

**MENDHAM HOUSING ELEMENT  
&  
*FAIR SHARE PLAN***

AUGUST, 2005

This report has been signed and sealed in  
the original in accordance with  
N.J.A.C. 13:41 - 1.3

Adrian P. Humbert, AICP/P.P.

## INTRODUCTION

The Borough of Mendham was granted its original six-year certification for its Fair Share Housing Plan on May 20, 1987 by the New Jersey Council on Affordable Housing (COAH). The Borough had acted in response to the Mount Laurel II decision, which was handed down by the New Jersey Supreme Court in January, 1983. That decision required that all municipalities in the State provide a realistic opportunity for the construction of housing affordable to those households of lower income. This original certification covered the years 1987 through 1993, the first round obligation.

Responding to the COAH Second Round Fair Share Housing numbers covering the 1993 to 1999 period the Borough submitted its petition for substantive certification on February 21, 1995 to insure that its housing plan and element remain compliant with its affirmative housing obligation. On June 5, 1996 COAH granted the Borough substantive certification of this plan. Under this certification the Borough's Second Round Affordable Housing obligation was thirty-one (31) units consisting of twenty-five (25) new construction units and six (6) rehabilitation units. Under its second round substantive certification granted on June 5, 1996 COAH certified a plan which included a total of thirty-nine (39) credits. It included twenty-eight (28) units of prior cycle credits for Mendham area senior housing (MASH) units completed in 1980, eight (8) units of credit for MASH units completed in 1989 and three (3) units that had been previously rehabilitated pursuant to COAH rules, leaving a surplus of eight (8) units that may be eligible to be used for any future affordable housing obligation.

Housing Element & Fair Share Plan  
Mendham Borough  
August, 2005

On February 24, 1995 Mendham Borough received a "Village Center" designation from the State Planning Commission. On December 18, 1995 Mendham Borough adopted an ordinance designating tracts as "Village Center Clusters" and provided an incentive to capture affordable housing as development occurs, providing a ten (10%) percent increase in density for inclusion of an affordable housing component.

Mendham also adopted a development fee ordinance on July 3, 1995 which was approved by COAH in 1995. COAH approved Mendham's spending plan for the fees on April 5, 2000. The development fee ordinance has been amended to comply with the increased development fees enacted pursuant to NJAC 5:94-6.6(a) and 6.7(a). The Borough's development fee monitoring report submitted to COAH covering the period through October 26, 2004 reported that it has collected \$200,356.37 in development fees and interest and expended \$53,887 on rehabilitation activities.

On May 11, 2005 the Borough received extended substantive certification (See Appendix "A") and was directed by COAH to do the following:

- 1. Submit a report on the expenditures of the balance remaining in its affordable housing trust fund at the time the Borough submits its third round petition for substantive certification.
- 2. Submit a revised spending plan with its petition for third round substantive certification which details anticipated expenditures and time table to expend development fee revenues.
- 3. Immediately begin expending sixty (60%) percent of the annual collected development fees or \$87,881.62 on affordable assistance programs to render units, in Mendham's Housing Element and Fair Share Plan more affordable, pursuant to its approved spending plan.

This 2005 Housing Element and Fair Share Plan is intended to address Mendham Borough's

obligation to provide a realistic opportunity for the construction and/or rehabilitation of affordable housing in the Borough, under the Third Round Substantive Rules of the New Jersey Council on Affordable Housing (COAH) NJAC 5:94. The objectives of this Plan are to maintain compliance with Mendham's constitutional fair housing mandate and obtain substantive certification from COAH.

In 1985 the New Jersey Fair Housing Act created the Council on Affordable Housing (COAH) to provide an administrative alternative to the courts in reviewing and mediating fair housing litigation. COAH adopts rules governing the periodic calculation of fair share obligations and the methods by which the obligation may be addressed by communities. Participating in COAH's administrative process and receiving substantive certification of a municipal fair share plan gives a municipality legal protection from Mt. Laurel litigation during the period of certification, now ten years.

### **THIRD ROUND RULES**

COAH's third round rules are based on a "growth share" approach to affordable housing. This is a significant departure from the first and second round methodologies since it links the production of affordable housing to municipal development and growth.

Three components comprise the third round methodology as follows:

- Rehabilitation share
- Prior round obligation - any remaining prior round obligation for the period 1987-1999 that has not been addressed
- Growth share - generated by residential and non-residential growth during the period from 1999 through 2014 and delivered from January 1, 2004 to January 1, 2014. Under "growth share" one affordable housing unit must be provided for every eight new dwellings and for

every 25 new jobs.

## **HOUSING ELEMENT REQUIREMENTS**

The Municipal Land Use Law (MLUL) was amended in 1985 to require that a housing element be part of the municipal Master Plan. The housing element must provide the following information:

- An inventory and analysis of the municipality's housing stock, demographic characteristics and existing and future employment characteristics;
- A projection of future housing construction;
- A determination of the municipality's present and prospective fair share of low and moderate income housing and its capacity to accommodate low and moderate income housing; and
- A consideration of the land that is most appropriate for the construction of low and moderate income housing including land owned by developers who have expressed a commitment to provide affordable housing.

In addition COAH's 2004 rules require that the housing element contain:

1. A projection of the municipality's probable future construction of housing for ten years covering the period January 1, 2004 through January 1, 2014 based on certificates of occupancy, construction permits, approved development and historic trends over the last ten years.
2. An analysis of the existing jobs and employment characteristics of the municipality and a projection of the probable future jobs and employment characteristics for ten years covering the period January 1, 2004 through January 1, 2014 based upon certificates of

Housing Element & Fair Share Plan  
Mendham Borough  
August, 2005

occupancy, construction permits, approved development and historic trends over the last ten years.

3. An analysis of how existing zoning or planned changes in zoning provide adequate capacity to accommodate residential and non-residential growth projections.
4. Plan projections for 2015 consistent with the State Planning Commission.
5. The number of new affordable units the municipality was obligated to provide during the period 1987 to 1999 and the number of affordable units actually provided.
6. The number of deficient units occupied by low and moderate income households that the municipality is obligated to rehabilitate.
7. The projected growth share affordable housing need.
8. A general description of any sites slated for affordable housing including acreage, owner, block and lot, current zoning, surrounding land uses and street access

**POPULATION CHANGES**

Between 1990 and 2000 the Borough's population grew by 207 persons, an increase of 4.2%. As a result of this population growth the density of population increased from 815 to 846 persons per square mile, a gain of 3.8%. The population of males in the Borough grew by 141, an increase of 6.2% while the number of females increased by 66, only 2.5% growth. The median age in the Borough remained virtually stable at 41.7 years of age in 1990 and 41.9 years of age in 2000. In 1990 the Borough's senior population of persons 65 and over numbered 733. By the year 2000 this age group had increased to 857 persons and comprised 16.8% of the Borough's total population. Females in this age group out-numbered males by 537 to 320. Women age 65 and over constitute 10.5% of the Borough's total population.

| <b>TABLE 1<br/>POPULATION DATA<br/>MENDHAM BOROUGH</b> |       |       |        |
|--|-------|-------|--------|
|  | 1990  | 2000  | CHANGE |
| Total Population                                       | 4,890 | 5,097 | 207    |
| Land Size (sq. mi.)                                    | 6.0   | 6.0   | 0      |
| Density (persons/sq. mi.)                              | 815   | 846   | 31     |
| Male   | 2,269 | 2,410 | 141    |
| Female   | 2,621 | 2,687 | 66     |
| Median Age   | 41.7  | 41.9  | 0.2    |

Source: Morris County Planning Board, 2000 Census Profiles

| <b>TABLE 2<br/>AGE GROUPS<br/>MENDHAM BOROUGH</b> |       |      |
|---|-------|------|
|   | 2000  | %    |
| 18 years & over                                   | 3,730 | 73.2 |
| Male  | 1,696 | 33.3 |
| Female  | 2,034 | 39.9 |
| 65 years and over                                 | 857   | 16.8 |
| Male  | 320   | 6.3  |
| Female  | 537   | 10.5 |

Source: Morris County Planning Board, 2000 Census Profiles

**HOUSING CHARACTERISTICS CHANGES**

The number of total housing units in Mendham Borough increased by 51, rising from 1,777 to 1,828, growth of 2.87% during the decade. The number of owner-occupied units grew by 108 from 1421 to 1529. The Borough experienced declines in the number of renter-occupied units which dropped by 14 and the number of vacant units which declined by 43 over the 10 year period. The average household size in owner-occupied units also declined dropping from 2.88 persons to 2.80.

| <b>TABLE 3</b><br><b>HOUSING TENURE: 1990 &amp; 2000</b><br><b>MENDHAM BOROUGH</b> |       |       |        |
|--|-------|-------|--------|
|  | 1990  | 2000  | CHANGE |
| Total housing units  | 1,777 | 1,828 | 51     |
| Occupied units   | 1,687 | 1,781 | 94     |
| Owner-occupied   | 1,421 | 1,529 | 108    |
| Renter-occupied  | 266   | 252   | -14    |
| Average size owner-occupied  | 2.88  | 2.80  | -0.08  |
| Average size renter-occupied   | 2.16  | 2.18  | 0.02   |
| Vacant units   | 90    | 47    | -43    |
| Seasonal or occasional use   | 6     | 10    | 4      |

Source: U.S. Census, 1990 & 2000

### **HOUSEHOLDS**

The 2000 U.S. Census reports a total of 1,781 households in the Borough. This is an increase from 1990 where the number was 1687, a gain of 94 or 5.6%.

| <b>TABLE 4<br/>HOUSEHOLD BY TYPE<br/>MENDHAM BOROUGH</b> |       |       |
|--|-------|-------|
|  | 2000  | %     |
| Total households   | 1,781 | 100.0 |
| Family households  | 1,380 | 77.5  |
| with children under 18                                   | 651   | 36.6  |
| Married couple   | 1,235 | 69.3  |
| with children under 18                                   | 578   | 32.5  |
| Female householder, no husband                           | 120   | 6.7   |
| with children under 18                                   | 63    | 3.5   |
| Non-family households                                    | 401   | 22.5  |
| Householder living alone                                 | 332   | 18.6  |
| Householder 65 and over                                  | 178   | 10.0  |
| Households w/individ. under 18                           | 666   | 37.4  |
| Households w/individ 65 & over                           | 514   | 28.9  |
| Average household size                                   | 2.72  |       |
| Average family size                                      | 3.13  |       |

Source: U.S. Census, 1990 & 2000

The average household size continued to decline from 2.77 in 1990 to 2.72 in 2000. Family households (1,380) remain the dominant family grouping comprising 77.5% of the household types in the Borough. Slightly less than half of these family households (651) had children under 18 years of age.

Single female heads of household comprised 120 people or 6.7% of the Borough's population. Non-family households at 401 or 22.5% of the population, were also an important component of the

Housing Element & Fair Share Plan  
Mendham Borough  
August, 2005

Borough's demographic structure.

**HOUSING CHARACTERISTICS**

In 2000 of the total 1,828 housing units in the Borough the vast majority, 1,358 or 74.3%, were single-family detached houses. Single-family attached units were also a substantial part of the Borough's inventory at 16.3% reflecting the Mendham Commons development. The 9.5% balance of the Borough's housing stock was in duplex units, 3.2%, and the remainder in multi-family structures.

| <p align="center"><b>TABLE 5<br/> UNITS IN STRUCTURE: 2000<br/> MENDHAM BOROUGH</b></p> |        |         |
|---|--------|---------|
| Subject   | Number | Percent |
| Total housing units   | 1,828  | 100.0   |
| UNITS IN STRUCTURE  |        |         |
| 1-unit detached   | 1,358  | 74.3    |
| 1-unit attached   | 298    | 16.3    |
| 2 units   | 58     | 3.2     |
| 3 or 4 units  | 47     | 2.6     |
| 5 to 9 units  | 40     | 2.2     |
| 10 to 19 units  | 14     | 0.8     |
| 20 or more units  | 13     | 0.7     |
| Mobile home   | 0      | 0       |

Source: U.S. Census, 2000

**AGE OF HOUSING**

The 2000 Census reports that 1,744 or 95.4% of the Borough's housing was built in 1989 or earlier. Only 84 units are reported to have been built in the past 15 years. This recent housing inventory amounts to only 4.6% of the total and reflects the Borough's long-established pattern of an existing village with a mature housing stock.

| <b>TABLE 6<br/>YEAR STRUCTURE BUILT: 2000<br/>MENDHAM BOROUGH</b> |               |                |
|---|---------------|----------------|
| <b>YEAR STRUCTURE BUILT</b>                                       | <b>NUMBER</b> | <b>PERCENT</b> |
| 1999 to March 2000  | 18            | 1.0            |
| 1995 to 1998  | 30            | 1.6            |
| 1990 to 1994  | 36            | 2.0            |
| 1980 to 1989  | 344           | 18.8           |
| 1970 to 1979  | 541           | 29.6           |
| 1960 to 1969  | 253           | 13.8           |
| 1940 to 1959  | 255           | 13.9           |
| 1939 or earlier   | 351           | 19.2           |

Source: U.S. Census, 2000

**AVERAGE HOME VALUES**

In 1990 the average value of single-family detached and attached housing units was reported by the Census at \$286,979. The 2000 Census reports that the median dollars of value for owner-occupied units had increased to \$397,000.

| <b>TABLE 7<br/>VALUE OWNER OCCUPIED UNITS: 2000<br/>MENDHAM BOROUGH</b> |           |         |
|---|-----------|---------|
| VALUE   | NUMBER    | PERCENT |
| Less than \$50,000  | 0         | 0       |
| \$50,000 to \$99,999  | 0         | 0       |
| \$100,000 to \$149,999  | 0         | 0       |
| \$150,00 to \$199,999   | 81        | 5.8     |
| \$200,00 to \$299,999   | 304       | 21.8    |
| \$300,00 to \$499,999   | 657       | 47.2    |
| \$500,00 to \$999,999   | 219       | 15.7    |
| \$1,000,000 or more   | 132       | 9.5     |
| Median (dollars)  | \$397,000 |         |

Source: U.S. Census, 2000

## **EMPLOYMENT CHARACTERISTICS OF RESIDENTS**

The 2000 Census reports that there were 2,274 persons or 58.4% of the Borough's population 16-years and over (3,894 persons) who were in the civilian labor force. Of these, 2,247 or 57.7% of the population 16 years and over were employed. The unemployment rate at the time of the Census was 1.2%.

Out of 2,215 workers 16-years and over, 1,725 or 77.9% commuted to work alone. Another 171 or 7.7% car pooled. Only 3.8% (85 persons) took public transportation and another 2.0% (45 persons) walked to work. Those who worked at home, 8.5%, numbered 189. The average commuter travel time for Mendham Borough residents was 32.1 minutes.

Management, professional and related occupations (1,240 persons) constituted 55.2% of the civilian labor force. The next largest group by occupation, 728 employees or 32.4% of the labor force, worked in sales and office occupations. Service occupations accounted for 135 persons or 6.0% of the total while construction, extraction and maintenance personnel totaled 73 or 3.2% of the labor force. Another 57 persons, 2.5%, worked in production, transportation and material moving activities.

A detailed break-down of employment by industry follows:

| <b>TABLE 8<br/> EMPLOYMENT BY INDUSTRY: 2000<br/> MENDHAM BOROUGH</b>              |        |         |
|--|--------|---------|
| Industry   | Number | Percent |
| Agriculture, forest, fishing hunting and mining                                    | 19     | 0.8     |
| Construction   | 70     | 3.1     |
| Manufacturing  | 313    | 13.9    |
| Wholesale trade  | 75     | 3.3     |
| Retail trade   | 265    | 11.8    |
| Transportation, warehousing and utilities  | 41     | 1.8     |
| Information  | 137    | 6.1     |
| Finance, insurance, real estate and rental/leasing                                 | 358    | 15.9    |
| Professional, scientific, management, administrative and waste management services | 436    | 19.4    |
| Educational, health & social services  | 350    | 15.6    |
| Arts, entertainment, recreation, accommodation and food services                   | 57     | 2.5     |
| Other services (except public administration)                                      | 76     | 3.4     |
| Public administration  | 50     | 2.2     |

Source: U.S. Census 2000

Private wage and salary workers constituted 1,799 persons or 80.1% of the labor force. Only 8.2% of the Borough's workers were in government employment. Self-employed workers totaled 230 persons or 10.2% of the labor force.

Median family income in 2000 was \$129,812 and median household income was \$110,348 as reported by the Census. Full-time male workers had median earnings of \$96,672 while full-time female workers earned \$48,542. Seventy-three (73) Borough families (5.3%) earned less than \$25,000 per year in 2000.

| <p style="text-align: center;"><b>TABLE R-1</b><br/> <b>MPO RESIDENTIAL GROWTH PROJECTION</b><br/> <b>MENDHAM BOROUGH</b></p> |   |                   |   |                      |   |                   |   |                     |
|---|---|-------------------|---|----------------------|---|-------------------|---|---------------------|
| 2015  | - | 2005              |   |                      |   | 2000              |   |                     |
| MPO<br>Population   | - | MPO<br>Population | = | Population<br>Change | ÷ | Household<br>Size | = | Household<br>Growth |
| 5385  | - | 5218              | = | 167                  | ÷ | 2.72              | = | 61.4                |

Source: North Jersey Transportation Planning Authority (MPO)

| <p style="text-align: center;"><b>TABLE R-2</b><br/> <b>Ten-year Historic Trend of Certificates of Occupancy &amp; Demolition Permits</b><br/> <b>MENDHAM BOROUGH</b></p> |     |     |     |     |     |     |     |     |     |     |
|---|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
|   | '95 | '96 | '97 | '98 | '99 | '00 | '01 | '02 | '03 | '04 |
| CO's Issued   | 8   | 6   | 7   | 8   | 10  | 6   | 6   | 6   | 4   | 3   |
| Demolitions   | -3  |     |     | -1  | -2  | -1  |     | -1  | -5  | -4  |
| <b>NET</b>  | 5   | 6   | 7   | 7   | 8   | 5   | 6   | 5   | -1  | -1  |

Source: Borough of Mendham, Construction Official

| <p align="center"><b>TABLE R-3</b><br/> <b>ANTICIPATED DEVELOPMENTS &amp; NUMBER OF RESIDENTIAL UNITS</b><br/> <b>BY THE YEAR THAT CO'S ARE ANTICIPATED TO BE ISSUED</b><br/> <b>MENDHAM BOROUGH</b></p> |     |     |     |     |     |     |     |     |     |       |
|--|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------|
|  | '05 | '06 | '07 | '08 | '09 | '10 | '11 | '12 | '13 | TOTAL |
| <b>Approved Development Applications</b>   |     |     |     |     |     |     |     |     |     |       |
| DeNeufville-PB 740   | 1   | 1   | 1   |     |     |     |     |     |     | 3     |
| Graham-PB 769  | 1   |     |     |     |     |     |     |     |     | 1     |
| Sorvino-BOA01-11   |     | 1   |     |     |     |     |     |     |     | 1     |
| <b>Pending Development Applications</b>  |     |     |     |     |     |     |     |     |     |       |
| Perillo-PB787  |     | 1   |     |     |     |     |     |     |     | 1     |
| <b>Anticipated Development Applications</b>  |     |     |     |     |     |     |     |     |     |       |
| DeNeufville (village center cluster)   |     |     |     | 12  | 12  | 12  | 12  | 12  | 10  | 70    |
| Misc. Subd.  |     |     |     | 3   | 4   | 3   | 3   | 2   | 2   | 17    |
| <b>Other Projected Development</b>   |     |     |     |     |     |     |     |     |     |       |
| <b>TOTAL</b>   | 2   | 3   | 1   | 15  | 16  | 15  | 15  | 14  | 12  | 93    |

Source: Borough Land Use Administrator, Projections by Borough Planner

| <b>TABLE R-4</b><br><b>PROJECTED MISCELLANEOUS</b><br><b>CERTIFICATES OF OCCUPANCY &amp; DEMOLITION PERMITS</b><br><b>MENDHAM BOROUGH</b> |     |     |     |     |     |     |     |     |     |       |
|---|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------|
|   | '05 | '06 | '07 | '08 | '09 | '10 | '11 | '12 | '13 | TOTAL |
| Total CO's Issued<br>(from Table R-3)   | 2   | 3   | 1   | 15  | 16  | 15  | 15  | 14  | 12  | 93    |
| Demolitions   | -2  | -2  | -2  | -5  | -6  | -7  | -7  | -6  | -5  | -42   |
| <b>NET</b>  | 0   | 1   | -1  | 10  | 10  | 8   | 8   | 8   | 7   | 51    |

Source: Projections by Borough Planner

| <b>TABLE R-5</b><br><b>TOTAL NET RESIDENTIAL GROWTH</b><br><b>(Sum of Actual &amp; Projected Growth)</b><br><b>MENDHAM BOROUGH</b> |                      |     |     |     |     |     |     |     |     |     |       |
|--|----------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------|
| <i>Actual</i>  | <i>Projected</i> →→→ |     |     |     |     |     |     |     |     |     |       |
|  | '04                  | '05 | '06 | '07 | '08 | '09 | '10 | '11 | '12 | '13 | TOTAL |
| Total CO's Issued<br>(from Table R-3)  | 3                    | 2   | 3   | 1   | 15  | 16  | 15  | 15  | 14  | 12  | 96    |
| Demolitions  | -3                   | -2  | -2  | -2  | -5  | -6  | -7  | -7  | -6  | -5  | -45   |
| <b>NET</b>   | 0                    | 0   | 1   | -1  | 10  | 10  | 8   | 8   | 8   | 7   | 51    |

Source: Projections by Borough Planner

| <p align="center"><b>TABLE R-6</b><br/> <b>SECOND ROUND AFFORDABLE &amp; MARKET-RATE UNITS</b><br/> <b>IN INCLUSIONARY DEVELOPMENTS TO BE EXCLUDED</b><br/> <b>FROM GROWTH PROJECTION, BY THE YEAR</b><br/> <b>THAT CO'S ARE ANTICIPATED TO BE ISSUED</b><br/> <b>MENDHAM BOROUGH</b></p> |     |     |                       |     |     |     |     |     |     |     |       |
|---|-----|-----|-----------------------|-----|-----|-----|-----|-----|-----|-----|-------|
|   | '04 | '05 | '06                   | '07 | '08 | '09 | '10 | '11 | '12 | '13 | TOTAL |
|   |     |     |                       |     |     |     |     |     |     |     |       |
|   |     |     | <b>NOT APPLICABLE</b> |     |     |     |     |     |     |     |       |
|   |     |     |                       |     |     |     |     |     |     |     |       |
| <b>TOTAL</b>  |     |     |                       |     |     |     |     |     |     |     |       |

Source: Projections by Borough Planner

| <b>TABLE R-7<br/>NET RESIDENTIAL GROWTH PROJECTIONS AFTER SUBTRACTING<br/>SECOND ROUND AFFORDABLE &amp; INCLUSIONARY MARKET-RATE UNITS<br/>MENDHAM BOROUGH</b> |     |     |                       |     |     |     |     |     |     |     |              |  |
|--|-----|-----|-----------------------|-----|-----|-----|-----|-----|-----|-----|--------------|--|
|  | '04 | '05 | '06                   | '07 | '08 | '09 | '10 | '11 | '12 | '13 | <b>TOTAL</b> |  |
| Net Residential Growth<br>(Table R-5)  | 0   | 0   | 1                     | -1  | 10  | 10  | 8   | 8   | 8   | 7   | 51           |  |
| Second Round Units<br>(Table R-6)  |     |     | <b>NOT APPLICABLE</b> |     |     |     |     |     |     |     |              |  |
| <b>FINAL NET GROWTH</b>  | 0   | 0   | 1                     | -1  | 10  | 10  | 8   | 8   | 8   | 7   | 51           |  |

Source: Projections by Borough Planner

| <b>TABLE R-8<br/>AFFORDABLE HOUSING UNIT GROWTH PROJECTIONS<br/>MENDHAM BOROUGH</b> |     |     |      |       |      |      |      |      |      |      |              |
|---|-----|-----|------|-------|------|------|------|------|------|------|--------------|
|   | '04 | '05 | '06  | '07   | '08  | '09  | '10  | '11  | '12  | '13  | <b>TOTAL</b> |
| Table R-7 Total   | 0   | 0   | 1    | -1    | 10   | 10   | 8    | 8    | 8    | 7    | 51           |
| Divided by Nine   | 0   | 0   | 0.11 | -0.11 | 1.11 | 1.11 | 0.89 | 0.89 | 0.89 | 0.79 | 5.68         |

Source: Projections by Borough Planner

| <b>TABLE NR-1</b><br><b>MPO NON-RESIDENTIAL GROWTH PROJECTION</b><br><b>MENDHAM BOROUGH</b> |   |                           |   |                      |
|---|---|---------------------------|---|----------------------|
| 2015<br>MPO<br>Employment   | - | 2005<br>MPO<br>Employment | = | Employment<br>Change |
| 1983  | - | 1583                      | = | 300                  |

Source: North Jersey Transportation Planning Authority (MPO)

| <b>TABLE NR-2</b><br><b>TEN-YEAR HISTORIC TREND</b><br><b>OF</b><br><b>CERTIFICATES OF OCCUPANCY &amp; DEMOLITION PERMITS</b><br><b>BY SQUARE FEET</b><br><b>MENDHAM BOROUGH</b> |       |       |       |        |       |        |     |     |       |     |
|--|-------|-------|-------|--------|-------|--------|-----|-----|-------|-----|
|  | '95   | '96   | '97   | '98    | '99   | '00    | '01 | '02 | '03   | '04 |
| CO's Issued<br>B-Office  | 1,644 | 3,639 | 1,480 |        |       |        |     |     | 3,730 |     |
| CO's Issued<br>M-Retail  |       |       |       |        | 8,686 | 10,850 |     |     |       |     |
| CO's Issued<br>S-Warehouse   |       |       |       |        | 1,400 | 9,240  |     |     |       |     |
| CO's Issued<br>A-4 Assembly  |       |       |       |        |       | 85     |     |     | 9,500 |     |
| Demolitions<br>M-Retail  | 912   |       |       | 17,694 |       |        |     |     |       |     |

Source: Construction Official

| <b>TABLE NR-3</b><br><b>"B" USE GROUP: ACTUAL DEVELOPMENTS</b><br><b>BY YEAR THAT CO'S WERE ISSUED</b><br><b>(three jobs per 1,000 square feet)</b><br><b>MENDHAM BOROUGH</b> |       |       |       |       |               |       |
|---|-------|-------|-------|-------|---------------|-------|
|   | '95   | '96   | '97   | '03   | Total sq. ft. | Jobs  |
| <b>TOTAL New Development</b>  |       |       |       |       |               |       |
| Offices   | 1,644 | 3,639 | 1,480 | 3,730 | 3,730         | 31.48 |
| <b>TOTAL Demolitions</b>  |       |       |       |       |               |       |

Source: Construction Official

| <b>TABLE NR-4</b><br><b>"M" USE GROUP: ACTUAL DEVELOPMENTS</b><br><b>BY YEAR THAT CO'S WERE ISSUED</b><br><b>(one job per 1,000 square feet)</b><br><b>MENDHAM BOROUGH</b> |     |        |       |        |               |       |
|--|-----|--------|-------|--------|---------------|-------|
|  | '95 | '98    | '99   | '00    | Total sq. ft. | Jobs  |
| <b>TOTAL NEW DEVELOPMENT</b>   |     |        |       |        |               |       |
| RETAIL   |     |        | 8,686 | 10,850 | 19,536        | 19.54 |
| <b>TOTAL DEMOLITIONS</b>   |     |        |       |        |               |       |
|  | 912 | 17,694 |       |        | 18,606        | 18.61 |

Source: Construction Official

| <b>TABLE NR-5</b><br><b>"A-4" USE GROUP: ACTUAL DEVELOPMENTS</b><br><b>BY YEAR THAT CO's WERE ISSUED</b><br><b>(3 jobs per 1,000 square feet)</b><br><b>MENDHAM BOROUGH</b> |     |      |               |       |
|---|-----|------|---------------|-------|
|   | '00 | '03  | Total sq. ft. | Jobs  |
| <b>TOTAL NEW DEVELOPMENT</b>  |     |      |               |       |
| A-4 Assembly  | 85  | 9500 | 9,585         | 28.76 |
| <b>TOTAL DEMOLITIONS</b>  |     |      |               |       |
|   |     |      |               |       |

Source: Construction Official

| <b>TABLE NR-6</b><br><b>"S" USE GROUP: ACTUAL DEVELOPMENTS</b><br><b>BY YEAR THAT CO's WERE ISSUED</b><br><b>(0.2 jobs per 1,000 square feet)</b><br><b>MENDHAM BOROUGH</b> |       |       |               |      |
|---|-------|-------|---------------|------|
|   | '99   | '00   | Total sq. ft. | Jobs |
| <b>TOTAL NEW DEVELOPMENT</b>  |       |       |               |      |
| S-Storage   | 1,400 | 9,240 | 10,640        | 2.13 |
| <b>TOTAL DEMOLITIONS</b>  |       |       |               |      |
|   |       |       |               |      |

Source: Construction Official

| <b>TABLE NR-7</b><br><b>"B" USE GROUP: DEVELOPMENTS AND ANTICIPATED DEVELOPMENTS</b><br><b>BY YEAR THAT CO's ARE ANTICIPATED TO BE ISSUED</b><br><b>(3 jobs per 1,000 square feet)</b><br><b>MENDHAM BOROUGH</b> |      |     |     |     |     |     |     |     |     |                  |      |
|--|------|-----|-----|-----|-----|-----|-----|-----|-----|------------------|------|
|  | '05  | '06 | '07 | '08 | '09 | '10 | '11 | '12 | '13 | Total<br>sq. ft. | Jobs |
| <b>Approved<br/>Development<br/>Applications</b>   |      |     |     |     |     |     |     |     |     |                  |      |
| <b>First Morris Bank</b>   | 1500 |     |     |     |     |     |     |     |     | 1500             | 4.50 |
| <b>PNC Bank</b>  |      |     |     |     |     |     |     |     |     |                  |      |
| <b>Pending<br/>Development<br/>Applications</b>  |      |     |     |     |     |     |     |     |     |                  |      |
|  |      |     |     |     |     |     |     |     |     |                  |      |
| <b>Anticipated<br/>Development<br/>Applications</b>  |      |     |     |     |     |     |     |     |     |                  |      |
|  |      |     |     |     |     |     |     |     |     |                  |      |
| <b>Other Projected<br/>Development</b>   |      |     |     |     |     |     |     |     |     |                  |      |
|  |      |     |     |     |     |     |     |     |     |                  |      |
| <b>TOTAL NEW<br/>DEVELOPMENT</b>   | 1500 |     |     |     |     |     |     |     |     | 1500             | 4.50 |
| <b>TOTAL<br/>DEMOLITIONS</b>   |      |     |     |     |     |     |     |     |     |                  |      |

- For projection of jobs to the year 2014 see Tables NR-12 and NR-13

| <b>TABLE NR-8</b><br><b>"M" USE GROUP: DEVELOPMENTS AND ANTICIPATED DEVELOPMENTS</b><br><b>BY YEAR THAT CO'S ARE ANTICIPATED TO BE ISSUED</b><br><b>(1 job per 1,000 square feet)</b><br><b>MENDHAM BOROUGH</b> |     |        |     |     |     |     |     |     |     |                  |       |
|---|-----|--------|-----|-----|-----|-----|-----|-----|-----|------------------|-------|
|   | '05 | '06    | '07 | '08 | '09 | '10 | '11 | '12 | '13 | Total<br>sq. ft. | Jobs  |
| <b>Approved<br/>Development<br/>Applications</b>  |     |        |     |     |     |     |     |     |     |                  |       |
| Mendham Ford  |     | 12,000 |     |     |     |     |     |     |     | 12,000           | 12.00 |
| <b>Pending<br/>Development<br/>Applications</b>   |     |        |     |     |     |     |     |     |     |                  |       |
|   |     |        |     |     |     |     |     |     |     |                  |       |
| <b>Anticipated<br/>Development<br/>Applications</b>   |     |        |     |     |     |     |     |     |     |                  |       |
|   |     |        |     |     |     |     |     |     |     |                  |       |
| <b>Demolitions</b>  |     |        |     |     |     |     |     |     |     |                  |       |
| Mendham Ford  |     | 5,100  |     |     |     |     |     |     |     | 5100             | 5.1   |
| <b>Other Projected<br/>Development</b>  |     |        |     |     |     |     |     |     |     |                  |       |
|   |     |        |     |     |     |     |     |     |     |                  |       |
| <b>TOTAL New<br/>Development</b>  |     | 12,000 |     |     |     |     |     |     |     | 12,000           | 12.00 |
| <b>TOTAL<br/>Demolitions</b>  |     | 5,100  |     |     |     |     |     |     |     | 5,100            | 5.1   |

| <p align="center"><b>TABLE NR-9</b><br/> <b>"E" USE GROUP: DEVELOPMENTS AND ANTICIPATED DEVELOPMENTS</b><br/> <b>BY YEAR THAT CO's ARE ANTICIPATED TO BE ISSUED</b><br/> <b>(1 job per 1,000 square feet)</b><br/> <b>MENDHAM BOROUGH</b></p> |        |        |     |     |     |     |     |     |     |                  |      |
|---|--------|--------|-----|-----|-----|-----|-----|-----|-----|------------------|------|
|   | '05    | '06    | '07 | '08 | '09 | '10 | '11 | '12 | '13 | Total<br>sq. ft. | Jobs |
| <b>Approved<br/>Development<br/>Applications</b>  |        |        |     |     |     |     |     |     |     |                  |      |
| W. Morris<br>M.H.S.   | 35,000 |        |     |     |     |     |     |     |     | 35,000           | 35   |
| <b>Pending<br/>Development<br/>Applications</b>   |        |        |     |     |     |     |     |     |     |                  |      |
| W. Morris<br>M.H.S.   |        | 21,640 |     |     |     |     |     |     |     | 21,640           | 21.6 |
| <b>Anticipated<br/>Development<br/>Applications</b>   |        |        |     |     |     |     |     |     |     |                  |      |
| W. Morris<br>M.H.S.   |        |        |     |     |     |     |     |     |     |                  |      |
|   |        |        |     |     |     |     |     |     |     |                  |      |
| <b>TOTAL New<br/>Development</b>  | 35,000 | 21,640 |     |     |     |     |     |     |     | 56,640           | 56.6 |
| <b>TOTAL<br/>Demolitions</b>  |        |        |     |     |     |     |     |     |     |                  |      |
|   |        |        |     |     |     |     |     |     |     |                  |      |

| <b>TABLE NR-10</b><br><b>"I" USE GROUP: DEVELOPMENTS AND ANTICIPATED DEVELOPMENTS</b><br><b>BY YEAR THAT CO's ARE ANTICIPATED TO BE ISSUED</b><br><b>(2 jobs per 1,000 square feet)</b><br><b>MENDHAM BOROUGH</b> |     |        |     |     |     |     |     |     |     |                  |      |
|---|-----|--------|-----|-----|-----|-----|-----|-----|-----|------------------|------|
|   | '05 | '06    | '07 | '08 | '09 | '10 | '11 | '12 | '13 | Total<br>sq. ft. | Jobs |
| <b>Approved<br/>Development<br/>Applications</b>  |     |        |     |     |     |     |     |     |     |                  |      |
| Daytop  |     | 20,000 |     |     |     |     |     |     |     | 20,000           | 40   |
| <b>Pending<br/>Development<br/>Applications</b>   |     |        |     |     |     |     |     |     |     |                  |      |
|   |     |        |     |     |     |     |     |     |     |                  |      |
| <b>Anticipated<br/>Development<br/>Applications</b>   |     |        |     |     |     |     |     |     |     |                  |      |
|   |     |        |     |     |     |     |     |     |     |                  |      |
| <b>Demolitions</b>  |     |        |     |     |     |     |     |     |     |                  |      |
| Daytop  |     | 2,800  |     |     |     |     |     |     |     | 2,800            | 5.6  |
| <b>TOTAL New<br/>Development</b>  |     | 20,000 |     |     |     |     |     |     |     | 20,000           | 40   |
| <b>TOTAL<br/>Demolitions</b>  |     | 2,800  |     |     |     |     |     |     |     | 2,800            | 5.6  |

| <b>TABLE NR-11<br/>NET PROJECTED EMPLOYMENT GROWTH<br/>MENDHAM BOROUGH</b> |      |      |     |     |     |     |     |     |     |              |
|--|------|------|-----|-----|-----|-----|-----|-----|-----|--------------|
|  | '05  | '06  | '07 | '08 | '09 | '10 | '11 | '12 | '13 | <b>TOTAL</b> |
| Table NR-7 Total New Development   | 4.50 |      |     |     |     |     |     |     |     | 2.21         |
| Table NR-8 Total New Development   |      | 12.0 |     |     |     |     |     |     |     | 13.24        |
| Table NR-9 Total New Development   | 35   | 21.6 |     |     |     |     |     |     |     | 35.00        |
| Table NR-10 Total New Development  |      |      |     |     |     |     |     |     |     |              |
| <b>Subtotal New Development</b>  | 39.5 | 73.6 |     |     |     |     |     |     |     | 113.1        |
| Table NR-7 Total Demolitions   | -    |      |     |     |     |     |     |     |     |              |
| Table NR-8 Total Demolitions   |      | 5.1  |     |     |     |     |     |     |     | 5.1          |
| Table NR-9 Total Demolitions   |      |      |     |     |     |     |     |     |     |              |
| Table NR-10 Total Demolitions  |      | 5.6  |     |     |     |     |     |     |     | 5.6          |
| <b>Subtotal Demolitions</b>  | 0    | 10.7 |     |     |     |     |     |     |     | 10.7         |
| <b>Total Projected Net Employment Growth</b>                               | 39.5 | 62.9 |     |     |     |     |     |     |     | 102.4        |

| <b>TABLE NR-12</b><br><b>TOTAL NET NON-RESIDENTIAL (EMPLOYMENT) GROWTH</b><br><b>(Sum of Actual &amp; Projected Growth)</b><br><b>MENDHAM BOROUGH</b> |                                   |                              |  |
|---|-----------------------------------|------------------------------|--|
| <b>YEAR</b>   | <b>TOTAL NEW*<br/>DEVELOPMENT</b> | <b>TOTAL<br/>DEMOLITIONS</b> | <b>TOTAL NET<br/>EMPLOYMENT<br/>GROWTH</b> |
| '04   |                                   |                              |  |
| '05   | 39.5                              |                              | 39.5                                       |
| '06   | 73.6                              | -10.7                        | 62.9                                       |
| '07   | 6.33                              |                              | 6.33                                       |
| '08   | 6.33                              |                              | 6.33                                       |
| '09   | 6.33                              |                              | 6.33                                       |
| '10   | 6.33                              |                              | 6.33                                       |
| '11   | 6.33                              |                              | 6.33                                       |
| '12   | 6.33                              |                              | 6.33                                       |
| '13   | 6.33                              |                              | 6.33                                       |
| <b>TOTAL</b>  | <b>157.41</b>                     | <b>-10.7</b>                 | <b>146.71</b>                              |

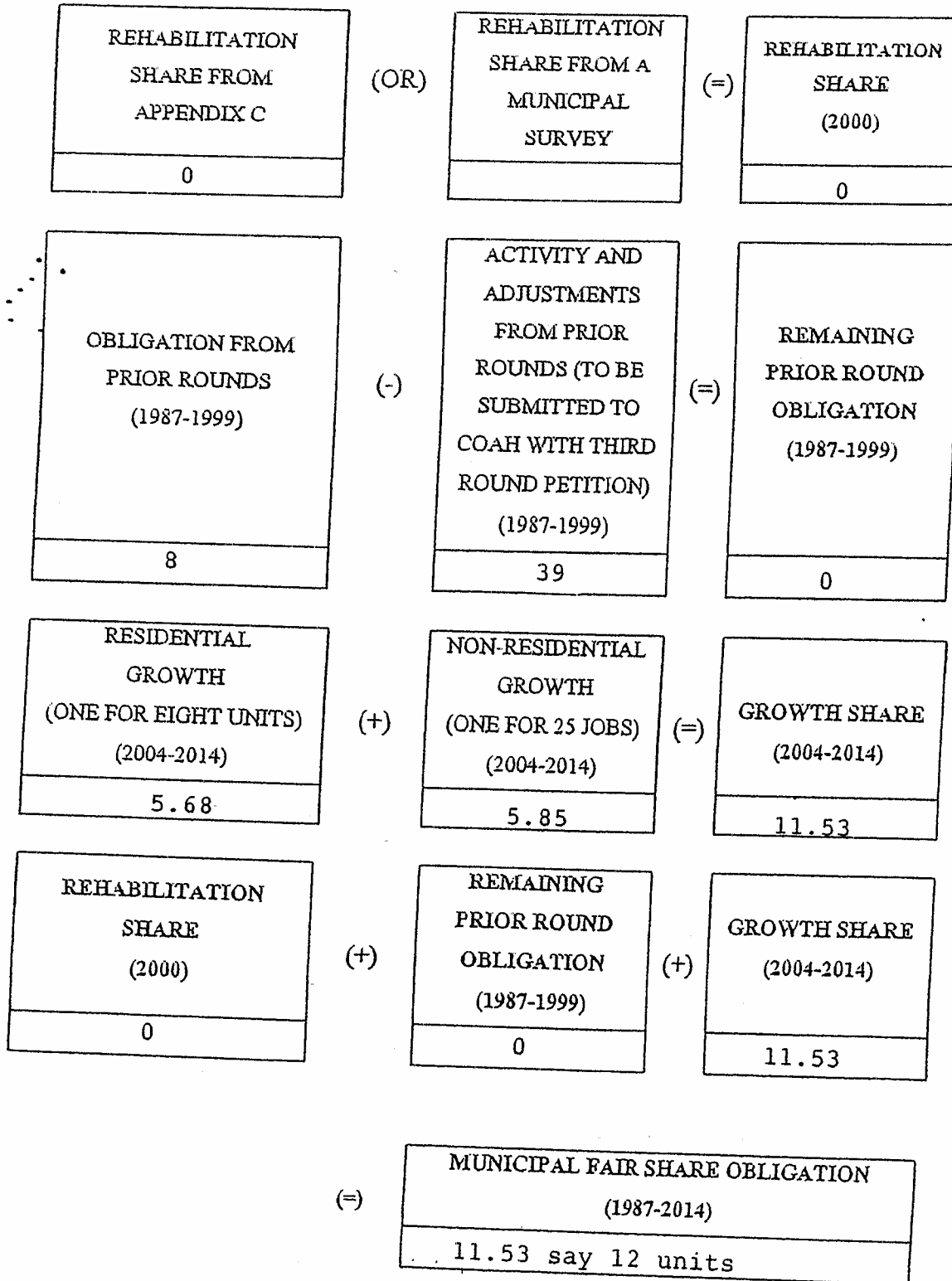
\* Projected non-residential jobs for 2007-2013 are based upon the average annual number of jobs actually created between 1995-2004 at 6.33 jobs per year. This projection includes jobs in the B, M, S and A-4 Use Groups as reported herein.

| <b>TABLE NR-13<br/> AFFORDABLE HOUSING UNIT OBLIGATION BY<br/> NON-RESIDENTIAL DEVELOPMENT<br/> MENDHAM BOROUGH</b> |                               |                          |
|---|-------------------------------|--------------------------|
| <b>YEAR</b>   | <b>TABLE NR-12*<br/>TOTAL</b> | <b>DIVIDED<br/>by 25</b> |
| '04   |                               |                          |
| '05   | 39.5                          | 1.58                     |
| '06   | 62.9                          | 2.52                     |
| '07   | 6.33                          | 0.25                     |
| '08   | 6.33                          | 0.25                     |
| '09   | 6.33                          | 0.25                     |
| '10   | 6.33                          | 0.25                     |
| '11   | 6.33                          | 0.25                     |
| '12   | 6.33                          | 0.25                     |
| '13   | 6.33                          | 0.25                     |
| <b>TOTAL</b>  | <b>146.71</b>                 | <b>5.85</b>              |

\* Projected non-residential jobs for 2007-2013 are based upon the average annual number of jobs actually created between 1995-2004 at 6.33 jobs per year. This projection includes jobs in the B, M, S and A-4 Use Groups as reported herein.

| <b>TABLE T-1<br/> TOTAL PROJECTED<br/> AFFORDABLE HOUSING OBLIGATION<br/> GENERATED BY RESIDENTIAL &amp;<br/> NON-RESIDENTIAL DEVELOPMENT 2004-2013<br/> MENDHAM BOROUGH</b> |                              |  |                     |
|--|------------------------------|--|---------------------|
| <b>YEAR</b>  | <b>TABLE R-8 RESIDENTIAL</b> | <b>TABLE NR-13<br/>NON-RESIDENTIAL</b> | <b>TOTAL</b>        |
| '04  | 0                            | 0                                      | 0                   |
| '05  | 0                            | 1.58                                   | 1.58                |
| '06  | 0.11                         | 2.52                                   | 2.62                |
| '07  | -0.11                        | 0.25                                   | 0.14                |
| '08  | 1.11                         | 0.25                                   | 1.36                |
| '09  | 1.11                         | 0.25                                   | 1.36                |
| '10  | 0.89                         | 0.25                                   | 1.14                |
| '11  | 0.89                         | 0.25                                   | 1.14                |
| '12  | 0.89                         | 0.25                                   | 1.14                |
| '13  | 0.79                         | 0.25                                   | 1.14                |
| <b>TOTAL</b>   | <b>5.68</b>                  | <b>5.85</b>                            | <b>11.53 say 12</b> |

CALCULATING MUNICIPAL FAIR SHARE OBLIGATION FOR 1987-2014



## **COMPLIANCE PLAN**

The Borough of Mendham has a remaining prior round obligation of zero (0) [1987-1999] and a total 31 surplus credits for use against any future affordable housing obligation. The new projected fair share obligation (1987-2014) for the Third Round is twelve (12) units, including a projected development of 70 units within the "Village Center Cluster", known as the DeNeufville tract. This development under the terms of the Village Center Cluster Ordinance (§215-14F. - Zoning), is provided a with a ten (10%) percent density bonus for inclusion of an affordable housing component. This would result in an anticipated capture of not less than seven (7) new affordable units for the Borough's Fair Share Plan.

With 31 surplus credits for past housing activity Mendham Borough does not foresee a need to rezone sites beyond the Village Cluster to generate affordable housing. The Third Round Fair Share obligation of twelve (12) units is fully offset by credits and reductions as set forth herein.

The Borough also has in place a development fee ordinance which was adopted on July 3, 1995 and approved by COAH on July 12, 1995. The Borough's spending plan for this ordinance was approved by COAH on April 5, 2000. Based upon NJAC 5:94-6.14 the Borough amended its development fee ordinance on March 21, 2005, to increase the Borough's development fees as now allowed under the Third Round rules. The Borough also has adopted an affirmative marketing ordinance pursuant to its grant of substantive certification.

The State Planning Commission designated Mendham Borough as a "Village Center" on February 24, 1995. All of the Borough outside of the village center boundary is designated as PA-5, Environmentally Sensitive Planning Area. Aside from the village center cluster, which would have its own treatment facility, there is no intention to expand water or sewer infrastructure and, in fact, based on the severe capacity limitation of the Mendham Borough sewer plant, such expansion is not practical or possible as noted in the

Housing Element & Fair Share Plan  
Mendham Borough  
August, 2005

1994 Borough Master Plan, as reexamined and reviewed in 2000.

A copy of the COAH resolution granting Mendham Borough an extension of substantive certification on May 11, 2005 is attached hereto (See Appendix "A")

Lastly, pursuant to NJAC 5:94-4.4 Municipal Zoning Options and as a hedge against development proposals which are now unanticipated but which could emerge between 2005 and 2014, this Compliance Plan presents a draft "growth share" ordinance to amend Chapter 215. This ordinance provides a range of planning tools which the Borough Council and Planning Board can select from to stay ahead of the development curve (See Appendix "B").

Housing Element & Fair Share Plan  
Mendham Borough  
August, 2005