable Housing (COAH) within 60 days of the issuance of this report, which is November 22, 2004.

If you have any questions or need further information, please call Joanne Wiggins, COAH planner, at (609) 292-4646.

Sincerely,

Lucy Voorhoeve Executive Director

Enclosure

c: Attached Service List





Ship Bottom Borough Ocean

The Honorable William Huelsenbeck Ship Bottom Borough 1621 Long Beach Boulevard Ship Bottom, NJ 08008-5499

Frank J. Little Owen Little and Associates 443 Atlantic City Boulevard Beachwood, NJ 08722

Bradley W. Henson Sr. 16th & Long Beach Boulevard Ship Bottom, NJ 08008

Mary S. Killian, Clerk Ship Bottom Borough 1621 Long Beach Boulevard Ship Bottom, NJ 08008-5499 Christopher J. Connors, Esq. Ship Bottom Borough Attorney 620 West Lacey Road Box 1057 Forked River, NJ 08731

Planning Board Chairman Ship Bottom Borough 1621 Long Beach Boulevard Ship Bottom, NJ 08008

T. Richard Bethea, Adm. Ship Bottom Borough 1621 Long Beach Boulevard Ship Bottom, NJ 08008-5499

Revised/Printed: 9/22/2004

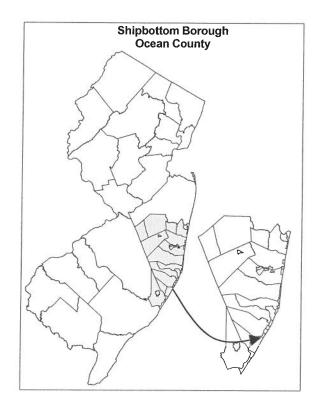
COAH REPORT REQUESTING ADDITIONAL INFORMATION BOROUGH OF SHIP BOTTOM/OCEAN COUNTY REGION #4

Prepared by Joanne Wiggins, Principal Planner September 2, 2004

I. INTRODUCTION

The Borough of Ship Bottom is on Long Beach Island, a barrier island located along the southern shore of Ocean County. The Borough comprises approximately 0.71 square mile (454.4 acres) and is almost completely developed. It is bordered by the Borough of Surf City to the north, Long Beach Township to the south, Manahawkin Bay to the West, and the Atlantic Ocean to the east.

Ship Bottom Borough is primarily located in Planning Area (PA) 5B (environmentally sensitive/barrier islands) on the State Plan Policy Map (SPPM) of the



State Development and Redevelopment Plan (SDRP). There are no centers designated by the State Planning Commission within Ship Bottom: however, land uses and development in the Borough are subject to the Coastal Area Facility Review Act (CAFRA), and the entire Borough is a CAFRA "coastal town" center as designated by the New Jersey Department of Environmental Protection (DEP). In addition, Ship Bottom is wholly within the 100-year floodzone.

The Borough of Ship Bottom, Ocean County, petitioned the Council on

Affordable Housing (COAH) for substantive certification on August 14, 2000, with a housing element and fair share plan addressing its 12-year cumulative obligation of 79

units, consisting of eight rehabilitation units and 71 new construction units. On July 19, 2000, the Land Use Review Board of the Borough of Ship Bottom adopted the housing element and fair share plan dated May, 2000, prepared by Thomas J. Scangarello, P.P. The Borough Council of the Borough of Ship Bottom subsequently petitioned COAH by resolution dated July 25, 2000. On August 16, 2000, the Borough published notice of its petition for substantive certification in the Ocean County Observer. The publication of notice initiated a 45-day comment period during which no objections were filed.

Since Ship Bottom petitioned for substantive certification after June 6, 2000, the Borough is eligible to receive interim second round substantive certification for a period of less than six years. The interim certification will be valid for up to one year after the effective date of adoption of COAH's third round methodology and rules.

II. BACKGROUND

Ship Bottom petitioned COAH for first round substantive certification on January 27, 1993. COAH did not make a final determination on the Borough's housing element and fair share plan prior to the adoption of COAH's proposed substantive rules, N.J.A.C. 5:93 et seq. As permitted under COAH's revised procedural rule (N.J.A.C. 5:91-14) adopted on August 16, 1993, Ship Bottom elected to amend its housing element and fair share plan to meet its 1987-1999 cumulative obligation. A motion was filed by the Borough on May 4, 1994, expressing its intention to re-petition within nine months of the effective date of N.J.A.C. 5:93. COAH granted the motion on July 20, 1994. Because the Borough did not re-petition with an amended plan within that time period, a letter was issued on March 23, 1995, notifying Ship Bottom that it was no longer under COAH's jurisdiction.

¹ The Borough had previously published notice of its petition on August 2, 2000, in both the <u>Ocean County Observer</u> and the <u>Beach Haven Times</u>; however, the notice incorrectly limited the comment period to 14 days instead of the 45 days required under N.J.A.C. 5:91-3.3(b).

III. HOUSING ELEMENT/FAIR SHARE PLAN

The Borough of Ship Bottom's plan proposes a vacant land adjustment per COAH's regulations at N.J.A.C. 5:93-4.2. The adjustment proposed by Ship Bottom would reduce the Borough's 71-unit new construction obligation to a realistic development potential (RDP) of zero. Ship Bottom's rehabilitation obligation would remain at eight units. The housing element and fair share plan submitted by the Borough proposes to address the eight-unit rehabilitation obligation through a rehabilitation program funded through state grants and through mandatory development fees.

A. Demographic Analysis

Ship Bottom has provided a housing inventory and analysis based on the 1990 Census. Housing stock, age of housing stock, condition of housing, values, occupancy characteristics, types, projection of the housing stock, demographics, household size, household income and employment data have been submitted in conformance with N.J.A.C. 5:93-5.1(b).

Per the U.S. Census, the population of Ship Bottom Borough in 1990 was 1,352 persons. Of the 2,084 residential units existing at that time, 649 units, or about 31 percent, were occupied. Of these, approximately 170 units (26 percent) were renter occupied. Sixty-six percent of the 1,435 vacant units were classified for seasonal, recreational or occasional use. Detached single-family units accounted for about 63 percent of the total housing stock in 1990. The median value of specified owner-occupied homes in the Borough at the time of the Census was \$198,700, and the median contract rent was \$515.

According to the 2000 Census, Ship Bottom's population has grown to 1,384, and the total number of housing units has increased to 2,218. As of 2000, 29.9 percent of the housing stock was occupied, and of those 664 units, 154 or 23.2 percent were renter-occupied. Of the 1,554 vacant units in 2000, 81.4 percent were categorized as seasonal, recreation, or occasional use. By 2000, the median value of owner-occupied homes in Ship Bottom had increased to \$236,000, and the median contract rent rose to \$783.

B. Credits/Reductions/Adjustments

Credits represent units that have been built, created or rehabilitated. Reductions represent units that have been included in a previously certified affordable housing plan by zoning for low and moderate-income housing. Adjustments reflect the application of COAH regulations that reduce a municipality's affordable housing obligation based on other limitations and/or methodological corrections.

1. Credits

Ship Bottom Borough's housing element and fair share plan does not include any credits. [Zero Credits]

2. Reductions

Ship Bottom Borough's housing element and fair share plan does not include any reductions. [Zero Reductions]

3. Adjustments

a. Lack of Available Land (5:93-4.2)

By demonstrating that there is little or no vacant, available, developable and suitable land, a municipality may reduce its affordable housing obligation upon review and approval by COAH. Each parcel of land that is suitable for development is included in a recalculation of the new construction obligation. This is known as the realistic development potential (RDP).

Pursuant to N.J.A.C. 5:93-4.2, Ship Bottom Borough's housing element and fair share plan requests a 71-unit vacant land adjustment that would set the Borough's RDP at zero units. Ship Bottom submitted a vacant land inventory consisting of 68 sites totaling 10.93 acres. COAH staff conducted a site visit in the Borough on August 27, 2003, and

observed existing residential densities primarily in the range of eight to ten units per acre. At eight units to the acre with a twenty percent set-aside for affordable housing, the minimum lot size considered for calculation of the RDP is 0.625 acres. At ten units to the acre with a twenty percent set-aside, the minimum lot size considered is 0.5 acres. COAH staff observed two groups of adjacent parcels totaling .52 acres (sites #53-#56 and sites #62-#65); however, these sites were located in areas with densities of eight units per acre and thus required a minimum area of 0.625 acres to produce one affordable unit. The remaining vacant sites were all less than 0.5 acres in size. Therefore, COAH staff concluded that none of the vacant parcels in Ship Bottom were of an adequate size to produce one affordable unit. (See Attachment A for vacant land inventory summary) Based on presumptive densities of eight and ten units to the acre, COAH calculates an RDP of zero units and grants a 71-unit vacant land adjustment to Ship Bottom. [71-unit Vacant Land Adjustment]

4. Summary of Credits, Reductions and Adjustments

The following table summarizes Ship Bottoms's credits, reductions, and adjustments:

		nbilitation nponent	1	onstruction nponent	Total		
Obligation:		8		71	79		
Credits/Reductions/Adjustments	Plan	Eligible	Plan	Eligible	Plan	Eligible	
Vacant Land Adjustment	-	-	71	71	71	71	
Total Credits/Reductions/Adjustments	0	0	71	71	71	71	
Remaining Obligation and Realistic Development Potential (RDP)		8		0		8	

C. Remaining Fair Share Obligation

Ship Bottom is eligible for a vacant land adjustment of 71 units, resulting in an

5

RDP of zero. As no rehabilitation credits have been applied, the Borough's rehabilitation obligation remains at eight units. Therefore, after credits, reductions, and adjustments, Ship Bottom's overall remaining affordable housing obligation is eight units, consisting of a zero-unit RDP and an eight-unit rehabilitation obligation.

1. Rehabilitation

Ship Bottom has a rehabilitation component of eight units. In its fair share plan, the Borough states that it "is proposing to address the rehabilitation component by providing a stable funding program that would allocate a minimum \$10,000 per unit for a total of \$80,000 that would provide for rehabilitation of affordable housing units." The plan identifies two possible funding sources for rehabilitation: 1) grants through the Department of Community Affairs; and 2) development fees. However, Ship Bottom has not confirmed the availability of grant funds, nor has it proposed or adopted a mandatory development fee ordinance. The Borough must verify that funding is available for an \$80,000 rehabilitation program in accordance with the table below and must adopt a resolution of intent to bond for any shortfall.

Deadline	Funding	Units
1 year after certification	\$30,000	3
2 years after certification	\$20,000	2
3 years after certification	\$10,000	1
4 years after certification	\$10,000	1
5 years after certification	\$10,000	1
Total	\$80,000	8

Additional details on the proposed rehabilitation program must be provided to demonstrate compliance with N.J.A.C. 5:93-5.2. Specifically, Ship Bottom must provide an administrative manual for COAH's review, confirm that the rehabilitation program is available to both owner-occupied and rental units, and designate an experienced

administrative entity. Also, in accordance with N.J.A.C. 5:93-9.2(c) and (d), the Borough must ensure that the appropriate controls on afforability are placed on rehabilitated units: six years for owner-occupied units and ten years for renter-occupied units.

2. New Construction Component

A vacant land adjustment is applied to a municipality's new construction component and results in an RDP that must be addressed in the fair share plan. The vacant land adjustment granted to Ship Bottom generated an RDP of zero. Consequently, the Borough must address its rehabilitation component and its "unmet need," as discussed below.

3. Unmet Need

N.J.A.C. 5:93-4.2(h) requires municipalities that receive a vacant land adjustment to capture affordable housing opportunities beyond the RDP. Examples of mechanisms designed to address this "unmet need" include zoning for accessory apartments, overlay zoning requiring inclusionary development, and the imposition of mandatory development fees consistent with N.J.A.C. 5:93-8. Ship Bottom must provide an analysis of these mechanisms and indicate how the Borough intends to address its unmet need of 71 units.

D. Rental Component

Per <u>N.J.A.C.</u> 5.93-5.15(a), every municipality has an obligation to provide a realistic opportunity for rental units. Because it has received a vacant land adjustment, Ship Bottom's rental obligation is based on the following formula:

 $Rental\ Obligation = .25\ (RDP)$

Rental Obligation = .25(0) = 0 units

Due to the RDP of zero, Ship Bottom does not have a rental obligation and therefore does not include any rental units in its fair share plan.

E. Age-Restricted Units

Pursuant to N.J.A.C. 5:93-5.14(a)2, Ship Bottom Borough may age-restrict 25 percent of its obligation based on the following formula:

$$Age-Restricted\ Maximum = .25\ (RDP + rehab\ component - rehab\ credits)$$

$$-any\ 1^{st}\ round\ age-restricted\ units$$

$$Age-Restricted\ Maximum = .25\ (0+8-0)-0=2\ units$$

Ship Bottom's fair share plan does not include any age-restricted units.

F. Regional Contribution Agreement

Pursuant to N.J.A.C. 5:93-6.1(a)2, the Borough of Ship Bottom may transfer up to one-half of its affordable housing obligation via a regional contribution agreement (RCA) in accordance with the following formula:

RCA Maximum = .5 (RDP + rehab component - rehab credits)

- any units transferred as a result of a previously approved RCA

RCA Maximum = .5
$$(0 + 8 - 0) - 0 = 4$$
 units

However, pursuant to N.J.A.C. 5:93-6.1(c), a municipality may not transfer any portion of its rehabilitation component. Ship Bottom's RDP is zero, leaving only an eight-unit rehabilitation obligation. Therefore, the Borough may not transfer any units via an RCA. The Borough's fair share plan does not include an RCA.

G. Development Fee Ordinance

Ship Bottom has not submitted a development fee ordinance for COAH review at this time, although the fair share plan does identify development fees as a source of funding for the Borough's rehabilitation program. Development fees are also a mechanism that may be used to address unmet need.

Pursuant to N.J.A.C. 5:93-8.2, a municipality may not impose or collect development fees until COAH has reviewed and approved the development fee

ordinance. If development fees are to be used to fund Ship Bottom's affordable housing plan, an ordinance and spending plan must be approved by COAH prior to substantive certification. A model Development Fee ordinance is attached (Attachment B).

H. Spending Plan

Ship Bottom has not submitted a development fee spending plan at this time. If the Borough proposes a development fee ordinance, a spending plan must also be approved by COAH before the grant of substantive certification. N.J.A.C. 5:93-8.2(c) prohibits any municipality from spending development fees prior to COAH's approval of a spending plan. A model Spending Plan is attached (Attachment C).

I. Affordable Housing Ordinance

Because Ship Bottom does not currently propose any inclusionary development as part of its fair share plan, the Borough has not adopted an affordable housing ordinance. Depending on the mechanisms chosen to address its unmet need, Ship Bottom may be required to submit appropriate implementing ordinances (e.g., accessory apartment ordinance).

J. Affirmative Marketing Ordinance (5:93-11)

Ship Bottom has not submitted an affirmative marketing ordinance for COAH's review. Such an ordinance may be necessary should the Borough choose to address its unmet need through mechanisms requiring affirmative marketing.

K. Summary

The following table summarizes Ship Bottom's fair share plan:

	1	abilitation mponent	Deve	ealistic elopment etential	Total 8		
Obligation:		8		0			
	Plan	Eligible	Plan	Eligible	Plan	Eligible	
Rehabilitation Program	8	0	0	0	8	0	
Plan Shortfall		8		0		8	

IV. ADDITIONAL INFORMATION REQUESTED

Ship Bottom Borough must submit the following information:

- Verification that funding is available for an \$80,000 rehabilitation program and a resolution of intent to bond for any shortfall
- Details on the proposed rehabilitation program demonstrating compliance with <u>N.J.A.C.</u> 5:93-5.2 and <u>N.J.A.C.</u> 5:93-9.2(c) and (d)
- Analysis and selection of mechanism(s) designed to address the Borough's unmet need
- Development fee ordinance and spending plan if necessary to fund rehabilitation program and/or mechanism(s) for addressing unmet need
- Other implementing ordinances as required for addressing unmet need

V. SUMMARY

The Borough of Ship Bottom must submit the additional information requested within 60 days of the issuance of this report.



VACANT LAND INVENTORY

Borough of Ship Bottom Ocean County

Site #	Block	Lot	Acreage	RDP	Notes
1	14	2	0.11	0	Used as parking lot
2	15	7	0.03	0	Inadequate size
3	17	17	0.1	0	Inadequate size
4	19	2	0.04	0	Inadequate size
5	28	15	0.09	0	Inadequate size
6	35	11	0.11	0	May be part of Lot #10 - Inadequate size
7	38	12	0.16	0	Inadequate size
8	30	4.01	0.11	0	Parking lot - Inadequate size
9	40	14	0.09	0	Inadequate size
10	42	3	0.05	0	May be part of Lot #4 - Inadequate size
11	47	12	0.11	0	Parking lot - Inadequate size
12	50	15	0.05	0	Inadequate size
13	50	19.05	0.09	0	Inadequate size
14	54	4	0.09	0	Inadequate size
15	60	2.01	0.09	0	Inadequate size
16	63	8	0.13	0	May be part of Lot 7 - Inadequate size
17	67	9.01	N/C	0	Inadequate size
18	76	17	0.07	0	Parking lot - Inadequate size
19	77	12	0.07	0	Parking lot - Inadequate size
20	79	28	0.16	0	Inadequate size
21	82.01	1	0.09	0	Inadequate size
22	84	19	0.14	0	Inadequate size
23	84	31	0.09	0	May be part of Lot 32 - Inadequate size
24	85	4	0.18	0	Parking lot - Inadequate size
25	87	3.01	0.29	0	Beach access easement
26	87	4.01	0.45	0	Inadequate size
27	87	8.02	0.06	0	Inadequate size
28	87	10	0.07	0	Gravel parking lot - inadequate size
29	88	1	0.16	Ð	Inadequate size
30	88	6.01	0.18	0	Parking lot - Inadequate size
31	90	5	0.13	0	Inadequate size
32	90	7	0.13	0	Inadequate size
33	93	2	0.28	0	Inadequate size
34	93	4	0.13	0	Inadequate size
35	99	2	0.08	0	Boat storage lot - inadequate size
36	99	5	0.13	0	Boat storage lot - inadequate size
37	99	6	0.13	0	Boat storage lot - inadequate size
38	99	10.01	0.26	0	Inadequate size
39	99	13	0.13	0	Inadequate size
40	100	5	0.26	0	Parking lot - Inadequate size
41	100	8	0.26	0	Parking lot - Inadequate size
42	103	3	0.32	0	Parking lot - Inadequate size
43	103	7	0.27	0	Developed
44	104	3.01	0.45	0	Utility substation
45	104	11	0.27	0	Parking lot for Farmers' Market
46	104	12	0.36	0	Parking lot for Farmers' Market

Site#	Block	Lot	Acreage	RDP	Notes
47	105	2	0.22	0	Abandoned parking area - inadequate size
48	110	15.02	0.18	0	Boat storage lot - inadequate size
49	110	17.01	0.22	0	Boat storage lot - inadequate size
50	110	22	0.11	0	Developed
51	110	25	0.13	0	Developed
52	112	1	1.02	0	Developed - residentia
53	113	4.02	0.13	0	Inadequate size
54	113	4.03	0.13	0	Inadequate size
55	113	4.04	0.13	0	Inadequate size
56	113	23	0.13	0	Inadequate size
57	114	1	0.22	0	Developed
58	114	26	0.13	0	Inadequate size
59	115	7	0.11	0	Inadequate size
60	115	7	0.11	0	Inadequate size
61	115	7	0.11	0	Inadequate size
62	126	10	0.13	0	Inadequate size
63	126	11	0.13	0	Inadequate size
64	126	13	0.13	0	Inadequate size
65	126	14	0.13	0	Inadequate size
66	129	9	0.05	0	Inadequate size
67	133	6	0.08	0	Inadequate size
68	136	2	0.15	0	May be part of Lot 1 - Inadequate size
		TOTAL	10.93	0	



MODEL PROVISION OF A DEVELOPMENT FEE ORDINANCE

TEXT

NOTES

1. Purpose

In Holmdel Builder's Ass'n V. Holmdel Township. 121 N.J. 550 (1990), the New Jersey Supreme Court determined that mandatory development fees are authorized by the Fair Housing Act of 1985, N.J.S.A. 52:27d-301 et seq., and the State Constitution subject to the Council on Affordable Housing's (COAH) adoption of rules. The purpose of this ordinance is to establish standards for the collection, maintenance and expenditure of development fees pursuant to COAH's rules. Fees collected pursuant to this ordinance shall be used for the sole purpose of providing low and moderate income housing. This ordinance shall be interpreted within the framework of COAH's rules on development fees.

2. Residential Development Fees

- a. Within the (<u>name of zoning districts</u>), developers shall pay a development fee of one-half of one percent of the (equalized assessed value for residential development/or the coverage amount of the Home Owner Warranty document of a for-sale unit or the appraised value on the document utilized for construction financing for a rental unit) provided no increased density is permitted.
- b. If a "d" variance is granted pursuant to N.J.S.A. 40:55d-70d(5), then the additional residential units realized (above what is permitted by right under the existing zoning) will incur a bonus development fee of ____percent [municipality establishes the fee; may be up to six percent] rather than the development fee of one half of one percent. However, if the zoning on a site has changed during the two-year period preceding the filing of the "d" variance application, the density for the purposes of calculating the bonus development fee shall be the highest density permitted by right during the two-year period preceding the filing of the "d" variance application.

The fee may be realized on the coverage amount on the Home Owner's Warranty document for each additional for sale unit or on the appraised value on the document utilized for construction financing for each additional rental unit.

c. Within the zoning districts listed below, a density bonus has been permitted. Residential developers within these zones pay a development fee of up to six percent of (the equalized assessed value for each additional unit that may be realized/or the coverage amount on the Home Owner Warranty document for each additional for sale unit or the appraised value on the document utilized for construction financing for each additional rental unit).

Example: if the rezoning permits extra units to be constructed,

- No ordinance to collect fees will be in effect until it has been certified by COAH as per N.J.A.C. 5:93-8.
 - A municipality may begin imposing and collecting fees when it has adopted a housing element, petitioned for substantive certification and received COAH's approval of its development fee ordinance. (Urban aid cities need not file an adopted housing plan or petition for certification.) A municipality may not spend development fees until COAH has approved a plan for spending fees and granted substantive certification.
- 2a. The one-half of one percent is a maximum standard. A municipality may impose a lesser fee. However, it is also possible to negotiate a higher fee as per N.J.A.C. 5:93-8.10(d). All negotiated fees are subject to COAH approval. The municipality must designate which standard will be utilized to calculate the fee in the ordinance.

2c. This section is optional. The six percent fee is a maximum standard. A municipality may impose a lesser fee. Municipalities may not reduce densities from pre-existing levels and then require developers to pay increased fees in exchange for an increased density. (N.J.A.C. 5:93-8.12). In reviewing the development fee ordinance, COAH will require a description of any changes to the municipal zoning ordinance over the last two

TEXT

the fee shall be six percent of the value option selected above. On the remaining units, the developer shall pay a development fee of one-half of one percent on the value option selected above

Zoning Existing
District Density
Density Bonus

Increased (
Density

Calculated

- Developers within the following zoning districts may pay a fee in lieu of constructing a low or moderate income housing unit.
 - 1)
 - 2)
 - 3)
 - 4)...
- 3. Nonresidential Development Fees
 - a. Developers within (<u>name of zoning district</u>) shall pay a fee of one percent of either the equalized assessed value for nonresidential development or the appraised value utilized on the document for construction financing.
 - b. If a "d" variance is granted pursuant to N.J.S.A. 40:55D-70d(4), then the additional floor area realized (above what is permitted by right under the existing zoning) will incur a bonus development fee of ______ percent [municipality establishes; may be up to six percent] rather than the development fee of one percent. However, if the zoning on a site has changed during the two-year period preceding the filing of the "d" variance application, the base floor area for the purposes of calculating the bonus development fee shall be the highest floor area permitted by right during the two year period preceding the filing of the "d" variance application. The development fee may be based on either the equalized assessed value for non-residential development or the appraised value utilized on the document for construction financing
- Eligible Exaction, Ineligible Exaction and Exemptions
 - Developers of low and moderate income units shall be exempt from paying development fees.
 - b. Developers that have received preliminary or final Approval prior to the effective date of this ordinance shall be exempt from paying a development fee unless the developer seeks a substantial change in the approval.
 - c. Developers of [specific types of development, (example: retail)] shall be exempt from paying a development fee.
 - d. Within [name of zoning district(s)], developers shall be exempt from paying a development fee.

NOTES

years or a longer period, if determined by COAH (N.J.A.C. 5:93-8.8). The municipality must designate which standard will be utilized for the fee calculation. This standard must be consistent with 2 (a) above.

3a. The one percent fee is a maximum standard. A municipality may impose a lesser fee. However, it is also possible to negotiate a higher fee as per N.J.A.C. 5:93-8.11(b). All negotiated fees are subject to COAH approval. The municipality must stipulate which standard will be utilized for non-residential fee calculation.

- 4b. Examples of substantial change include a substantial alteration in site layout, development density or types of uses within the development.
- Optional. Municipalities are not required to provide this exemption.
- 4d. Optional. Municipalities are not required to provide this exemption.

NOTES

5. Collection of Fees

a. Developers shall pay up to 50 percent of the calculated development fee to (the municipality) at the issuance of building permits. At the issuance of certificates of occupancy, the appropriate development fee shall be based on one of the options in N.J.A.C. 5:93-8-13. The developer shall be responsible for paying the difference between the fee calculated at building permit and paid at issuance of certificate of occupancy. The entire fee may also be paid at the issuance of the certificate(s) of occupancy

6. Housing Trust Fund

- a. There is hereby created an interest bearing housing trust fund in (name of bank) for the purpose of receiving development fees from residential and nonresidential developers. All development fees paid by developers pursuant to this ordinance shall be deposited in this fund. No money shall be expended from the housing trust fund unless the expenditure conforms to a spending plan approved by COAH.
- b. If COAH determines that (the-municipality) is not in conformance with COAH's rules on development fees, COAH is authorized to direct the manner in which all development fees collected pursuant to this ordinance shall be expended. Such authorization is pursuant to: this ordinance, COAH's rules on development fees and the written authorization from the governing body to the (name of bank in which the housing trust fund is located

7. Use of Funds

- a. Money deposited in a housing trust fund may be used for any activity approved by COAH for addressing (the municipality's) low and moderate income housing obligation. Such activities may include, but are not necessarily limited to: housing rehabilitation, new construction, regional contribution agreements, the purchase of land for low and moderate income housing, extensions and/or improvements of roads and infrastructure to low and moderate income housing sites, assistance designed to render units more affordable to low and moderate income households and administrative costs necessary to implement (name of municipality's) housing element. The expenditure of all money shall conform to a spending plan approved by COAH.
- b. At lest 30 percent of the revenues collected shall be devoted to render units more affordable. Examples of such activities include, but are not limited to: downpayment and closing cost assistance, low interest loans and rental assistance.

No more than 20 percent of the revenues collected each year shall be expended on administrative costs necessary to develop, revise or implement the housing element. Examples of The language provided assumes that municipalities will choose to collect development fees as soon as possible. However, a municipality may choose to collect all fees at certificate of occupancy. The municipality must designate the option selected.

 All development fee ordinances must include authorization for COAH to direct the expenditure of development fees pursuant to N.J.A.C. 5:93-8.18 (Penalties)

7b. COAH may waive this requirement in whole, or in part, if the municipality demonstrates the ability to address the affordability assistance requirement from another source. Expenditures for rehabilitation, municipal new construction and RCAs are exempt from this requirement.

NOTES

eligible administrative activities include: personnel, consultant services, space costs, consumable supplies and rental or purchase of equipment directly associated with plan development or plan implementation.

c. Development fee revenues shall not be expended to reimburse (<u>name of municipality</u>) for housing activities that preceded a first or second round substantive certification.

8. Expiration of Ordinance

This ordinance shall expire if:

- a. COAH dismisses or denies (the municipality's) petition for substantive certification;
- b. COAH revokes substantive certification or this ordinance;
- c. The substantive certification/judgment of repose expires prior to (the nunicipality's) filing an adopted housing element with COAH, petitioning for substantive certification or receiving COAH's approval of this ordinance.

For urban aid municipalities, when COAH's approval to collect development fees expires.

The following definitions should be added to or amended within your current affordable housing ordinances:

"COAH" means the New Jersey Council on Affordable Housing

"Development fees" means money paid by an individual, person, partnership, association, company or corporation for the improvement of property as permitted in COAH's rules.

"Equalized assessed value" means the value of a property determined by the municipal tax assessor through a process designed to ensure that all property in the municipality is assessed at the same assessment ratio or ratios required by law. Estimates at the time of issuance of a building permit may be obtained utilizing estimates for construction cost. Final equalized assessed value will be determined at project completion by the municipal tax assessor.

"Judgment of Compliance" means a judgment issued by the Superior Court approving a municipality's plan to satisfy its fair share obligation.

"Substantive certification" means a determination by COAH approving a municipality's housing element and fair share plan in accordance with the provisions of the Fair Housing Act and the rules and criteria as set forth herein. A grant of substantive certification shall be valid for a period of six years in accordance with the terms and conditions therein.

- 7c. The municipality need not devote any development fees toward administration. Development fees may not be used to defray the cost of existing staff. However, COAH will permit fees to defray the cost of staff whose responsibility is to implement a housing element.
- 8. The approval to impose and collect development fees expires if the municipality fails to obtain substantive certification. Finally, the approval to impose and collect development fees expires with substantive certification (or for urban aid cities, with the period approved by COAH) unless the approval is renewed pursuant to N.J.A.C. 5:93-8.20.

Judgment of Compliance: This definition is not relevant to municipalities that have received substantive certification.



New Jersey Council on Affordable Housing (COAH) Model Development Fee Spending Plan

INTRODUCTION

(Municipality), (county), has a development fee ordinance that was approved by the Council on Affordable Housing (COAH) on (date). This spending plan is prepared in accordance with N.J.A.C. 5:93-5.1(c) and includes the following:

- 1. Projection of development fee revenues based on known development approvals and historic rate of development activity.
- 2. A description of the administrative mechanism that the municipality will use to collect and distribute revenues.
- 3. A description of the anticipated use of all development fees.
- 4. A schedule for the creation or rehabilitation of housing units (if applicable).
- 5. If the municipality envisions being responsible for public sector or nonprofit construction of housing, a pro-forma statement of the anticipated costs and revenues associated with the development (if applicable).
- 6. The manner in which the municipality will address any expected or unexpected shortfall if the anticipated revenues from development fees are not sufficient to implement the plan (if applicable).

To date, (<u>municipality</u>) has collected \$ in development fees. All development fees collected and interest generated by the fees are deposited in a separate interest-bearing account in (<u>bank</u>) for the purposes of affordable housing.
PROJECTION OF REVENUES FOR CERTIFICATION PERIOD To calculate a projection of revenues anticipated between (date of spending plan) and the expiration of substantive certification, (municipality) considered the following:
1. Based on the residential and nonresidential projects which have had development fees imposed upon them at the time of preliminary or final development approvals, (<u>municipality</u>) anticipates the collection of \$ in development fees at issuance of building permits and/or certificates of occupancy during the period of substantive certification.
2. (<u>Municipality</u>) considered all projects currently before the planning board for development approvals. Based on an estimate of when these may apply for building permits and certificates of occupancy, (<u>municipality</u>) anticipates the collection of \$ in development fees during the period of substantive certification.
3. Additionally, (<u>municipality</u>) looked at the historic rate of development and determined that between now and the expiration of substantive certification, an additional \$ in development fees could be anticipated.
Therefore, (municipality) has projected a total of \$ in development fee revenues to be collected between now and the expiration of substantive certification. All development fees collected and interest generated by the fees will be deposited in a separate interest-bearing account in (bank) for the purposes of affordable housing.
ADMINISTRATIVE RECULANION TO COLUMNIA

ADMINISTRATIVE MECHANISM TO COLLECT AND DISTRIBUTE FUNDS

The following procedural sequence for the collection and distribution of development fee revenues is proposed by (municipality):

(NOTE: This is only an example. If your municipality already has a procedure for collection and expenditure of development fee revenues, please describe it here in detail).

1. Collection of development fee revenues:

The planning board secretary notifies the (<u>building code official or construction code official or housing officer</u>) whenever a preliminary or final approval is granted for a development which is subject to a development fee.

When a request is made for a building permit, the (<u>building code official or construction official or housing officer</u>) determines if the project is subject to the imposition of a mandatory development fee. If so, the (<u>building code official or construction code official or housing officer</u>) obtains an approximate value of the completed project from the developer or tax assessor who calculates the fee based on (<u>the equalized assessed value or the coverage amount of the Home Owner Warranty document for residential units or the appraised value on the document utilized for construction financing</u>). (NOTE: The municipality must select the option here.)

The developer may pay up to 50 percent of the estimated development fee to the (<u>building code official or construction code official or housing officer</u>) at the time the building permit is issued. The funds are then forwarded to the (<u>chief financial officer or municipal treasurer</u>) and deposited in the affordable housing trust fund, or the developer may pay the entire development fee at the issuance of the certificate of occupancy. (NOTE: The municipality must select the option here.)

Upon request of a certificate of occupancy by the developer, the (<u>building code official or construction code official or housing officer</u>) will notify the township tax assessor to calculate the value of the project and set the fee based on (the equalized assessed value or the coverage amount of the Home Owner Warranty document for residential units or the appraised value on the document utilized for construction financing). (NOTE: The municipality must designate the option that is consistent with the above two paragraphs.)

The balance of the development fee or the full fee will be paid by the developer to the (<u>building code official or construction code official or housing officer</u>) upon issuance of the certificate of occupancy. The funds are then forwarded to the (<u>chief financial officer or municipal treasurer</u>) and deposited in the affordable housing trust fund.

2. Distribution of development fee revenues:

The (affordable housing board or the housing committee) adopts and forwards a resolution to the governing body recommending the expenditure of development fee revenues as set forth in this spending plan. The governing body reviews the request for consistency with the spending plan and adopts the recommendation.

The use and release of the funds require the adoption of a resolution in accordance with the COAH-approved spending plan. Once a request is approved, the (<u>municipal treasurer or chief financial officer</u>) releases the revenues from the trust fund for the specific use as per the governing body's resolution.

DESCRIPTION OF ANTICIPATED USE OF DEVELOPMENT FEES:

1. (<u>Municipality</u>) will dedicate _____ percent of development fees collected each year to be used for administrative purposes as follows:

(provide detailed description)

NOTE: N.J.A.C 5:93-8.16(e) stipulates that a maximum of 20 percent of development fees collected each year may be utilized for administrative purposes such as salaries and benefits for municipal employees or consultant fees necessary to develop or implement municipal housing programs such as rehabilitation, new construction, RCAs, housing elements and/or affirmative marketing programs. Administrative funds

may be used to income qualify households and monitor implementation. Development fees may be used to defray the costs of staff that are implementing a housing plan.

to

	ality) will devote _ more affordable u		opment fees collected each year to
(prov	ide detailed desc	ription of the proposed affordal	bility assistance program)
	least 30 perce be devoted to assistance, r Development	c.C. 5:93-8.16(c) specifies that, unlent of development fees collected affordability assistance such as ental assistance and closing confees collected to finance an RCA construction project are exen	each year must down payment ost assistance. or rehabilitation
3. The rema	ainingpe	ercent of development fee revenue	es collected each year will be used
		(provide detailed explanation	<u>1)</u>
ONLY IF AP	municipality in activities inclu construction, l land, roads or housing in the	A.C. 5:93-8.16(a) specifies wha nay undertake with development ide, but are not limited to, rehable RCAs, purchase of land and imprinfrastructure directly related to the plan.	fees. These collitation, new provements to
(<u>Municipa</u>	ality) intends to usts. The rehabilitat	FATION OF HOUSING UNITS se development fee revenues for ion schedule, which will parallel the ing element and fair share plan, is	ne schedule set forth
	YEAR	NUMBER OF REHABS	FUNDS · NEEDED
1.			
2.			
3.			
5.			
· J.			I i

ONLY IF APPLICABLE:

PUBLIC SECTOR/NONPR	OFIT HOUSING:			
Description of Total De	evelopment Cost Bi	reakdown and Sou	rce of Funding	
				, , =
		5		

UNEXPECTED SHORTFALL OF FUNDS:

Pursuant to the housing element and fair share plan, the governing body of (<u>municipality</u>) has adopted a resolution agreeing to fund any shortfall of funds required for implementing (<u>specify housing programs</u>). In the event that a shortfall of anticipated revenues occurs, (<u>municipality</u>) will

(describe method of handling the shortfall of funds)

NOTE: COAH normally requires a municipality to pass a resolution of intent to bond for any unanticipated shortfall in a rehabilitation program or municipal construction project. Please attach a copy of the resolution.

SUMMARY

(Municipality) intends to spend development fee revenues pursuant to N.J.A.C. 5:93-8.16 and in conjunction with the housing programs outlined in the housing element and fair share plan dated (date).	
(Municipality) has collected \$ to date and anticipates an additional \$ n development fee revenues before the expiration of substantive certification for a total of \$ The municipality will dedicate percent to administrative costs, percent to render units and percent towards describe) Any shortfall of funds will be offset by describe).	

APPENDIX B

Vacant Land Adjustment, March 2024

Vacant Land Adjustment

Borough of Ship Bottom

Ocean County, New Jersey

March 2024

Prepared by:



Heyer, Gruel & Associates Community Planning Consultants 236 Broad Street Red Bank, NJ 07701 732-741-2900

The original of this report was signed and sealed in accordance with N.J.S.A. 45:14A-12

John Barree, AICP, PP #6270

M. McKinley Mertz, AICP, PP #6368

With assistance from Bailey Surbrook, Associate Planner

Executive Summary

The New Jersey Fair Housing Act, at N.J.S.A 52:27D-307(c)(2), provides for an adjustment to the present and prospective fair share obligation of a municipality based on available vacant and developable land, infrastructure considerations, or historic factors.

This report inventories the vacant land in Ship Bottom that may be used to determine the Borough's Realistic Development Potential (RDP) to provide its fair share of low- and moderate-income housing. This report follows the procedure for conducting a VLA as detailed in N.S.J.A. 5:97-5.2.

This 2024 analysis identifies no properties that contribute to the Borough's RDP. All vacant land within the Borough is environmentally constrained by the 100-year floodplain as mapped by FEMA. As such, the Borough's total RDP is zero (0) units.

Vacant Land Analysis

The analysis began by mapping all of the various land use categories within the Borough using the most recently available MODIV Tax Assessment data (2022). While the procedure detailed in N.S.J.A. 5:97-5.2 requires that single-family, two- to four-family, and other multi-family land uses be mapped as separate categories, the data provided by MODIV does not precisely break down into these categories. Rather, any land categorized as Residential (2) is considered to be one to four family uses, while any land categorized as Apartments (4C) is considered to be other multi-family uses.

The current vacant land analysis then identified and examined lots belonging to 4 types of property classes: vacant land (1), public property (15C), Church & Charitable Property (15D), Other Exempt Property (15F). Properties classified as Regular Farmland (3A) and Qualified Farmland (3B) were not examined as part of this analysis since the Borough does not have any property of these classifications. Any parcels which were assigned a null value as their property classification were also analyzed to ensure any land which is potentially vacant was not excluded from the analysis. The most recently available MODIV Tax Assessment data (2022) was attached to the most recently available parcel base (2022) using a Geographic Information System (GIS) program.

First, the properties classified as either 1, 15C, 15D, 15F, or null were analyzed for limitations to development. Pursuant to N.J.S.A. 5:97-5.2, environmentally constrained lands may be removed from consideration. Environmentally constrained lands include those lands located in wetlands, in the special flood hazard area (the FEMA 100-year floodplain), or in the 300-foot buffer around Category 1 waterways. Each property was evaluated to determine any environmental constraints. The portion of each property not impacted by environmental constraints was calculated to determine the net developable acreage for the site. The analysis found that all parcels are constrained by FEMA's 100-year floodplain.

Second, parcels may be removed if they are permanently preserved as open space through the New Jersey Green Acres program, deed restriction, or conversation easement. Parcels may also be removed if they are listed on the Historic or State Inventory of Historic Places. As such, the vacant parcels which met these criteria were removed.

Third, any properties classified as 1, 15C, 15D, 15F, or null which had an entry in the MODIV Building Description Field or had a number greater than zero in the Improvement Value field were removed from the analysis since these parcels have improvements and are not vacant.

Finally, parcels are determined to have an inadequate lot size if they cannot be developed with at least 5 units. Per the procedure outlined in the N.J.S.A, a parcel that is 1 acre is presumed to have a development capacity of 6 units per acre. Per this standard any parcel with an area of less than 0.8333 acres would be considered inadequate for development since it would not be able to accommodate a minimum of 5 units. As a more conservative approach, for this sake of this analysis, any site with less than 0.5 acres area was considered inadequate for development and was removed. Sites greater than 0.5 acres in area remained as part of the analysis.

Although required by N.J.S.A. 5:97-5.2, ownership data was not considered as part of this analysis as ownership data was not readily available. Daniel's Law restricts access to ownership data. Heyer, Gruel, and Associates submitted an Open Public Records Act (OPRA) request to Ocean County to receive this data, but received a response that the County would not make this data available.

Vacant Land Assessment Findings and Conclusion

After excluding all environmentally constrained and undersized parcels in the Borough, there is no vacant land within Ship Bottom which was determined to be developable. As such, the Borough's total RDP is zero (0) units.





	Secondary Reasoning	•	-	•	,	,	Property is dedicated as open space	,	1	-	•	-	-	·
	Primary Reasoning	100% constrained by 100 year floodplain												
24	Developable Acres	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Table 1: Vacant Land Inventory, Ship Bottom, 2024	Unconstrained Acres	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Inventory, SI	Constrained Acres	3.02	0.11	0.08	0.22	0.04	0.34	0.13	0.11	0.18	0.19	0.03	0.01	60:0
Vacant Land	Total Acres	3.02	0.11	0.08	0.08	0.34	0.13	0.11	0.18	0.19	0.03	0.01	0.09	
able 1:	SSA	Υ .	٨	٨	>	>	>	> > > > Z Z	>					
F	State Planning Area	58: Environmentally Sensitive Barrier Island												
	Zoning	Ь	<null></null>	<null></null>	SC	OR	Ь	R3	33	SC	SC	<null></null>	<null></null>	<null></null>
	Property Class	15C	<null></null>	<null></null>	H	15C	15C	1		1	1	<null></null>	<null></null>	<null></null>
	Address	REAR 28TH ST UNDER WATER	<nn(></nn(>	<\\n\\>	BLVD	W27THST	E31STST	E 31ST ST	E 31ST ST	BLVD	GΛΊΘ	<null></null>	<nn()></nn()>	BLVD UNIT B
	Lot	4	1.01	2	1.01	7	1	15	19	1.07	1.10	2.01	5.01	15
	Block	8	11	11	15	15	17	17	17	26	26	27	27	28

Heyer, Gruel Associates

March 2024

Secondary Reasoning	·	-	-	-				·	Property is dedicated as open space		-	ı	-	·
Primary Reasoning	100% constrained by 100 year floodplain													
Developable Acres	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unconstrained Acres	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Constrained Acres	0.37	28:0	90'0	0.11	60'0	60.03	0.03	0.11	0.39	0.17	0.15	0.02	0.01	0.11
Total Acres	0.37	0.37	0.06	0.11	0.09	0.03	0.03	0.11	0.39	0.17	0.15	0.02	0.01	0.11
SSA	z	z	٨	z	>	*	>	*	>	٨	٨	>-	>-	>
State Planning Area	58: Environmentally Sensitive Barrier Island													
Zoning	А	Ь	Ь	Ь	<null></null>	<null></null>	<null></null>	R2	۵	sc	<null></null>	<null></null>	<null></null>	SC
Property Class	15C	15C	15C	15C	<null></null>	<null></null>	<null></null>	1	15C	1	<null></null>	<null></null>	<null></null>	1
Address	OCEAN AVE	OCEAN AVE	END 24TH ST UNDER WATER	END OF E HRBOR UNDERWATER	W 23RD ST 2ND FL#C	<nn(></nn(>	<nui!></nui!>	W 22ND ST	OCEAN AVE	BLVD	<nn()></nn()>	E 21ST ST #C4.1	E 21ST ST #C4.2	W 21ST ST
Lot	П	1	5.02	5.03	7.01	1.02	3.03	11	~	12	4	4	4	4.01
Block	29	30	32.01	32.01	32.01	34	34	35	37	38	38	38	38	39

Heyer, Gruel Associates

March 2024

Secondary Reasoning			,	,	·	,	,	Property is dedicated as open space	,		Property is dedicated as open space	,	Property is dedicated as open space	-
Primary Reasoning	100% constrained by 100 year floodplain													
Developable Acres	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unconstrained Acres	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Constrained Acres	60.0	90.0	0.20	0.04	0.10	0.02	0.15	0.21	0.12	0.12	0.24	0.11	0.43	0.01
Total Acres	0.09	0.06	0.20	0.04	0.10	0.02	0.15	0.21	0.12	0.12	0.24	0.11	0.43	0.01
SSA	\	>	>	>	>-	>	>	>	>	z	>	>	>-	>-
State Planning Area	58: Environmentally Sensitive Barrier Island													
Zoning	<null></null>	R2	<null></null>	SC	R2EC	<null></null>	sc	ط	<null></null>	Ь	Ь	sc	Ь	<null></null>
Property Class	1	1	<null></null>	15C	₽	<null></null>	17	15C	<null></null>	15C	15C	₽	15C	<null></null>
Address	W 21ST ST	E BAY TERRACE	<null></null>	PENNSYLVANIA AVENUE	BAY TERRACE	<nui!></nui!>	BLVD	OCEAN AVE	<nuil></nuil>	OCEAN AVE	OCEAN AVE	BLVD	OCEAN AVE	<null></null>
Lot	16.02	ဗ	4.01	14	19.05	3.01	2.01	2	13.01	2.01	3.01	2	П	9.01
Block	40	42	42	47	50	51	55	56	56	57	57	58	29	29

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_														
Secondary Reasoning		,	Property is dedicated as open space	,	1	,	ı	,	1	1	1	1	•	-
Primary Reasoning	100% constrained by 100 year floodplain													
Developable	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unconstrained	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Constrained	0.20	0.12	0.42	0.13	60.0	0.08	0.04	0.11	0.14	0.20	0.61	0.14	0.07	0.28
Total Acres	0.20	0.12	0.42	0.13	0.09	0.08	0.04	0.11	0.14	0.20	0.61	0.14	0.07	0.28
SSA	>	>-	>-	z	z	>-	z	>	>-	>-	z	>-	>	z
State Planning Area	58: Environmentally Sensitive Barrier Island													
Zoning	<null></null>	SC	Ф	Ф	Ф	SC	R1EC	R1	<null></null>	OR	Ь	SC	SC	۵
Property	S	t	15C	15C	15C	П	15C	15C	<null></null>	†	15C	1	1	15C
Address	E 16TH ST	W 15TH ST	OCEAN AVE	OCEAN AVE	OCEAN AVE	BLVD	BAY TERRACE	BARNEGAT AVE	W 12TH ST	W 12TH ST	OCEAN AVE	BLVD	BLVD	OCEAN AVE
Lot	15.01	1.03	₽	₽	2	12	1	18	11	4	1	8.02	10	1.01
Block	67	75	76	77	77	77	82.01	83	84	85	86.01	87	87	87.01

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			Property					Constrained	Unconstrained	Developable		
	Lot	Address	Class	Zoning	State Planning Area	SSA	Total Acres	Acres	Acres	Acres	Primary Reasoning	Secondary Reasoning
	7	OCEAN AVE	15C	<null></null>	58: Environmentally Sensitive Barrier Island	z	0.26	0.26	0.00	0.00	100% constrained by 100 year floodplain	
	1.02	BLVD	1	SC	58: Environmentally Sensitive Barrier Island	٨	0.10	0.10	0.00	0.00	100% constrained by 100 year floodplain	
-	15.02	W 11TH ST	1	R1R1	58: Environmentally Sensitive Barrier Island	Y	0.11	0.11	00.0	0.00	100% constrained by 100 year floodplain	·
ı	2	W 9TH ST	1	29	58: Environmentally Sensitive Barrier Island	А	0.09	60.0	0.00	0.00	100% constrained by 100 year floodplain	
	2	W 9TH ST	1	29	58: Environmentally Sensitive Barrier Island	Å	0.13	0.13	0.00	0.00	100% constrained by 100 year floodplain	·
	9	W 9TH ST	1	29	58: Environmentally Sensitive Barrier Island	Å	0.14	0.14	0.00	0.00	100% constrained by 100 year floodplain	
	7	W 9TH ST	1	29	58: Environmentally Sensitive Barrier Island	Y	0.14	0.14	0.00	0.00	100% constrained by 100 year floodplain	
	2	BARNEGAT AVE	15C	R1	58: Environmentally Sensitive Barrier Island	Y	0.10	0.10	0.00	0.00	100% constrained by 100 year floodplain	
	2	W 9TH ST	1	29	58: Environmentally Sensitive Barrier Island	Y	0.27	0.27	0.00	0.00	100% constrained by 100 year floodplain	·
	8	W 9TH ST	1	29	58: Environmentally Sensitive Barrier Island	Y	0.27	0.27	0.00	0.00	100% constrained by 100 year floodplain	·
	7	W 9TH ST	1	29	58: Environmentally Sensitive Barrier Island	٨	0.24	0.24	0.00	0.00	100% constrained by 100 year floodplain	
. ,	3.01	W8THST	1	29	58: Environmentally Sensitive Barrier Island	٨	0.44	0.44	0.00	0.00	100% constrained by 100 year floodplain	
٠,	5.04	W 9TH STREET	1	<null></null>	58: Environmentally Sensitive Barrier Island	٨	0.22	0.22	0.00	0.00	100% constrained by 100 year floodplain	·
~	6.01	W8THST	1	<nn(i)></nn(i)>	58: Environmentally Sensitive Barrier Island	٨	0.55	0.55	0.00	0.00	100% constrained by 100 year floodplain	·
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Lot	Address	Property Class	Zoning	State Planning Area	SSA	Total Acres	Constrained Acres	Unconstrained Acres	Developable Acres	Primary Reasoning	Secondary Reasoning	
7.01	W8THST	7	<null></null>	58: Environmentally Sensitive Barrier Island	>	0.11	0.11	0.00	0.00	100% constrained by 100 year floodplain	·	
9.01	W 8TH ST	1	<null></null>	58: Environmentally Sensitive Barrier Island	λ	0.14	0.14	0.00	0.00	100% constrained by 100 year floodplain		
11	W 9TH ST	1	29	58: Environmentally Sensitive Barrier Island	Å	0.26	0.26	00.00	0.00	100% constrained by 100 year floodplain		
12	W8THST	1	29	58: Environmentally Sensitive Barrier Island	Å	0.35	0.35	0.00	0.00	100% constrained by 100 year floodplain	·	
1.01	W 8TH & 701 CENTRAL	1	29	58: Environmentally Sensitive Barrier Island	Å	0.47	0.47	00.00	0.00	100% constrained by 100 year floodplain		
15.02	SHORE AVE	1	R1	58: Environmentally Sensitive Barrier Island	Å	0.20	0.20	0.00	0.00	100% constrained by 100 year floodplain		
17.01	W8THST	1	29	58: Environmentally Sensitive Barrier Island	Y	0.24	0.24	00.00	0.00	100% constrained by 100 year floodplain	·	
22	W8THST	1	29	58: Environmentally Sensitive Barrier Island	Å	0.11	0.11	0.00	0.00	100% constrained by 100 year floodplain		
25	W8THST	1	29	58: Environmentally Sensitive Barrier Island	Å	0.14	0.14	00.00	0.00	100% constrained by 100 year floodplain		
7	DREXEL RD	1	OR	58: Environmentally Sensitive Barrier Island	Å	0.12	0.12	0.00	0.00	100% constrained by 100 year floodplain		
2	OCEAN AVE	15C	Р	58: Environmentally Sensitive Barrier Island	Å	0.12	0.12	0.00	0.00	100% constrained by 100 year floodplain	Property is dedicated as open space	
18.01	W 6TH ST&262 W 5TH ST	15C	Ь	58: Environmentally Sensitive Barrier Island	>	0.36	0.36	0.00	0.00	100% constrained by 100 year floodplain	·	
7	SHORE AVE	15C	R1	58: Environmentally Sensitive Barrier Island	>	0.07	0.07	0.00	0.00	100% constrained by 100 year floodplain	Property is dedicated as open space	
17	W 4TH ST	15C	Р	58: Environmentally Sensitive Barrier Island	Å	0.14	0.14	0.00	0.00	100% constrained by 100 year floodplain	Property is dedicated as open space	

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Secondary Reasoning	Property is dedicated as open space	1	1		-	Property is dedicated as open space	Property is dedicated as open space	Property is dedicated as open space	
Primary Reasoning	100% constrained by 100 year floodplain	100% constrained by 100 year floodplain							
Developable Acres	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	00.00
Unconstrained Acres	00.00	0.00	0.00	0.00	00.0	0.00	0.00	0.00	0.00
Constrained Acres	0.22	0.09	0.07	0.09	0.15	0.14	0.14	0.23	0.82
Total Acres	0.22	0.09	0.07	0.09	0.15	0.14	0.14	0.23	0.82
SSA	Y	>	z	>	Y	>	>	>	z
State Planning Area	58: Environmentally Sensitive Barrier Island	5: Environmentally Sensitive							
Zoning	Ь	OR	R3EC	OR	R1	Ь	۵	۵	R1
Property Class	15C	1	15C	1	1	15C	15C	15C	1
Address	W 4TH ST	CENTRAL AVE	E 3RD ST	CENTRAL AVE	W 4TH ST	W 4TH ST	W 4TH ST	W 4TH ST	FLAT ISLAND IN BAY
Lot	18	8.02	4.02	9	2	13	14	15	1
Block	125	128	131	133	136	136	136	136	137