# Plans, Master Plans and Amendments
# Report to the Board May 11, 2018 through June 10, 2018

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| **Municipality** | **Borough of Kinnelon** |
| **Document** | Housing Element and Fair Share Plan |
| **Public Hearing** | June 7, 2018 |
| **Summary** | Housing Element and Fair Share Plan adopted pursuant to a Settlement Agreement with the Fair Share Housing Center |

- The Borough last adopted a Housing Element and Fair Share Plan in 2016. Since that time, the Borough has entered into a settlement agreement with the Fair Share Housing Center (FSHC). A copy of the agreement, which was approved by the Borough Council in December 2017, is included in the Plan. The currently proposed Housing Element and Fair Share Plan is designed to reflect that settlement agreement. The obligations are identified as follows:

  - Present Need Obligation (Rehabilitation Share): 3 units

  - Prior Round Obligation: 73 units.

  - Third Round Prospective Need: 193 units

- The Borough will address its Present (Rehabilitation) Need through participation in the Morris County Community Development Program. The Borough will establish a housing rehabilitation program in order to make funds available for the rehabilitation of rental units if necessary to supplement the Morris County program.

- The Borough has already addressed its Prior Round obligation through the rezoning and subsequent development of a 295-unit multi-family development known as Kinnelon Ridge. The development includes affordable rental units, which, with associated credits, satisfies the prior round obligation in its entirety.

- A Prospective Need of 193 units was identified as per the settlement agreement. In light of the fact that 97% of the land in the Borough is located in the Highlands Preservation Area, one-half (96 units) of the Borough's obligation will be transferred to the Highlands Council for "redistribution to a municipality with more Planning Area lands." According to the Plan, "regardless of whether the Highlands Council accepts and/or redistributes the 96 units, the Borough is not and will not be responsible for implementing mechanisms to address those 96 units."

- This leaves a Prospective Need balance of 97 units. The Plan notes that the Borough has a realistic development potential (RDP) of 2 units. The Borough proposes to address its RDP through the implementation of a ten-unit accessory apartment ordinance. The ten units created as a result of this ordinance subtracted from the 97 unit balance leaves an unmet need of 87 units.

- The unmet need will be addressed through the adoption of an overlay zone over the Kinnelon Mall Property that will require a mixed-use development of retail/commercial on the ground floor and residential above at a residential density of at least six du/ac. The Borough will also adopt an ordinance which establishes a mandatory set-aside of 20% for all new multi-family residential development of five or more units, that will become permissible through either a use variance, density variance, rezoning or new redevelopment plan. "This set-aside requirement shall not give any developer the right to any such rezoning, variance or other relief or establish any obligation on the part of Kinnelon to grant such rezoning, variance or other relief."