

**BOROUGH OF RIVERDALE PLANNING BOARD
MORRIS COUNTY, NEW JERSEY**

**BOROUGH OF RIVERDALE
2019 HOUSING ELEMENT AND
FAIR SHARE PLAN**

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PREPARED BY:

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License No. 2585

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1.0 Introduction

This Housing Element and Fair Share Plan updates the plan dated December 7, 2015. It also supersedes the Housing Plan dated May 13, 2010. The 2010 plan was submitted to the New Jersey Council on Affordable Housing (COAH), but was not reviewed and did not receive substantive certification. This plan is intended to conform to the requirements of the Fair Housing Act as amended and recent decisions by the New Jersey Supreme Court. This plan is structured pursuant to the requirements of the New Jersey Municipal Land Use Law (N.J.S.A. 40:55D-1 et.seq.) and COAH’s substantive rules that have not been reversed by Court decisions. Data used to compile this report was obtained from the 2010 U.S. Census, New Jersey Department of Labor and Workforce Development, New Jersey Department of Community Affairs, Morris County Office of Planning and Development and the Riverdale Planning Office.

2.0 Demographic, Housing and Employment Data

Population and Economic Characteristics

The population of the 2.06 square mile Borough increased by 42.4 percent or 1,061 residents between 2000 and 2010. This was substantially greater than the 4.7 percent growth experienced by Morris County during the same period (Table 1).

TABLE 1 TOTAL POPULATION RIVERDALE AND MORRIS COUNTY 2000 and 2010				
	2000	2010	Change	
			Number	Percentage
Riverdale	2,498	3,559	1,061	42.4
Morris County	470,212	492,276	22,064	4.7
Source: 2000 and 2010 U.S. Census				

The Census estimates that the population of Riverdale has continued to grow and that the estimated population in 2013 was 4,060. This represents an increase of 501 persons over the 2010 Census figure.

Table 2 shows that while the Borough's population increased by 42.4 percent, the number of housing units grew by 76.2 percent between 2000 and 2010. Both of these growth rates were significantly higher than that for Morris County. Renter occupied housing while growing strongly, was out-paced by owner-occupied housing in terms of percentage growth in the Borough. In the County, renter-occupied housing had a higher percentage growth than owner occupied housing.

TABLE 2				
HOUSING UNITS, 2000 AND 2010				
BOROUGH OF RIVERDALE AND MORRIS COUNTY				
	2000	2010	Change 2000 - 2010	
			Number	Percent
Riverdale				
Total	940	1,657	717	76.2
Owner-Occupied	755	1,309	554	73.3
Renter-Occupied	164	238	74	45.1
Vacant	21	110	89	423.8
Morris County				
Total	174,379	189,842	15,463	8.9
Owner-Occupied	129,039	135,316	6,277	4.9
Renter-Occupied	40,672	45,218	4,546	11.2
Vacant	4,668	9,308	4,640	99.4
Source: 2000 and 2010 U.S. Census				

The median age of residents of Riverdale is slightly younger than that of Morris County. Twenty-eight (28) percent of the population of Riverdale in 2010 was over 55 years of age and just over twenty (20) percent of the population was below twenty years of age as is shown in Table 3. In comparison to Morris County, Riverdale is slightly younger with a median age of 40 as compared to 41.3 for the County. It is interesting to note that a higher percentage of County residents are between five (5) and 19 (generally school-age) than are in the Borough (20.6 percent versus 13.9 percent).

TABLE 3				
POPULATION BY AGE - 2010				
BOROUGH OF RIVERDALE AND MORRIS COUNTY				
Age Group	Borough of Riverdale		Morris County	
	Number	Percent	Number	Percent
Under 5	227	6.4	27,342	5.6
5-19	493	13.9	101,188	20.6
20-24	170	4.8	23,994	4.9
25-34	635	17.8	51,794	10.5
35-44	536	15.1	72,187	14.7
45-54	499	14.0	85,379	17.3
55-64	464	13.0	62,237	12.6
65 and Over	535	15.0	68,155	13.8
Total	3,559	100.0	492,276	100.0
Median Age	40.0		41.3	
Source: U.S. Census				

TABLE 4		
BOROUGH OF RIVERDALE		
PERSONS PER HOUSEHOLD -		
2010		
Household Size	Number	Percent
1 Person	513	33.2
2 Persons	523	33.8
3 Persons	207	13.4
4 Persons	202	13.1
5 Persons	68	4.4
6 Persons	21	1.4
7 or More Persons	13	0.8
Total	1,547	100
Average Persons per Household	2.30	
Source: 2010 U.S. Census,		

The average number of persons per household in the Borough in 2010 was 2.30, which is slightly less than that for Morris County, which was 2.68 persons per household. Over 33 percent of the households in the Borough were occupied by two people and over 33 percent were single-occupancy households. Household size has decreased in the Borough since 2000, when there was an average of 2.68 persons per household.

Economic Characteristics

The median values for owner-occupied housing as reported in the 2000 Census and the 2009-2013 American Community Survey for Riverdale and Morris County are found in Table 5. For both entities the median values increased significantly over the period. Riverdale’s housing values were below that for the County during both time periods.

TABLE 5			
MEDIAN VALUE OF OWNER-OCCUPIED HOUSING FOR RIVERDALE AND MORRIS COUNTY			
2000 AND 2009-2013			
	2000	2009-2013	% Change
Riverdale	\$210,200	\$345,100	64.2
Morris County	\$257,400	\$432,400	68
Source: U.S. Census 2000 and 2009-2013 American Community Survey			

Median contract rents for both Riverdale and Morris County are reported in Table 6 for 2000 and 2009-2013. The increase in the growth rate of rates between the time periods was much greater for Riverdale than the County. Rents in Riverdale increase 94.3 percent as compared to 48.8 percent in the County.

TABLE 6			
MEDIAN CONTRACT RENTS FOR RIVERDALE AND MORRIS COUNTY			
2000 AND 2009-2013			
	2000	2009-2013	% Change
Riverdale	\$872	\$1,694	94.3
Morris County	\$813	\$1,210	48.8
Source: U.S. Census 200 and 2009-2013 American Community Survey			

TABLE 7 RIVERDALE AND MORRIS COUNTY HOUSEHOLD INCOMES - 2010				
Income	Borough of Riverdale		Morris County	
	Number	Percent	Number	Percent
Less than \$10,000	17	1.2	5,141	2.9
\$10,000 to \$14,999	21	1.5	3,562	2.0
\$15,000 to \$24,999	45	3.2	10,598	6.0
\$25,000 to \$34,999	118	8.3	10,446	5.9
\$35,000 to \$49,999	125	8.8	15,265	8.6
\$50,000 to \$74,999	275	19.4	27,277	15.3
\$75,000 to \$99,999	256	18.1	25,266	14.2
\$100,000 to \$149,999	383	27.0	33,587	18.9
\$150,000 to \$199,999	96	6.8	20,542	11.6
\$200,000 or more	81	5.7	26,102	14.7
Total	1417	100	177,786	100
Median Household Income	\$86,328		\$91,469	
Source: 2010 U.S. Census				

Table 7 compares the household incomes of Riverdale with that of all of Morris County. In 2010, the median household income of Morris County at \$91,469 was higher than that of Riverdale, which is \$86,328. For both the County and the Borough the highest percentage was found in households earning between \$100,000 and \$149,999, with 18.9 percent of County households and 27.0 percent Borough households within that category. The greatest disparity seems to be with households earning more than \$200,000 annually. Almost fifteen (15%) percent of the County's households fall within that category and 5.7 percent of Riverdale's households earn that highest income category.

TABLE 8				
2018 Regional Income Limits for Region 2				
Household Size	Median	Moderate	Low	Very Low
1 Person	\$66,755	\$53,404	\$33,377	\$20,026
1.5 Person *	\$71,523	\$57,218	\$35,762	\$21,457
2 Person	\$76,291	\$61,033	\$38,146	\$22,887
3 Person *	\$85,828	\$68,662	\$42,914	\$25,748
4 Person	\$95,364	\$76,291	\$47,682	\$28,609
4.5 Person *	\$99,179	\$79,343	\$49,589	\$29,754
5 Person	\$102,993	\$82,395	\$51,497	\$30,898
6 Person	\$110,622	\$88,498	\$55,311	\$33,187
7 Person	\$118,252	\$94,601	\$59,126	\$35,475
8+ Person	\$125,881	\$100,705	\$62,940	\$37,764
Source: Affordable Housing Professionals of New Jersey Region 2 includes Essex, Morris, Union and Warren Counties. * These rows are for calculating the pricing for one, two and three bedroom sales and rental units as per N.J.A.C.5:80-26.6(b) and N.J.A.C. 5:8026.12(a).				

The income limits provided above have been taken from the Affordable Housing Professionals of New Jersey. These income limits shall be recalculated annually pursuant to the criteria included in the agreement between the Borough of Riverdale and Fair Share Housing Council. Riverdale is located in Region 2, which is comprised of Essex, Morris, Union and Warren Counties. The moderate income limits are set at 80 percent of the median income for that household size and low income limits at fifty (50%) percent of the median income. As is noted on Table 8, the income limits for 1.5 person, 3 person, and 4.5 person households are used to determine the prices for one, two and three bedroom housing units respectively. Generally, no more than 25 percent of a household's gross monthly rent should be devote to housing costs and sales and rental prices are generally based on that figure. Other factors come into play for sales prices such as down payments, interest rates and insurance costs. Therefore a slightly higher percentage of gross monthly income may be devoted to the sale of affordable housing.

Housing Stock Characteristics

The age of the housing stock in Riverdale Borough is examined in Tables 9 and 10. The data in Table 9 is derived from the 2009 – 2013 American Community Survey compiled by the U.S. Census and it compares the year residential structures were built in Riverdale and Morris County. The general age of housing in the Borough is much younger than that found in the County. This is due to the recent multi-family projects constructed in the Borough since 2000. The median year housing was built in the Borough, as reported was 1996 as compared to 1965 for Morris County. The 2000 Census reported the median year housing was built in the Borough was 1956. If this data were recalculated today, the results would be much different due to the number of new dwellings constructed since 2000. Almost forty-four (44%) percent of the housing in Riverdale was constructed between 2000 and 2009.

TABLE 9				
BOROUGH OF RIVERDALE AND MORRIS COUNTY				
YEAR STRUCTURE BUILT				
Year Residential Structure Built	Riverdale Borough		Morris County	
	Number	Percent	Number	Percent
2010 or later	63	3.4	668	0.4
2000 to 2009	807	43.8	15,843	8.3
1990 to 1999	141	7.7	22,646	11.9
1980 to 1989	69	3.7	23,870	12.6
1970 to 1979	92	5.0	29,326	15.4
1960 to 1969	84	4.6	30,139	15.8
1950 to 1959	328	17.8	29,172	15.3
1940 to 1949	58	3.1	11,602	6.1
1939 or earlier	200	10.9	26,904	14.1
Total	1,842	100	190,170	100
Median Year Structure Built	1996		1965	
Source: 2009-2013 American Community Survey				

Table 10 identifies the number of residential building permits issued in the Borough from 2010 through 2014. During that time period permits for 252 dwellings were issued... A large number of those permits are for the D.R. Horton project and the Riverwalk development, which were completed after the 2010 Census.

**TABLE 10
BOROUGH OF RIVERDALE
RESIDENTIAL BUILDING PERMITS
FOR
NEW CONSTRUCTION 2010 - 2014**

Year	Residential Building Permits
2010	87
2011	110
2012	55
2013	0
2014	0
Total	252
Source: New Jersey Construction Reporter	

The Census data does not provide a direct assessment of the number of dwelling units within a community that are deteriorated and in need of repair. There also is no indication whether those deteriorated units are occupied by low or moderate income families. The Census does report some physical characteristics that are surrogates for determining the amount of housing that is substandard. The three (3) characteristics often used are units lacking complete plumbing facilities, units lacking complete kitchen facilities and units with more than 1.01 persons per room. The latter standard is a sign of overcrowding, which is often associated with deterioration and lack of financial resources. Often a dwelling unit will have more than one of these characteristics. There are no dwellings in the Borough that suffer from substandard or overcrowded conditions, as reported in the 2008 – 2012 American Community Survey of the U.S. Census.

Employment

Table 11 illustrates historical employment data for 2013 for Riverdale Borough. This is the most recent general data for the Borough and it reports covered employment. Covered employment is jobs both in the private and public sectors that are covered by unemployment insurance as reported to the New Jersey Department of Labor and Workforce Development on a quarterly basis. These are jobs found within the Borough and should not be confused with data for employed individuals residing within Riverdale Borough. In 2013 the annual average number of jobs within the Borough's borders was 2,838. The number of private sector jobs fluctuated during the year.

TABLE 11					
BOROUGH OF RIVERDALE					
PUBLIC AND PRIVATE SECTOR EMPLOYMENT - 2013					
	March	June	September	December	Annual Average
Federal Govt.	8	8	9	9	9
State Govt.	21	5	6	6	7
Local Govt.	132	134	134	143	130
Private Sector	2,618	2,767	2,627	2,715	2,692
Total	2,779	2,914	2,776	2,873	2,838
Source: N.J. Department of Labor and Workforce Development					

Table 12 is data from 2013 and partitions the covered employment by various industries. It should be noted that the total private sector jobs noted does not equal the sum of the individual sectors. That is because some of the private sector data was suppressed for privacy reasons because there were too few employers or employees in those categories.

The two largest categories of employees were in the manufacturing and retail trade sectors. They accounted for 16.1 and 45.7 percent, respectively, of the jobs in the Borough in 2013. The number and percent of retail jobs in the Borough has dramatically increased since 2003.

**TABLE 12
BOROUGH OF RIVERDALE
COVERED EMPLOYMENT 2013**

Industry	March	June	September	December	Annual Average	
					Number	Percent
Construction	99	107	109	106	104	3.8
Manufacturing	437	438	428	428	434	16.1
Wholesale Trade	67	74	71	63	69	2.6
Retail Trade	1,221	1,241	1,200	1,287	1,230	45.7
Transportation and Warehousing *	31	32	32	33	31	1.1
Information *						
Finance and Insurance	48	46	46	44	46	1.7
Real Estate *						
Professional and Technical Services	128	137	134	144	134	5.0
Administrative and Waste Services	70	91	95	97	86	3.2
Health Care and Social Services	168	176	187	183	177	6.6
Arts and Entertainment	51	54	29	41	48	1.8
Accommodation and Food Service	133	173	133	130	139	5.2
Other Services						
Total Private *	2,618	2,767	2,627	2,715	2,692	100
Government	161	147	149	158	146	

Source: New Jersey Department of Labor and Workforce Development
 *Some classifications have been suppressed for privacy because the numbers of employees were small or there were too few employers.

3.0 Low and Moderate Income Housing Needs

The total affordable housing requirement for the Borough of Riverdale is the combination of present need, prior round obligations from 1987 to 1999 and the prospective need from 1999 to 2025. Previous Housing Plans prepared for the Borough of Riverdale calculated the prospective affordable housing needs based on growth share methodology that was established at that time through published rules of the Council on Affordable Housing. Since then court decisions have ruled that growth share is no longer the permitted methodology for determining the low and moderate income housing

obligation of a municipality that desires to have their housing plan certified by the appropriate authorities. Most recently, the New Jersey Supreme Court in In Re Adoption of N.J.A.C. 5:96 & 5:97 by N.J. Council on Affordable Housing, decided March 10, 2015, held the following:

First, as we said in In re Adoption of N.J.A.C. 5:96 & 5:97, supra, previous methodologies employed in the First and Second Round Rules should be used to establish present and prospective statewide and regional affordable housing need. 215 N.J. at 620. The parties should demonstrate to the court computations of housing need and municipal obligations based on those methodologies.

Since the Supreme Court decision there have been competing methodologies that have been litigated in the superior courts of New Jersey. Although Riverdale has not been a party to these efforts, the Borough acknowledges that there are differing obligation numbers attributed to the community. The Fair Share Housing Center has forwarded an obligation calculated by Dr. David Kinsey, P.P., which is used here as modified by an agreement with the Borough. For the purpose of obtaining a declaratory judgement and advancing the provision of providing an opportunity for affordable housing the following obligations are adopted:

Prior Round Obligations	58 Units
Present Need (Per Kinsey Report):	2 Units
Prospective Need (3 rd round) (Per Kinsey Report as modified):	<u>243 Units</u>
Total Obligation:	303 Units

The Borough has undertaken a vacant land analysis (VLA) because it was clear that there is not sufficient developable land in the Borough to accommodate the calculated obligation. The VLA is attached to this report. It calculated that the realistic development potential for the Borough (RDP) is 13 affordable dwelling units based on the densities assumed. It is agreed that the RDP can be increased to 25 units in anticipation of greater densities. Therefore the difference between the agreed third round obligation of 243 units and the 25 RDP is 218 units which is the unmet need.

4.0 Housing Credits and Reductions

The Borough is permitted to apply credits for affordable housing activity that has occurred as a result of the first and second rounds. Credits are for units actually constructed and bonuses allotted per COAH's regulations. Reductions are taken for land zoned for affordable housing, or developments approved for affordable housing, but not yet constructed.

Under COAH's rules for Rounds one and two, rental units may receive a bonus credit for up to the Borough's obligation for rental housing available for families. Age-restricted rental units receive 0.33 bonus credits for each unit. The rental obligation is

twenty-five (25%) percent of the Borough’s total obligation. Therefore Riverdale’s rental obligation and potential bonus for the prior rounds is capped at twenty-five percent of 58 which is 14.5 and rounded up to 15 bonus credits.

The Supreme Court’s decision allowed flexibility in the Superior Courts analysis of individual municipality’s housing plan. They acknowledged the Appellate Division’s approval of bonus credits that had been part of earlier COAH rules. In that regard this plan includes applicable bonus credits that were allowed in earlier versions of COAH’s rules to be applied to the third round obligation. Therefore the Borough is eligible for bonus credits capped at 25 percent of the third round obligation.

Credits for Completed Projects

The following are units constructed and bonuses credited for prior round obligation:

Rock Creek Development	9 Rental Age-Restricted Units 4 Rental Family Units 16 RCA’s to East Orange	1 Bonus Credits
D.R. Horton (The Grand)	5 Rental Family Units	5 Bonus Credits
Riverwalk (Rentals)	9 Rentals	9 Bonus Credits
Totals:	43 Units	15 Bonus Credits

Total Credits = 58

There are additional units that have been provided by the Riverwalk project that are applied to the third round obligation.

5.0 Affordable Housing Plan

It is agreed that the rehabilitation obligation for the Borough is two (2) units as reported by Dr. Kinsey. The Borough has participated in the Morris County Department of Community Affairs program for rehabilitation of dwellings of low and moderate income families. This plan proposes to continue participation with the County program. If the County program does not satisfy the Borough’s needs the rehabilitation efforts will be reevaluated to determine whether municipal Housing Trust Funds are needed. The Borough does not propose to conduct its own municipal program to avoid duplication of efforts and for costs savings.

Third Round Housing Plan

The Borough proposes to utilize existing affordable housing projects to satisfy the 25 unit RDP. That RDP will be satisfied by a portion of the balance of the Riverwalk project and from the Pio Costa project as follows:

- Seventeen (17) affordable units in the Riverwalk rental project and seven (7) bonus credits.
- One (1) unit to be provided by the approved Pio Costa project.

The remainder of the third round obligation (243-25) of 218 is unmet need. This unmet need will be satisfied through a number of mechanisms as follows:

- There are 21 affordable units remaining in the Riverwalk project which will be applied towards the unmet need.
- The Borough has used some of its Housing Trust Fund to purchase a property on Newark-Pompton Turnpike, (Block 26, Lot 21.03). This property was previously owned by Verizon and is located in the Industrial zone. This property is 2.67 acres in area and the intent of the Borough is to partner with Habitat for Humanity to develop a 100 percent affordable project. It is anticipated that thirty (30) affordable units will be provided. The property is currently owned by the Borough and therefore is available and approvable by the municipality. It is served by public sewer and water and is developable. Given the surrounding and neighboring land uses, it is suitable for affordable development.
- The Borough proposes to amend the Community Redevelopment District (CRD) regulations to adopt overlay zoning that would permit residential uses up to twelve (12) dwelling units per acre, as a permitted use on second and third floors. The minimum set-aside would be fifteen (15%) percent for rental housing and twenty (20%) percent for sales housing. Regulations for this housing will incorporate all requirements of the Uniform Housing Affordability Controls (UHAC) at N.J.A.C. 5:80-26.1, et.seq., including with respect to bedroom distribution, phasing of affordable housing units and income distribution.
- The Borough will adopt an ordinance requiring a mandatory affordable housing set aside for all new multi-family residential developments of five (5) units or more. The set aside for rental developments shall be fifteen (15%) percent and the set aside for for-sale developments shall be twenty (20%) percent. The provisions of the ordinance shall not apply to residential expansions, additions, renovations, replacement, or any other type of residential development that does not result in a net increase in the number of dwellings of five or more.

Summary

Table 13 summarizes the Borough’s affordable housing plan. It should be noted that the affordable units projected are the minimum anticipated from the various programs. The affordable units projected from the CRD Overlay Zone and the Mandatory Set-aside provisions are approximate given the uncertainty of developers employing those options.

TABLE 13 BOROUGH OF RIVERDALE SUMMARY OF HOUSING PLAN	
Category and Project	Units or Credits
Prior Round Need	58
Rock Creek-Age Restricted	9
Rock Creek-Family Rentals	4
Rock Creek-Family Rentals Bonus	1
Rock Creek-RCA to East Orange	16
D.R. Horton (The Grande) Family Rentals	5
D.R. Horton Rental Bonus	5
Riverwalk Family Rental	9
Riverwalk Rental Bonus	9
Total Provided Prior Rounds	58
Third Round Obligation	243
Realistic Development Potential (RDP)	25
Riverwalk Family Rental	24
Pio Costa	1
Unmet Need	218
Habitat for Humanity (B.26, L.21.01&21.03	30
CRD Overlay Zone	38
Mandatory Set-aside	20±