

CITY OF SEA ISLE CITY

MASTER PLAN HOUSING ELEMENT

AND

FAIR SHARE PLAN



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Introduction

This document represents a comprehensive update to Sea Isle City's December 2008 Housing Element and Fair Share Plan, and is intended to address the City's "Mt. Laurel" affordable housing obligation. The 2008 plan fully satisfied the City's affordable housing obligation at that time.

The 2008 housing plan has been revised to meet the requirements of the Fair Housing Act (N.J.S.A. 52:27D-301 et seq.), the March 10, 2015 NJ Supreme Court's decision (In re Adoption of N.J.A.C. 5:96 & 5:97 by N.J. Council on Affordable Housing.), and to comply with the Settlement Agreement between the City and the Fair Share Housing Center dated November 13, 2017.

The Fair Share Plan is designed to provide a realistic opportunity for production of affordable housing with a minimal impact on neighborhood character and community services. This plan recommends affordable housing initiatives to rehabilitate deficient units and zoning regulations to enable development of the 366-unit affordable housing obligation for the ten-year period 2015-2025.

This updated housing plan is based on research and analysis of the existing and projected demographic, housing and employment conditions, and begins to create a local strategy to provide an adequate supply of housing to serve a range of income groups. The reality is that the upper income group, those above 120% of area median income (AMI), is likely to be in a much better position to find and afford adequate housing in the City and/or region; increased opportunities are available to this segment of the population. Accordingly, the lower income groups (those less than 80% or 50% of AMI) are the City's/region's neediest residents in terms of housing provision and have traditionally been serviced by the many federal programs administered by governmental entities. While this segment of the population will continue to require housing assistance, it is the lower/middle-income households (50% to 120% of AMI), that will be at risk of having very limited opportunities for decent "affordable" housing in the coming years, especially as housing costs increase disproportionately with income.

This Plan outlines the current housing situation in Sea Isle City and provides a framework for the City to address its Council on Affordable Housing (COAH) obligations pursuant to the Fair Housing Act, court decisions and Settlement

Agreement. More importantly, however, is the Plan's ability to create a strategy to address the provision of housing for all of the aforementioned income groups.

To provide funding for these initiatives, Sea Isle City will collect affordable housing development fees as authorized by New Jersey laws and/or regulations. The City will also explore rehabilitation and development of affordable units through partnership efforts to address its affordable housing obligations.

This Housing Element and Fair Share Plan and have been prepared with guidance from the following sources:

- The New Jersey Municipal Land Use Law NJSA 40:55D-28(3), which provides for "a housing plan element, including but not limited to, residential standards and proposals for the construction and improvement of housing."
- The Fair Housing Act, NJSA 52:27D-301, provides further that such housing element "shall be designed to achieve the goal of access to affordable housing to meet present and prospective housing needs, with particular attention to low- and moderate-income housing..."
- Recent determinations by the New Jersey Supreme Court governing municipal housing obligations.
- The Settlement Agreement between Sea Isle City and the Fair Share Housing Center dated November 13, 2017.

Background

On March 10, 2015, In the Matter of the Adoption of N.J.A.C. 5:96 and 5:97 by the New Jersey Council on Affordable Housing, 221 N.J. 1 (2015), ("the March 10 Decision") the New Jersey Supreme Court issued its decision upon the application of Fair Share Housing Center (FSHC) to enforce litigants' rights and provide a judicial remedy due to the failure of the Council on Affordable Housing (COAH) to adopt valid Third Round Rules governing the municipal Mt. Laurel affordable housing obligation. The March 10 Decision proceeds from an earlier ruling by the Court in the same case invalidating COAH's previous Third Round Rules and directing the agency to adopt new regulations. In its decision, the New Jersey Supreme Court held that the courts, and not the Council on Affordable Housing ("COAH"), will determine if municipalities have met their constitutional affordable housing obligations under the *Mount Laurel* doctrine.

In the March 10 Decision, the Court “dissolved” the “exhaustion of administrative remedies” requirement under the Fair Housing Act, N.J.S.A. 52:27D-301, et seq., (that no exclusionary zoning cases may proceed if a town is before COAH) and provided that municipalities may initiate declaratory judgment actions and seek approval of their affordable housing plans. These declaratory judgment actions will be heard by designated *Mount Laurel* judges in each judicial vicinage in the State, and each municipality will have to file such an action on notice to all interested parties who will also have the opportunity to be heard by the trial court.

Under the Supreme Court's decision, municipalities, without substantive certification, that were only participating in the COAH process, will have no more than five months in which to submit their housing element and affordable housing plan to the trial court, during which period the trial court "may provide" initial immunity from builders' remedy lawsuits. However, the Supreme Court's decision later states that a trial court should only allow a builders' remedy lawsuit to proceed against a participating municipality after the trial court has had the opportunity to fully address the municipality's constitutional compliance and has found it "wanting."

Pursuant to the Supreme Court's decision, in determining whether a municipality's housing plan presents a realistic opportunity for the provision of its fair share of its housing region's present and prospective need for low and moderate income housing, the trial courts are to use the methodologies of COAH's First and Second Round Rules to establish present and prospective statewide and regional affordable housing need. In accordance with the Supreme Court's decision, the parties to the declaratory judgment actions provided for by this decision should provide computations of housing need and municipal obligations based on those methodologies to the trial court. Further, the Supreme Court stated that all municipalities must meet their prior round affordable housing obligations and that unfulfilled prior round obligations should be the starting point for a trial court's determination of a municipality's fair share responsibility.

Under the Supreme Court's decision, trial courts should have the same discretion and flexibility that COAH had in making determinations of municipal affordable housing obligations and in approving compliance plans. However, the Supreme Court stated that the trial courts should avoid sanctioning any methodologies of the Third Round Rules for determining need or providing compliance that were expressly invalidated in prior Appellate Division decisions. Additionally, pursuant to the Supreme Court's decision, trial courts do not have to reallocate excess present affordable housing need (dilapidated and run-down housing) in determining municipal fair share obligations

and do not have to include the cost-burdened poor in a municipality's present need calculation. Further, the Supreme Court specifically approved the trial courts' use of certain bonus credits allowed in the first and second versions of the Third Round Rules, including bonus credits for affordable housing units with affordable housing controls that have been extended beyond their original expiration dates, bonus credits for very low income housing (housing affordable to households earning 30% or less of the region's median income) and bonus credits for affordable housing units in smart growth areas, redevelopment areas and rehabilitation areas.

In accordance with the Supreme Court's decision, if a trial court determines, with respect to either a municipality with substantive certification or a participating municipality, through the declaratory judgment action process outlined by the Supreme Court, that the municipality's housing plan presents a realistic opportunity for the provision of its fair share of its housing region's present and prospective need for low and moderate income housing, the trial court is to grant the municipality the judicial equivalent of substantive certification and accompanying protection from builders' remedy lawsuits as provided under the Fair Housing Act ("FHA").

Sea Isle City has taken a number of affirmative actions regarding its housing element and fair share plan.

- July 7, 2015 - Sea Isle City filed a Declaratory Judgment Action in the Superior Court of New Jersey, Cape May County in furtherance of the Supreme Court's March 10, 2015 decision.
- Case Management Order - Superior Court granted Sea Isle's request for Immunity from Developers Lawsuits while the Court case is pending. The Initial Immunity has a deadline of January 15, 2016. The Court indicated that those towns that demonstrate cooperation will most likely get an extended deadline to complete the work that needs to be done.
- September 2015 - Superior Court order granting the City of Sea Isle City a period of time to complete an updated housing element and fair share plan and for temporary immunity from exclusionary zoning lawsuits during the pendency of this litigation.
- August 25, 2015 - Resolution 144-2015 - City Council awards contract to Scheule Planning Solutions, LLC to prepare an updated housing element and fair share plan.
- October 5, 2015 - Superior Court - Order Appointing a Special Regional Master to review the housing element and fair share plan of the municipalities which are parties to this litigation; identify any concerns

the Regional Master may have and give the municipality an opportunity to address the same. The Special Regional Master shall further, in consultation with Judge Perskie, determine whether the housing elements and fair share plans in their present form or any amended form creates a realistic opportunity for the individual municipalities' fair share of low and moderate housing, as such needs are calculated pursuant to a rational and reasonable criteria.

- October 13, 2015 - Sea Isle City Resolution 166 (2015) – Authorizing the City of Sea Isle City to participate in the preparation of a statewide fair share analysis initially undertaken by Rutgers, The State University of New Jersey ("Rutgers"), through Dr. Robert W. Burchell, Principal Investigator, and various other experts employed by Rutgers in order to establish a rational and reasonable methodology (the "Burchell Fair Share Analysis") for determination of a municipality's obligation to provide a realistic opportunity through its land use ordinances for its fair share of the region's affordable housing needs in accordance with the Mount Laurel Doctrine as set forth in In the Matter of the Adoption of N.J.A.C. 5:96 and 5:97 by the New Jersey Council on Affordable Housing, 221 N.J. 1 (2015) ("Supreme Court Decision") and prior decisions of the Courts of New Jersey, and the Fair Housing Act, N.J.S.A. 52:27D-301 et. seq.
- November 14, 2017 - Sea Isle City Resolution 177 (2017) – Authorizing the City of Sea Isle City to execute a Settlement Agreement with the Fair Share Housing Center for the City's affordable housing obligation. The terms of the November 13, 2017 Settlement Agreement are included herein as Appendix A.
- December 21, 2017 – Sea Isle City and Fair Share Housing Center appeared at a Fairness Hearing before the Hon. Nelson Johnson J.S.C. regarding compliance in this matter wherein, the Court accepted the proposed agreement between the City and Fair Share Housing Center to settle the litigation.

MASTER PLAN HOUSING ELEMENT

Overview of Sea Isle City

Sea Isle City is a barrier island community encompassing over 1,400 acres of land and water on the eastern coast of Cape May County. It includes most of Ludlam Island, stretching five miles from north to south. It is bounded on the north by Strathmere in Upper Township, on the west by wetlands of Dennis Township, on the south by Avalon, and on the east by the Atlantic Ocean. It is one of the 16 municipalities comprising Cape May County, the southernmost county in New Jersey. Virtually all of the land within the City boundaries that is not developed is beach, wetland or is under water.

As of the 2010 United States Census, the city's population was 2,114, reflecting a decline of 721 from the 2,835 counted in the 2000 Census, which had in turn increased by 143 from the 2,692 counted in the 1990 Census. Visitors raise the population to as much as 40,000 during the peak summer season.

Existing Housing Conditions

Condition of existing housing units in Sea Isle City including age, condition, purchase or rental value, occupancy characteristics, and type of housing, is discussed in this section.

Age of Housing

Units built before 1949 and those containing 1.01 or more persons per room are highly correlated with substandard housing indicators. These indices are identified in COAH's rules as a means to determine a municipality's Rehabilitation Share. In Sea Isle City, 433 units or 6.3 percent of the housing stock was built before 1949. The general correlation between unit age and housing condition explains why Sea Isle's Rehabilitation Share is two (2) units.

The age of the housing stock in a municipality is an important indicator of the health and vitality of the overall community. An increase in the percentage of older housing in relation to all housing may signal a lack of economic opportunity since very little new housing is being built to balance out the percentage over a broader time period. As shown in Table 1 below, prior to 2012 over 57% of Sea Isle City's housing stock was built between 1970 and 1999. For the same time period, the age of housing in the County was 42%.

Table 1
Age of Housing - Sea Isle City & Cape May County

YEAR STRUCTURE BUILT	SEA ISLE CITY		CAPE MAY COUNTY	
	Housing Units	Percent	Housing Units	Percent
Total housing units	6,842	100	98,900	100
Built 2014 or later	13	0.2%	301	0.3%
Built 2010 to 2013	96	1.4%	898	0.9%
Built 2000 to 2009	1,794	26.2%	15,604	15.8%
Built 1990 to 1999	910	13.3%	9,516	9.6%
Built 1980 to 1989	2,073	30.3%	17,180	17.4%
Built 1970 to 1979	928	13.6%	14,954	15.1%
Built 1960 to 1969	453	6.6%	9,771	9.9%
Built 1950 to 1959	142	2.1%	11,275	11.4%
Built 1940 to 1949	84	1.2%	4,855	4.9%
Built 1939 or earlier	349	5.1%	14,546	14.7%

Source: U.S. Census Bureau, 2012-2016 American Community Survey

Table 1-A
Net Change of Housing Units - Sea Isle City

YEAR	HOUSING UNITS CERTIFIED				HOUSING UNITS DEMOLISHED				NET CHANGE
	Total	1 & 2 Family	Multi-family	Mixed Use	Total	1 & 2 Family	Multi-family	Mixed Use	
2010	72	72	0	0	62	62	0	0	+ 10 Units
2011	88	88	0	0	40	39	0	1	+ 48 Units
2012	79	63	16	0	59	59	0	0	+ 20 Units
2013	94	66	28	0	74	65	9	0	+ 20 Units
2014	84	51	3	0	59	59	0	0	+ 25 Units
2015	83	79	4	0	59	56	3	0	+ 24 Units
2016	176	169	6	1	159	141	18	0	+ 17 Units

Source: New Jersey Department of Community Affairs - Construction Reporter

Building permit information indicating units demolished and new units issued certificates of occupancy is available from the NJDCA-Construction Reporter. This data

for years 2010 through 2016 as provided in Table 1-A indicates a net increase of 164 housing units in Sea Isle City.

Housing Condition

Rehabilitation share is the total deficient housing signaled by selected housing unit characteristics unique to each community. It is assumed that units so indicated will be prime candidates for rehabilitation. Characteristics indicating a need for rehabilitation are:

- Persons per Room. 1.01 or more persons per room in housing units built in 1949 or before.
- Plumbing Facilities. Inadequate plumbing sufficient for rehabilitation is indicated by incomplete plumbing facilities, i.e., lack of hot and cold piped water, flush toilet or bathtub/shower.
- Kitchen Facilities. Inadequate kitchen facilities signaling rehabilitation are indicated by the absence of kitchen facilities within the unit, or the absence of one of three components: a sink with piped water, a stove or a refrigerator.

The age of housing in Sea Isle City and Cape May County is presented in Table 1. Tables 2 through 4 address the other surrogates of deficient housing as described above. Table 2 shows the condition of housing units in Sea Isle City. This data indicates that zero (0) units are overcrowded or lack complete plumbing facilities, and four (4) housing units lack complete kitchen facilities. As part of the City’s housing rehabilitation program, attempts should be made to identify these units and assisted their owners in meeting current code requirements.

Table 2
Housing Condition

	OCCUPIED HOUSING UNITS		OWNER-OCCUPIED HOUSING UNITS		RENTER-OCCUPIED HOUSING UNITS	
	Estimate		Estimate		Estimate	
	Sea Isle City	Cape May County	Sea Isle City	Cape May County	Sea Isle City	Cape May County
Occupied Housing Units	1,015	40,073	749	30,605	266	9,468
HOUSEHOLD SIZE (ROOMS)						
1 room	0.0%	1.9%	0.0%	0.1%	0.0%	1.8%
2 or 3 rooms	2.7%	6.5%	2.2%	2.4%	0.5%	4.1%

4 or 5 rooms	27.7%	32.6%	25.1%	28.3%	2.6%	4.3%
6 or 7 rooms	44.1%	34.4%	45.1%	38.9%	0.0%	0.0%
8 or more rooms	25.4%	24.7%	27.6%	30.2%	0.0%	0.0%
OCCUPANTS PER ROOM						
1.00 or less occupants per room	100.0%	98.8%	100.0%	99.4%	100.0%	0.0%
1.01 to 1.50 occupants per room	0.0%	0.8%	0.0%	0.4%	0.0%	0.4%
1.51 or more occupants per room	0.0%	0.4%	0.0%	0.1%	0.0%	0.3%
COMPLETE FACILITIES						
Lacking complete plumbing facilities	0	90	0.0%	0.2%	0.0%	99.8%
Lacking complete kitchen facilities	4	383	0.4%	1.0%	99.6%	99.0%
Source: U.S. Census Bureau, 2012-2016 American Community Survey						

Purchase and Rental Value

Table 3 indicates eighty-nine (89) percent of the owner-occupied housing units in the City are valued at \$300,000 or more, compared to 49 percent for the County. The median value in the City is \$640,700. The City's median housing value is significantly higher than the \$327,100 for the State of New Jersey and \$296,100 for Cape May County.

Table 3
Housing Value

VALUE	SEA ISLE CITY		CAPE MAY COUNTY	
	Estimate	Percent	Estimate	Percent
Owner-occupied units	892	100	30,605	100
Less than \$50,000	22	2.5%	1,065	3.5%
\$50,000 to \$99,999	5	0.6%	765	2.5%
\$100,000 to \$149,999	4	0.4%	1,895	6.2%
\$150,000 to \$199,999	12	1.3%	3,527	11.5%
\$200,000 to \$299,999	53	5.9%	8,394	27.4%
\$300,000 to \$499,999	175	19.6%	8,422	27.5%
\$500,000 to \$999,999	512	57.4%	5,006	16.4%
\$1,000,000 or more	109	12.2%	1,531	5.0%
Median (dollars)	640,700	(X)	296,100	(X)
Source: U.S. Census Bureau, 2012-2016 American Community Survey				

Table 3-A summarizes the purchase and rental values of housing units in Sea Isle City and Cape May County. The median value of an owner-occupied housing unit in the City is \$640,700, with median monthly cost of \$2,359 for mortgaged units, and \$859 for units not mortgaged. For rental units in the City, the median gross rent is \$1,200 per month.

Table 3-A
Housing Costs Summary

	Occupied Housing Units	Specified Owners			Specified Renters
		Median Value	Median Selected Monthly Owner Costs		Median Gross Rent
			With a Mortgage	Not Mortgaged	
Sea Isle City	1,024	\$640,700	\$2,359	\$859	\$1,200
Cape May County	40,073	\$296,100	\$1,851	\$739	\$1,045

Source: U.S. Census Bureau, 2012-2016 American Community Survey

Table 3-B
Renter-Occupied Units (Sea Isle City)

GROSS RENT	Estimate	Percent
Occupied units paying rent	100	100
Less than \$500	0	0.0%
\$500 to \$999	26	26.0%
\$1,000 to \$1,499	48	48.0%
\$1,500 to \$1,999	0	0.0%
\$2,000 to \$2,499	4	4.0%

\$2,500 to \$2,999	18	18.0%
\$3,000 or more	4	4.0%
Median (dollars)	\$1,200	(X)
Source: U.S. Census Bureau, 2012-2016 American Community Survey		

Of the 100 renter-occupied units in the City, 26 units (26%) have rents between \$500 and \$999 per month. The median monthly contract rent in the City is \$1,200.

Occupancy Characteristics

Census estimates indicate that only about fifteen percent (15%) of the City’s total housing units are occupied year-round and of these, approximately 87 percent are owner-occupied, 13 percent are occupied rental units. Due to a large degree to the City’s resort character and timing of the census, 5,818 housing units (85%) are considered vacant as shown in Table 4 below. In 1999, 21% of the City’s housing units were occupied, 77% of which were occupied by owners.

Table 4
Occupancy and Tenure Characteristics

HOUSING OCCUPANCY And TENURE	SEA ISLE CITY		CAPE MAY COUNTY	
	Estimate	Percent	Estimate	Percent
Total housing units	6,842	100	98,900	100
Occupied housing units	1,024	15.1%	40,073	40.5
Vacant housing units	5,818	84.9%	58,827	59.5
Owner-occupied	892	73.8%	30,605	76.4
Renter-occupied	132	26.2%	9,468	23.6
Homeowner vacancy rate	15.6	(X)	5.7	(X)
Rental vacancy rate	80.7	(X)	33.4	(X)
Source: U.S. Census Bureau, 2012-2016 American Community Survey				

Housing Type and Affordability

The majority (84%) of dwelling units in Sea Isle City are 1-unit detached, 1-unit attached or 2-unit structures. In 1999, these three unit types comprised 80% of the City’s housing stock. Fifteen (15) percent of structures contain three (3) or more dwelling units. The different housing types, indicating the number of dwelling units per structure in the City and County are shown in Table 5 below.

Table 5
Housing Type

UNITS IN STRUCTURE	SEA ISLE CITY		CAPE MAY COUNTY	
	Housing Units	Percent	Housing Units	Percent
Total housing units	6,842	100	98,900	100
1-unit, detached	948	13.9%	50,710	51.3%
1-unit, attached	3,719	54.4%	21,147	21.4%
2 units	1,127	16.5%	9,144	9.2%
3 or 4 units	165	2.4%	4,485	4.5%
5 to 9 units	288	4.2%	2,632	2.7%
10 to 19 units	178	2.6%	2,036	2.1%
20 or more units	417	6.1%	5,321	5.4%
Mobile home	0	0.0%	3,409	3.4%
Boat, RV, van, etc.	0	0.0%	16	0.0%
Source: U.S. Census Bureau, 2012-2016 American Community Survey				

Units are affordable to low and moderate-income households if the maximum sales price or rent is set within a specified formula as per the Uniform Housing Affordability Controls (UHAC), N.J.A.C. 5:80-26.1 et seq. A moderate income household is a household whose gross family income is more than 50 percent of median income, but less than 80 percent of median income for households of the same size within the housing region. A low-income household is a household whose gross family income is equal to or less than 50 percent of median gross household income for a household of the same size within Region 6, which encompasses Atlantic, Cape May, Cumberland and Salem counties.

Using 2014 regional income limits adopted by COAH, the median income for a 4-person household in Cape May County is estimated at \$72,979. A 4-person moderate-income household would earn a maximum of \$58,383 (80 percent of regional median) and a 4-person low-income household would earn a maximum of \$36,490 (50 percent of regional median).

Income levels for one-, two-, three- and four-person households using the 2014 regional income limits and calculation in accord with UHAC for Sea Isle City are provided in Table 6.

Table 6
Low and Moderate Regional Incomes

Income Level	Household Size			
	1 Person	2 Persons	3 Persons	4 Persons
Median	\$51,085	\$58,383	\$65,681	\$72,979
Moderate	\$40,868	\$46,707	\$52,545	\$58,383
Low	\$25,543	\$29,192	\$32,841	\$36,490
Very Low	\$16,326	\$17,515	\$19,704	\$21,894
Source: COAH, 2014 Affordable Housing Regional Income Limits				

Based on the qualifying formula in N.J.A.C. 5:80-26, the monthly cost of shelter which includes mortgage (principal and interest), taxes, insurance and homeowners or condominium association fees, may not exceed 28 percent of gross monthly household income as adjusted with a five percent down payment. In addition, moderate-income sales units must be available for at least three different prices and low-income sales units available for at least two different prices. The maximum sales prices must now be affordable to households earning no more than 70 percent of median income. The sales prices must average 55 percent of median income.

Under UHAC regulations, rent including utilities, may not exceed 30 percent of gross monthly income. The average rent must now be affordable to households earning 52 percent of median income. The maximum rents must be affordable to households earning no more than 60 percent of median income. In averaging 52 percent, one rent may be established for a low-income unit and one rent for a moderate-income unit for each bedroom distribution. The utility allowance must be consistent with the utility allowance approved by HUD and utilized in New Jersey. In addition, 10 percent of restricted rental units must be affordable to households earning no more than 35 percent of median income.

Table 7 and Table 8 show the affordability of housing units in Sea Isle City and Cape May County for renters and home owners. As seen in Table 7, 57 percent (up from 44% in 1999) of renters in the City spend over 30 percent of their household income on housing. Table 8 indicates that about 46 percent of owner-occupied housing units with a mortgage in the City incur monthly costs greater than 30 percent of household income. Twenty-four percent of home owners without a mortgage have monthly costs

at 30 percent or more of household income. These data suggests a continuing need for affordable housing in Sea Isle City.

Table 7
Gross Rent as a Percentage of Household Income

GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME (GRAPI)	SEA ISLE CITY		CAPE MAY COUNTY	
	Estimate	Percent	Estimate	Percent
Occupied units paying rent (excluding units where GRAPI cannot be computed)	100	100	8,351	100
Less than 15.0 percent	12	12.0%	709	8.5%
15.0 to 19.9 percent	17	17.0%	696	8.3%
20.0 to 24.9 percent	12	12.0%	1,086	13.0%
25.0 to 29.9 percent	2	2.0%	838	10.0%
30.0 to 34.9 percent	20	20.0%	781	9.4%
35.0 percent or more	37	37.0%	4,241	50.8%
Source: U.S. Census Bureau, 2012-2016 American Community Survey				

Table 8
Selected Monthly Owner Costs as a Percentage of Household Income

SELECTED MONTHLY OWNER COSTS AS A PERCENTAGE OF HOUSEHOLD INCOME (SMOCAPI)	SEA ISLE CITY		CAPE MAY COUNTY	
	Estimate	Percent	Estimate	Percent
Housing units with a mortgage (excluding units where SMOCAPI cannot be computed)	455	100	18,686	100
Less than 20.0 percent	135	29.7%	5,455	29.2%
20.0 to 24.9 percent	66	14.5%	2,644	14.1%
25.0 to 29.9 percent	43	9.5%	2,307	12.3%
30.0 to 34.9 percent	40	8.8%	1,356	7.3%
35.0 percent or more	171	37.6%	6,924	37.1%
Not computed	8	(X)	139	(X)
Housing units without a mortgage (excluding units where SMOCAPI cannot be computed)	429	100	11,688	100
Less than 10.0 percent	87	20.3%	2,743	23.5%
10.0 to 14.9 percent	45	10.5%	2,087	17.9%
15.0 to 19.9 percent	93	21.7%	1,707	14.6%
20.0 to 24.9 percent	70	16.3%	1,217	10.4%

25.0 to 29.9 percent	30	7.0%	883	7.6%
30.0 to 34.9 percent	22	5.1%	448	3.8%
35.0 percent or more	82	19.1%	2,603	22.3%
Not computed	0	(X)	92	(X)
Source: U.S. Census Bureau, 2012-2016 American Community Survey				

Analysis of Demographic Characteristics

The following section discusses key demographic characteristics of Sea Isle City, including population trend, household size and type, age characteristics, income level and employment status of residents.

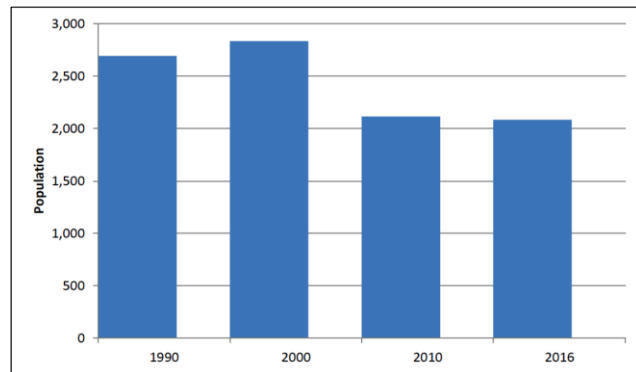
Population Trends

Although Sea Isle City’s population increased between 1990 and 2000, it has been in decline since. The Census indicates that the City’s year-round population decreased by 25 percent between 2000 and 2010. Although population continues in a downward trend, the rate of decline has moderated from 2.5 percent annually (in the previous decade) to 0.33 percent between January 2010 and July 2016. The City’s July 2016 population is estimated to be 2,085. These population dynamics are shown in Table 9 and graphically in Figure 1.

Table 9 Population Trends

Sea Isle City Population Trends		
Year	Population	Percent change
7/2016	2,085	-1.37
2010	2,114	-25.43
2000	2,835	+5.31
1990	2,692	
Source: U.S. Census Bureau, 2012-2016 American Community Survey		

Figure 1 Population Trends



Household Size and Type

The American Community Survey (ACS) estimates that the average household size in Sea Isle City is 1.85. Table 10 and Table 11 provide details of household size and household type in the City. Family households represent sixty-two percent (up from 48% in 1999) of all households, and about fifty-eight percent of these are married-couple families. Data in these tables indicates that about 88 percent of the City’s households are one-person and two-person households, and about 5 percent of households have 4 or more people.

The Census also indicates (Table 11) that eighty-seven percent of occupied units in the City are owner-occupied, and that about 56 percent of owner-occupied units are 2-person households, and about 17 percent of households have 4 or more people.

Table 10
Household Size and Household Type - Sea Isle City

HOUSEHOLD TYPE (INCLUDING LIVING ALONE) AND AGE OF HOUSEHOLDER	OCCUPIED HOUSING UNITS	OWNER-OCCUPIED HOUSING UNITS
Family households	61.7%	65.6%
Married-couple family	57.9%	61.7%
Householder 15 to 34 years	0.8%	0.9%
Householder 35 to 64 years	26.7%	26.9%
Householder 65 years and over	30.5%	33.9%
Other family	3.8%	3.9%
Male householder, no wife present	2.7%	3.1%
Householder 15 to 34 years	0.0%	0.0%
Householder 35 to 64 years	2.4%	2.8%
Householder 65 years and over	0.3%	0.3%
Female householder, no husband present	1.1%	0.8%
Householder 15 to 34 years	0.0%	0.0%
Householder 35 to 64 years	0.0%	0.0%
Householder 65 years and over	1.1%	0.8%
Nonfamily households	38.3%	34.4%
Householder living alone	35.4%	32.4%
Householder 15 to 34 years	1.5%	1.7%
Householder 35 to 64 years	12.7%	11.8%
Householder 65 years and over	21.3%	18.9%
Householder not living alone	2.8%	2.0%
Householder 15 to 34 years	0.6%	0.0%
Householder 35 to 64 years	1.5%	1.7%
Householder 65 years and over	0.8%	0.3%
Source: U.S. Census Bureau, 2012-2016 American Community Survey		

Table 11
Household Type by Household Size

	OCCUPIED HOUSING UNITS		OWNER-OCCUPIED HOUSING UNITS	
	Estimate		Estimate	
	Sea Isle City	Cape May County	Sea Isle City	Cape May County
Occupied Housing Units	1,024	40,073	892	30,605
HOUSEHOLD SIZE				
1-person household	35.4%	30.7%	32.4%	26.5%
2-person household	52.5%	39.0%	56.6%	43.6%
3-person household	6.7%	12.8%	7.0%	13.1%
4-or-more-person household	5.3%	17.6%	4.0%	16.9%
Average household size			1.85	2.33
Source: U.S. Census Bureau, 2012-2016 American Community Survey				

Age Characteristics

Table 12 provides the age characteristics for the City and County. According to 2016 estimates, 81 percent (compared to 80% in 1999) of the City’s population comprises people age 45 and over. The 65 and over population is about 45 percent compared to 37 percent in 1999. The median age of the City’s population has increased from 60.9 years in 1999 to 63.3 in 2016.

Table 12
Age Groups and Sex

SEX AND AGE	SEA ISLE CITY		CAPE MAY COUNTY	
	Estimate	Percent	Estimate	Percent
Total population	1,905	1,905	95,404	95,404
Male	965	50.7%	46,594	48.8%
Female	940	49.3%	48,810	51.2%
Under 5 years	13	0.7%	4,533	4.8%
5 to 9 years	26	1.4%	4,825	5.1%
10 to 14 years	43	2.3%	4,558	4.8%
15 to 19 years	33	1.7%	5,490	5.8%
20 to 24 years	67	3.5%	5,732	6.0%
25 to 34 years	78	4.1%	9,369	9.8%
35 to 44 years	95	5.0%	9,186	9.6%
45 to 54 years	172	9.0%	13,347	14.0%
55 to 59 years	186	9.8%	7,263	7.6%
60 to 64 years	339	17.8%	8,325	8.7%
65 to 74 years	531	27.9%	12,823	13.4%
75 to 84 years	282	14.8%	7,077	7.4%
85 years and over	40	2.1%	2,876	3.0%
Median age (years)	63.3	(X)	48.4	(X)
18 years and over	1,803	94.6%	78,283	82.1%
21 years and over	1,777	93.3%	74,608	78.2%
62 years and over	1,060	55.6%	27,764	29.1%
65 years and over	853	44.8%	22,776	23.9%
18 years and over	1,803	1,803	78,283	78,283
Male	916	50.8%	37,916	48.4%
Female	887	49.2%	40,367	51.6%
65 years and over	853	853	22,776	22,776
Male	382	44.8%	10,131	44.5%
Female	471	55.2%	12,645	55.5%

Source: U.S. Census Bureau, 2012-2016 American Community Survey

Income Level

Table 13 describes income and poverty status of households and families for the City and County in 2016. The per capita income for the City is \$51,660, up from \$28,754 in 1999. Median income of households is \$70,033 (\$45,708 in 1999), and \$100,833 for families (62,847 in 1999). The data also indicates that 56 percent (7.6 percent in 1999) of the population and 4.0 percent (6.4 percent in 1999) of families in the City have incomes below poverty level. The 2016 ACS estimates that the median income for male and female full-time year-round workers is \$94,125 and \$54,250, respectively.

Table 13
Income and Poverty

	Median Income		Per Capita Income	Median Earnings of Full-time, Year-round Workers		Income Below Poverty Level			
	Households	Families		Male	Female	Percent of population for whom poverty status is determined			Percent of families
						All ages	18 to 64 years	65 years and over	
Sea Isle City	\$70,033	\$100,833	\$51,660	\$94,125	\$54,250	5.6%	7.2%	4.6%	4.0%
Cape May County	\$59,338	\$75,594	\$34,550	\$52,665	\$42,469	10.4%	10.1%	8.1%	7.6%

Source: U.S. Census Bureau, 2012-2016 American Community Survey

Employment Characteristics

The following section discusses employment characteristics of Sea Isle City, including employment by industry sectors, employment trends and employment outlook.

Employment Status of Residents

Table 14 shows the employment status of Sea Isle City and Cape May County residents as of 2016. According to the data, 32.4 percent (compared to about 57 percent in 1999) of the City’s population 16 years and older is in the labor force, and 8.1 percent (compared to about 6.5 percent in 1999) of the City’s civilian labor force is unemployed.

Table 14
Employment Status

	Population 16 Years and Over/ Percent in Labor Force			Civilian Labor Force Percent Unemployed	Own children Percent with all parents in family in labor force	
	Total	Female			Under 6 years	6 to 17 years
		Total	With own children under 6 years			
Sea Isle City	1,823/43.3%	903/32.4%	13	8.1%	30.8%	60.7%
Cape May County	80,541/59.7%	41,464/54.0%	4,996	9.2%	69.7%	76.0%

Source: U.S. Census Bureau, 2012-2016 American Community Survey

Employment by Industry Sectors and Number of Persons Employed

Table 15 describes employment characteristics of the City’s and County’s employed civilian population. ‘Management, business, science, and arts occupations’ remains the highest employment category in the City and has increased by approximately two percent since 1999. This is followed by ‘sales and office occupations’, and ‘service occupations’ which account for about 86 percent of the civilian labor force occupation sectors.

‘Educational services, and health care and social assistance,’ ‘professional, scientific, and management, and administrative and waste management services’ and ‘retail trade’ are the three largest industry sectors in the City, employing about 51 percent of civilian workforce. These sectors are followed by ‘arts, entertainment, and recreation, and accommodation and food services’ and ‘finance, insurance, real estate and rental and leasing’.

Table 15
Employment Characteristics

OCCUPATION	SEA ISLE CITY		CAPE MAY COUNTY	
	Estimate	Percent	Estimate	Percent
Civilian employed population 16 years and over	726	100	42,837	100
Management, business, science, and arts occupations	342	47.1%	14,787	34.5%
Service occupations	80	11.0%	9,617	22.5%
Sales and office occupations	201	27.7%	10,537	24.6%
Natural resources, construction, and maintenance occupations	35	4.8%	4,726	11.0%
Production, transportation, and material moving occupations	68	9.4%	3,170	7.4%
INDUSTRY				
Agriculture, forestry, fishing and hunting, and mining	5	0.7%	347	0.8%
Construction	26	3.6%	3,682	8.6%
Manufacturing	37	5.1%	1,341	3.1%
Wholesale trade	31	4.3%	843	2.0%
Retail trade	84	11.6%	5,645	13.2%
Transportation and warehousing, and utilities	18	2.5%	1,389	3.2%
Information	17	2.3%	581	1.4%
Finance and insurance, and real estate and rental and leasing	73	10.1%	3,043	7.1%
Professional, scientific, and management, and administrative and waste management services	104	14.3%	3,273	7.6%
Educational services, and health care and social assistance	181	24.9%	10,698	25.0%
Arts, entertainment, and recreation, and accommodation and food services	78	10.7%	6,849	16.0%
Other services, except public administration	41	5.6%	1,783	4.2%
Public administration	31	4.3%	3,363	7.9%
Source: U.S. Census Bureau, 2012-2016 American Community Survey				

The following notable changes to industry characteristics have occurred in Sea Isle City since the 2000 Census:

- Wholesale trade has increased from 3.3 percent to 11.2 percent
- Professional, scientific, and management, and administrative and waste management services have increased from 5.1 percent to 15.2 percent
- Public administration has decreased from 8 percent to 2 percent.

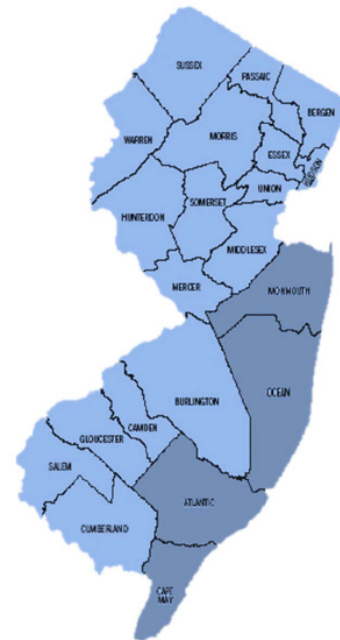
The Regional Economy

Coastal Region

ATLANTIC
CAPE MAY

MONMOUTH
OCEAN

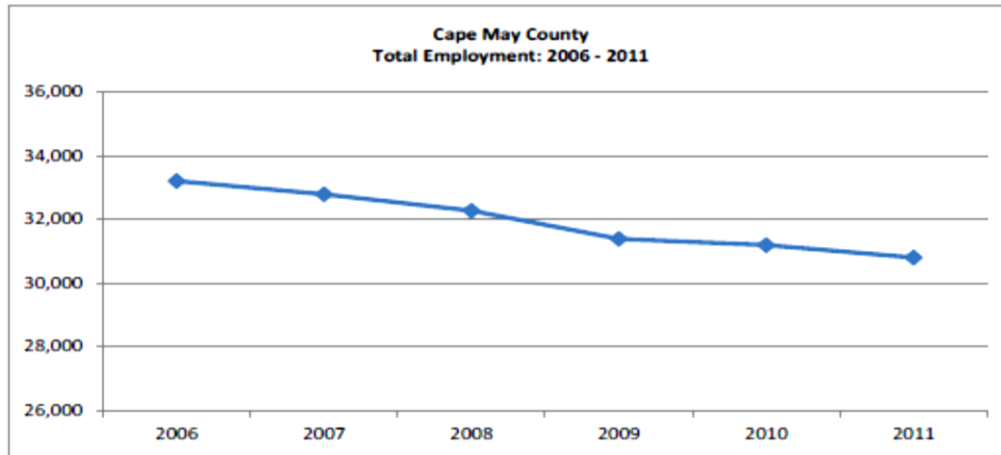
- In 2014, the Coastal Region was the third largest region, accounting for nearly 15 percent of the employment in NJ (601,750).
- From 2014 to 2024, employment in the region is projected to grow by 7.3 percent, adding more than 44,100 jobs.
- The region is projected to have 12,880 annual average job openings, a majority of which are due to replacement (8,040), while only 4,840 are due to growth.
- Construction and extraction occupations are projected to grow by 11.6 percent.



Source: New Jersey Department of Labor and Workforce Development
Division of Workforce Research and Analytics
2014-2024 Occupational Employment Projections

Employment Trends

Figure 2
Employment Trends (2006-2011)

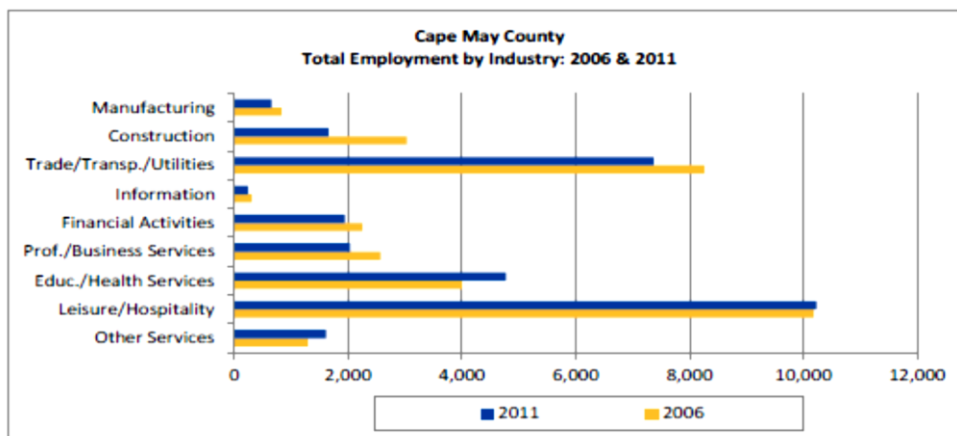


Source: NJLWD, Quarterly Census of Employment and Wages

Due to its tourism-based economy, Cape May County's largest employment sector is *leisure and hospitality*, which includes providers of lodgings, food services, recreation and amusements. Between 2006 and 2011, this industry's employment share increased from 30.7 percent to 33.2 percent. The county's second largest employment sector, *trade, transportation and utilities*, is dominated by the retail trade segment (87.7% of jobholding in trade, transportation and utilities) which benefit most from the surge in visitors and temporary residents during the prime spring-to-fall tourist season.

Cape May's greatest employment declines were posted in the construction (-1,380 jobs) and trade/transportation/utilities (-891) sectors from 2006 to 2011. Only education and health services (+782), other services (+319) and leisure and hospitality (+44) recorded job gains during the period.

Figure 3
Employment by Industry (2006-2011)

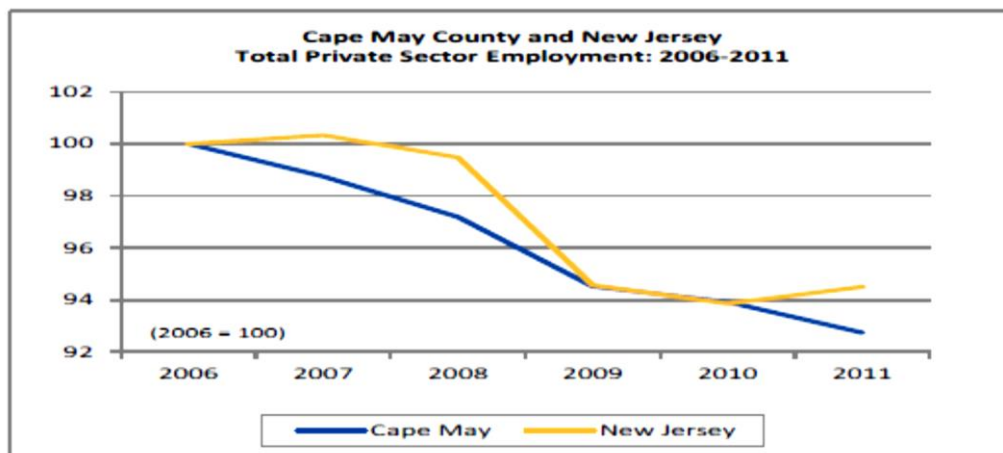


Source: NJLWD, Quarterly Census of Employment and Wages

Compared to the state, Cape May County experienced a greater decline in private sector employment from 2006 to 2011 (-7.3% vs. -5.5%, respectively). During the 5-year period, countywide private sector payrolls peaked in 2006 (33,208 jobs) before slipping lower in each subsequent year. In comparison, New Jersey reached its job peak level in 2007. The county faced the steepest job decline in 2009, when numerous positions were eliminated due to the national recession that began in December 2007 and ended in June 2009.

Cape May County's level of private-sector covered employment, which had been rising steadily since 1992, peaked in 2005. The employment declines since 2005 appear to roughly coincide with the winding down of an extended period of rapidly rising shore real estate values and new commercial and residential development. The county has also felt the effects of the most recent economic downturn as employment declines were the most severe during the 2007-2009 period (-1,405).

Figure 4
Private Sector Employment (2006-2011)



Source: NJLWD, Quarterly Census of Employment and Wages

Employment Outlook

Table 16 provides 2010-2020 employment changes by industry for Cape May County. According to the NJLWD Industry and Occupation Projections, Cape May County's level of employment is projected to increase by 2,000 jobs from 2010 to 2020. This 4.7 percent increase is expected to be lower than the statewide rate (7.7%).

- The health care and social services (550), retail (300), construction (250) and administrative & waste services (250) industries are projected to post the largest employment gains and account for 67.5 percent of the county's new jobs during this period.

- Led by government (-350), there are three industries with projected employment declines from 2010 to 2020. Employment in the county's relatively small manufacturing sector (-50) has been shrinking in recent years. The information industry (publishing, broadcasting and telecommunications) is projected to also post an employment decline of 50 jobs over the 10-year period. In both cases, the projected losses are continuations of recent trends.

Table 16 Cape May County Employment Projections by Industry

Cape May County, 2010 - 2020					
Projected Employment Change By Industry					
Industry Title	2010 Jobs	2020 Jobs	Change: 2010-2020		
			Number	Percent	
				Total	Annual
Total Nonfarm Employment	41,800	43,800	2,000	4.7	0.5
Healthcare and Social Services	4,850	5,400	550	11.3	1.1
Retail Trade	6,550	6,850	300	4.5	0.4
Construction	1,800	2,050	250	15.0	1.4
Administrative and Waste Services	1,050	1,300	250	28.1	2.5
Real Estate and Rental and Leasing	950	1,150	200	17.4	1.6
Professional, Scientific and Technical Services	900	1,100	200	18.6	1.7
Accommodation and Food Services	8,600	8,800	200	2.4	0.2
Arts, Entertainment and Recreation	1,750	1,900	150	8.1	0.8
Finance and Insurance	1,100	1,200	100	8.3	0.8
Other Services	2,100	2,200	100	4.5	0.4
Natural Resources and Mining	0	50	50	60.8	4.9
Wholesale Trade	600	650	50	9.4	0.9
Transportation and Warehousing	250	300	50	13.3	1.3
Utilities	200	200	0	6.0	0.6
Management of Companies and Enterprises	300	300	0	7.9	0.8
Educational Services	150	150	0	10.7	1.0
Manufacturing	700	650	-50	-7.7	-0.8
Information	300	250	-50	-22.8	-2.6
Government	9,650	9,300	-350	-3.5	-0.4

Note: Total nonfarm employment excludes self-employed and unpaid family workers
Percent Changes are based on unrounded data
Source: NJLWD, Industry and Occupational Projections

Employment in Cape May County is projected to remain relatively flat from 2010 to 2020, adding only 2,000 jobs over the period. Healthcare and social services (+500), retail trade (+300), construction (+250), and administrative and waster services (+250) are projected to post the largest employment gains during the period.

Occupations with the most projected job openings from 2010 – 2020 are described in the following table. The occupations noted in the following table are consistent with the area’s tourist-based economy.

Cape May County Occupations with the Most Projected Job Openings, 2010-2020						
Occupation	Annual Average Job Openings			2011	Skill Level ²	Outlook
	Total ¹	Growth	Replacements	Annual Wage		
Cashiers	90	0	90	21,300	Low	Stable
Waiters and Waitresses	90	0	90	21,790	Low	Stable
Retail Salespersons	70	20	50	25,870	Low	Growing
Combined Food Preparation and Serving Workers, Including Fast Food	50	10	40	20,420	Low	Growing
Amusement and Recreation Attendants	30	0	30	18,550	Low	Growing
Landscaping and Groundskeeping Workers	30	10	10	26,250	Low	Growing
Personal and Home Care Aides	30	20	10	30,210	Low	Growing
Bartenders	20	0	20	25,020	Low	Stable
Bookkeeping, Accounting, and Auditing Clerks	20	10	10	36,440	Low	Growing
Carpenters	20	0	10	42,350	Low	Stable
Cooks, Restaurant	20	0	10	25,460	Low	Growing
Dining Room and Cafeteria Attendants and Bartender Helpers	20	0	20	18,230	Low	Declining
First-Line Supervisors/Managers of Retail Sales Workers	20	0	20	42,470	Low	Stable
Hairdressers, Hairstylists, and Cosmetologists	20	0	10	25,160	Moderate	Growing
Hosts and Hostesses, Restaurant, Lounge, and Coffee Shop	20	0	20	18,370	Low	Declining
Hotel, Motel, and Resort Desk Clerks	20	0	20	30,300	Low	Stable
Maids and Housekeeping Cleaners	20	0	20	21,330	Low	Stable
Maintenance and Repair Workers, General	20	0	20	37,150	Low	Stable
Office Clerks, General	20	10	20	30,690	Low	Growing
Police and Sheriff's Patrol Officers	20	0	20	73,300	Low	Declining
Receptionists and Information Clerks	20	10	20	25,350	Low	Growing
Registered Nurses	20	0	10	59,400	High	Stable
Stock Clerks and Order Fillers	20	0	20	23,330	Low	Declining
Emergency Medical Technicians and Paramedics	10	0	10	31,100	Moderate	Growing
Licensed Practical and Licensed Vocational Nurses	10	0	10	50,000	Moderate	Stable

1. "Growth" and "Replacements" may not add to "Total" due to rounding.
2. High Skills: Associate's degree or higher.
Moderate Skills: Long-term on-the-job training, work experience or post secondary/vocational/technical training.
Low Skills: Short-term or moderate-term on-the-job training, including up to 12 months of on-the-job experience and informal training.
3. INA = Information not available.
Source: NJRWJ, Industry and Occupational Projections and Occupational Employment Statistics (OES) Wage Survey

FAIR SHARE PLAN

Introduction

The preceding Master Plan Housing Plan element has been prepared in accordance with the New Jersey Municipal Land Use Law NJSA 40:55D-28(3), which provides for “a housing plan element, including but not limited to, residential standards and proposals for the construction and improvement of housing.” The Fair Housing Act, NJSA 52:27D-301, provides further that such housing element “shall be designed to achieve the goal of access to affordable housing to meet present and prospective housing needs, with particular attention to low- and moderate-income housing...” Specific information is included regarding population, employment and housing stock characteristics and provisions for compliance with the Fair Housing Act of 1985. The Fair Housing Act mandates that each municipality provide a realistic opportunity for decent housing for low- and moderate-income families to reside within the City, and for the City’s “fair share” of the low- and moderate-income families of the region, at the present time and in the future.

The Sea Isle City Planning Board adopted the Housing Element and Fair Share Plan November 24, 2008. City Council adopted the Housing Element and Fair Share Plan (without a petition to COAH) on December 23, 2008. These documents were filed with COAH on December 30, 2008. Sea Isle’s application was deemed complete by COAH March 16, 2009. However, a petition for certification was not filed within the two-year period allocated by COAH’s rules and the City’s plan was dismissed. The 2008 housing plan describes a rehabilitation program to upgrade existing units, and inclusionary zoning to address the City’s Third Round housing obligation.

Per the Kinsey Report as revised July 2016 and as adjusted pursuant to the Settlement Agreement dated November 13, 2017, Sea Isle has a Third Round Prospective Need of 261 units. Based on the ‘Vacant Land Inventory’ prepared by Maser Consulting dated September 22, 2015, the City has a realistic development potential (RDP) of four (4) units. Subtracting the RDP from the combined Prior Round and Third Round Obligations of 370 units, results in an unmet need of 366 units. This Fair Share Plan provides a “realistic opportunity” for housing development that satisfies Sea Isle’s adjusted affordable housing obligation through a program that includes rehabilitation of substandard units and new construction.

The City’s affordable housing obligation for the period 20015-2025 consists of the following three components.

The Rehabilitation Share for affordable housing is the number of existing housing units as of April 1, 2000, that are both deficient and occupied by households of low or moderate income as determined through the methodology provided in the COAH Third Round Substantive Rules Handbook N.J.A.C. 5:97, Appendix B. COAH has calculated and provided this information for all communities statewide and the Rehabilitation Share for Sea Isle City is two (2) units.

The Prior Round Obligation is a municipality's remaining balance of the prior round's portion of any affordable housing obligation previously assigned by COAH for the 1987 through 1999 cumulative period and is governed by the provisions of N.J.A.C. 5:97, Appendix C. COAH has calculated and provided this information for all communities statewide and the Prior Round Obligation for Sea Isle City for the time period 1987-1999 is one hundred and nine (109) units.

"Prospective Need" is a projection of low and moderate income housing needs for a defined period in the future. The Third Round Prospective Need (1999-2025) for Sea Isle as adjusted by the Settlement Agreement is 261 units.

This Fair Share Plan is intended to satisfy the requirements of the Fair Housing Act (N.J.S.A. 52:27D-301 et seq.), the March 10, 2015 NJ Supreme Court's decision (In re Adoption of N.J.A.C. 5:96 & 5:97 by N.J. Council on Affordable Housing.), and to comply with the Settlement Agreement between the City and the Fair Share Housing Center dated November 13, 2017. Per the Kinsey Report as revised July 2016 and as adjusted pursuant to the Settlement Agreement dated November 13, 2017, Sea Isle has a cumulative affordable housing obligation of 366 units for the period 2015-2025. This Fair Share Plan is intended to be flexible, in order to meet emerging needs and opportunities to provide affordable housing in Sea Isle City.

COAH's Changing Rules and Mt. Laurel IV

The Council on Affordable Housing (COAH) was created in 1985 as the result of a series of New Jersey Supreme Court cases known as the Mount Laurel decisions. The Mount Laurel decisions established that each of the 566 municipalities in the state have a constitutional obligation to provide real housing opportunities for *low-* and *moderate-* income households. COAH is charged with helping all municipalities honor that constitutional obligation.

Up until the Supreme Court decision of March 10, 2015, as an 11-member board appointed by the Governor, COAH was responsible for creating the rules and regulations governing when and how municipalities will provide affordable housing

for low- and moderate-income households. This included creation of housing regions throughout the state, estimating affordable housing needs in each region, apportioning a *fair share* of those needs to each municipality in the region, setting criteria and guidelines for municipalities to address their own fair share numbers, and review of the resulting municipal fair share/housing element plans for compliance with COAH regulations.

While the courts have ruled that every municipality has an obligation to provide affordable housing, New Jersey municipalities are not required to enter the COAH process. This involves developing and filing a Master Plan housing element and a fair share plan. These documents describe how a municipality will provide a realistic opportunity to provide for its COAH fair share of affordable housing for low- and moderate-income households. COAH's failure to adopt Third Round rules consistent with the direction of the Court in 2014 resulted in Mt. Laurel IV, where the Court removed COAH from the process and returned the job of determining constitutional compliance to the trial courts.

According to the Fair Housing Act, municipal land development regulations are entitled to a 10-year presumption of validity against a builders remedy challenge where a local housing element/fair share plan has received either substantive certification from COAH or a Judgment of Compliance and Repose approved by a Court. Since COAH is no longer in operation, only the trial court can determine constitutional compliance, a process that Sea Isle City has invoked with the filing of a declaratory judgment action (DJA).

The Supreme Court endorsed the award of limited grants of immunity under the parameters established in *In re COAH*, provided municipalities are exercising good faith in addressing the obligation. *Mount Laurel IV* held that, as part of the court's review of a Third Round HPE&FSP,

" . . .we authorize . . .a court to provide a town whose plan is under review immunity from subsequently filed challenges during the court's review proceedings, even if supplementation of the plan is required during the proceedings." Id. at 24. "[T]he trial court may enter temporary periods of immunity prohibiting exclusionary zoning actions from proceeding pending the court's determination of the municipality's presumptive compliance with its affordable housing obligation." Id. at 28. (italics added)

The Court established a procedure whereby municipalities could obtain temporary immunity from builder's remedy litigation while the courts established the fair share

obligations and standards for municipal compliance and the municipalities formulated revised housing plans in response thereto. Favoring voluntary compliance, the Court directed the use of processes similar to those previously available through COAH, including conciliation, mediation, and when necessary, special masters. The Court also made clear that municipalities should be given sufficient opportunity to prepare and subsequently supplement fair share plans submitted to the Court.

Summary of Prior Round and Third Round Obligations

COAH originally calculated a cumulative obligation of 147 units for Sea Isle City for the First (1987-1993 and Second (1993-1999) Rounds. Affordable housing obligations assigned to municipalities were recalculated from Prior Round estimates and forecast estimates, based on population and housing data from the 2000 Census and permit activity after 2004.

The failed Third Round rules used a “growth share” methodology, whereby the regional housing need was assigned to communities based on their projected growth. These rules were found lacking because they did not account for regional need assignments and local growth potential was within the control of the municipality, who could choose not to grow.

Both the Appellate Division and the Supreme Court found critical flaws in the Third Round regulations, and in Mt. Laurel IV the Court directed the trial courts to adjudicate the fair share obligation using a methodology “based upon” the Prior Round approach.

Until the trial courts adjudicate the actual fair share obligations, New Jersey municipalities must select a target number for the fair share plan. Due to the uncertainties involved potential court decisions and the desire to prepare an appropriate plan for affordable housing , the City has agreed to a settlement agreement with the Fair Share Housing Center. The Settlement Agreement dated November 13, 2017 contained herein as Appendix A, outlines the elements of a fair share plan that satisfy the City’s adjusted affordable housing obligation of 366 units for the period 2015-2025 via the compliance mechanisms described in the following section.

Proposed Mechanisms to Address Cumulative Need

Sea Isle City has developed a comprehensive planning program employing various mechanisms recognized in Mt. Laurel IV and identified at N.J.A.C. 5:93-1 et seq. to address the City’s affordable housing obligation as described below.

Present Need (Rehabilitation)

The City's efforts to meet its present need include the following: Sea Isle City will create a rehabilitation program to renovate deficient housing units that are occupied by low and moderate income households. The program will be based upon COAH regulations and will be designed to address the City's rehabilitation share of two (2) housing units.

This program will provide municipal rehabilitation investment for hard costs averaging at least \$10,000 per unit, and will include the rehabilitation of a major system. The program will be funded through the City's newly created Affordable Housing Trust Fund. The program will provide funding for owner-occupied and rental units, with 10-year affordability controls established on the units. A *Rehabilitation Manual* that describes procedures and administration of the rehabilitation program in accordance with COAH regulations will be developed by the City. In the event that Cape May County creates a rehabilitation program, the City shall be able to satisfy its obligation through participation in that program. This is sufficient to satisfy the City's present need obligation of two (2) units.

Prior Round and Prospective Need

The City has a realistic development potential (RDP) of 4 units. The RDP of 4, subtracted from the combined Prior Round and Third Round obligation of 370 units, results in an unmet need of 366 units. The City's RDP and unmet need shall be addressed through the following mechanisms.

Age-restricted Zone - The City proposes creating a new age-restricted zone in compliance with the appropriate administrative code requirements for age-restricted housing. The specific parcels comprising the age-restricted zone are illustrated on portions of the City tax map included herein as Appendix B-1 and Appendix B-2. The age-restricted zone will allow for a density of four (4) units per 5,000 square feet, which may be developed either as 100% affordable age-restricted housing, which development the City shall facilitate through municipal actions necessary to support applications for such developments if proposed on these lots and blocks, or as mixed-income age-restricted housing with a 20% affordable housing set-aside. A draft version of the Age-Restricted zone ordinance is included in Appendix F

Overlay Inclusionary Zone - The City proposes an overlay inclusionary zone affecting portions of C3 - Marine Commercial/Industrial District and a portion of the C-2 - Neighborhood Business district as illustrated on Appendix C-1 through Appendix C-5 herein. In the event the City moves forward with the recently adopted

Master Plan and creates a new district C3A – Marina, such district, if created out of the C3 District, shall become part of the overlay and inclusionary district to the extent that any of the inclusionary C3 lots and blocks are moved over to the newly created C3A district.

The inclusionary zone as described above will allow for increased density for residential development and tax incentives, while requiring the provision of at least 16.6% affordable units (one affordable unit for every five (5) market-rate units by the developer). The inclusionary zone will include the following:

- a. For all mixed use/residential development, any developer seeking five (5) units or more shall set aside 16.6% of the units for development as affordable housing units. The developer will be permitted an increase in density from the current allocation of four (4) upper story residential units per each 5,000 square foot lot to six (6) upper story residential units per each 5,000 square foot lot.
- b. Developers providing affordable units will receive tax relief in the form of a lower equalized assessed valuation (EAV) of the affordable units in accordance with the market valuation of the affordable units.
- c. Developers unable to provide 16.6% affordable housing units on-site will have the option of providing the units as family affordable housing units elsewhere in the municipality. In a case when fractional units would be required, a payment-in-lieu of providing the fractional affordable units will be permitted.
- d. The payment-in-lieu amount shall be as recommended by the Council on Affordable Housing formulas, which in the past has resulted in an amount of \$182,859 per unit. This would require any developer who chooses not to, or is not able to provide all or part of the required affordable units on-site to make a payment to the City in the amount of \$182,859 per unit, to be deposited into the City's Affordable Housing Trust Fund. The affordable housing requirement shall not be rounded.
- e. All fees collected pursuant to the inclusionary zoning herein contemplated shall be part of the City's Affordable Housing Trust Fund, and will be available for assistance with affordable housing programs, in accordance with the Spending Plan.
- f. The City shall make zoning bulk requirements changes to accommodate the additional units as deemed necessary by the City in conjunction with advice from the City Planning Board and the City Planner.

- g. All affordable units shall meet or shall be improved to meet UCC requirements and shall be certified to be in standard condition prior to their conveyance or occupancy.
- h. There shall be certain exemptions and exceptions to the above inclusionary zoning requirements as noted herein.
 - 1. Developments that have received preliminary or final site plan approval prior to the adoption of the City's Inclusionary Zoning Ordinance shall be exempt from the requirement, unless the developer seeks a substantial change in the approval. Where a site plan approval does not apply, a zoning and/or building permit shall be synonymous with preliminary or final site plan approval for this purpose.
 - 2. Residential development in the inclusionary zoning district on individual or combined lots smaller than 5,000 square feet in size will be exempt from the affordable unit requirements or payment-in-lieu requirement, but shall be required to pay an affordable housing development fee pursuant to the City's Development Fee Ordinance. Language shall be included in the ordinance to explicitly preclude developers, for example, from subdividing a property resulting in lot sizes just below the minimum requirement.
 - 3. Single-family detached and side-by-side condominium (2 units) developments shall be exempt from the affordable unit requirement and payment-in-lieu requirement and shall be exempt from payment of development fees pursuant to the City's Development Fee Ordinance. Language shall be included in the ordinance to explicitly address that developers cannot, for example, subdivide a project into multiple lots and then make each of them a separate development of single family or side-by-side condominiums.
 - 4. Residential developments that are planned to produce an affordable housing set-aside in accordance with the Inclusionary Zoning Ordinance or that include only low and moderate income housing units shall be exempt from payment of residential development fees pursuant to the Development Fee Ordinance.

Development in the overlay inclusionary zoning district will be governed by the inclusionary zoning ordinance, a draft of which is included in Appendix D.

Mandatory Set-aside for New Multi-family Development - As an additional mechanism to address unmet need, the City will adopt a mandatory set-aside ordinance in a form satisfactory to Fair Share Housing Center and the Special Master, so as to establish zoning standards that provide for an inclusionary zoning requirement on future multifamily development of five (5) or more units in the City, other than such development permitted by the City's zoning as of the date of execution of this agreement, developed through planning board approval, zoning board approval, redevelopment or rehabilitation plan that includes the following provisions:

- a. A set-aside of at least fifteen (15) percent of all units in rental developments as affordable, and twenty (20) percent of all units in for-sale developments as affordable, with at least fifty (50) percent of the units in each development being affordable to low-income households including thirteen (13) percent in rental developments affordable to very-low-income households;
- b. All such affordable units shall include the required bedroom distribution, be governed by controls on affordability and affirmatively marketed in conformance with the Uniform Housing Affordability Controls ("UHAC"), N.J.A.C. 5:80-26.1 et. seq. or any successor regulation, and all other applicable law, and including; and
- c. Controls to explicitly preclude developers, for example, from subdividing a property resulting in lot sizes just below the minimum requirement. This ordinance will not give any developer the right to any such rezoning, variance or other relief, or establish any obligation on the part of the City to grant such rezoning, variance, or other relief.

Very-low Income Units - Thirteen (13) percent of all units referenced in this plan, with the exception of units constructed as of July 1, 2008, and units subject to preliminary or final site plan approval, to be very low income units, with half of the very low income units being available to families, through incorporating a requirement for 13% of the affordable units produced in each site subject to the overlay zones referenced above to be very-low-income units.

The Third Round Prospective Need (261 units) shall be subject to the following standards.

- a. Third Round bonuses will be applied in accordance with N.J.A.C. 5:93-5.15(d).
- b. At least fifty (50) percent of the units addressing the Third Round Prospective Need shall be affordable to very-low-income and low-income households with the remainder affordable to moderate-income households.
- c. At least twenty-five (25) percent of the Third Round Prospective Need shall be met through rental units, including at least fifty (50) percent in rental units available to families.
- d. Rental bonus credits are to be provided pursuant to N.J.A.C. 5:93-5.15(d), as follows:
 1. A municipality shall receive two units (2.0) of credit for rental units available to the general public up to the 25% rental obligation.
 2. A municipality shall receive one and one-third (1 .33) units of credit for age restricted rental units except that no more than 50 percent of the rental obligation shall receive a bonus for age restricted rental units unless:
 - (a) The rental units have been constructed prior N.J.A.C. 5:93-to the effective date of this rule;
 - (b) The development has valid approval from the municipality and the developer remains committed to building rental housing as of June 1994; or
 - (c) The substantive certification time limit for constructing the rental units has not expired.
 3. No rental bonus shall be granted for rental units in excess of the rental obligation.
- e. At least fifty (50) percent of the units addressing the Third Round Prospective Need in total must be available to families.
- f. The cap on age-restricted units is 25% of the obligation as indicated in N.J.A.C. 5:93-5.14. This shall be understood to mean that in no

circumstance may the municipality claim credit toward its fair share obligation for age-restricted units that exceed 25% of all units developed or planned to meet its cumulative prior round and third round fair share obligation. N.J.A.C. 5:93-5.15(d) 2. provides that: "A municipality shall receive one-and-one-third (1 .33) units of credit for age restricted rental units" not to exceed 50% of the rental obligation unless the rental units were constructed prior to the effective date of this rule.

Affirmative Marketing - The City shall add to the list of community and regional organizations in its affirmative marketing plan, pursuant to N.J.A.C. 5:80-26.15(f)(5), Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, and the Cape May County, Mainland/Pleasantville, and Atlantic City Branches of the NAACP, and shall, as part of its regional affirmative marketing strategies during its implementation of this plan, provide notice to those organizations of all available affordable housing units. The City also agrees to require any other entities, including developers or persons or companies retained to do affirmative marketing, to comply with this paragraph.

Bedroom Distribution - All units shall include the required bedroom distribution, be governed by controls on affordability and affirmatively marketed in conformance with the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et. seq. or any successor regulation, with the exception that in lieu of ten (10) percent of affordable units in rental projects being required to be at thirty-five (35) percent of median income, thirteen (13) percent of affordable units in such projects shall be required to be at thirty (30) percent of median income, and all other applicable law. The City shall adopt and/or update appropriate implementing ordinances in conformance with standard ordinances and guidelines developed by COAH to ensure that this provision is satisfied.

All new construction units shall be adaptable in conformance with P.L.2005, c.350/N.J.S.A. 52:27D-311a and -311b and all other applicable law.

City Information

Sea Isle City is located in Cape May County, on Ludlam Island, which also contains the Strathmere section of Upper Township. It is part of the Ocean City Metropolitan Statistical Area. As of the 2010 United States Census, the city's population was 2,114, reflecting a decline of 721 (-25.4%) from the 2,835 counted in the 2000 Census, which

had in turn increased by 143 (+5.3%) from the 2,692 counted in the 1990 Census. Visitors raise the population to as much as 40,000 during the peak summer season from Memorial Day to Labor Day. Sea Isle City is a beach town with most of its housing used for vacation rentals and second homes. It has a 1.5-mile beachfront promenade and several arcades, shops, restaurants and bars in the center of town. The epicenter of the town is 48th Street.

The 2010 Census reports a population density of 974.5 per square mile and 6,900 housing units. The racial makeup of the city was predominantly white (98.63%), and there were 1,041 households, of which 9.8% had children under the age of 18 living with them, and the average household size was 2.03. In the city, 10.7% of the population were under the age of 18, 6.1% from 18 to 24, 13.2% from 25 to 44, 37.6% from 45 to 64, and 32.3% who were 65 years of age or older. The median age was 58.1 years.

The Census Bureau's 2009-2013 American Community Survey showed per capita income for the City is \$42,953, up from \$28,754 in 1999. Median income of households is \$56,788 (\$45,708 in 1999), and \$64,318 for families (62,847 in 1999). The data also indicates that 8.4 percent (7.6 percent in 1999) of the population and 3.8 percent (6.4 percent in 1999) of families in the City have incomes below poverty level. The 2013 ACS estimates that the income for fifty-two percent of households is between \$50,000 and \$150,000.

According to the Census, the City has a total area of 2.531 square miles, including 2.169 square miles of land and 0.362 square miles of water (14.31%). Sea Isle City borders Upper Township, Dennis Township, Middle Township, Avalon Borough, and the Atlantic Ocean.

Planning Areas

According to the State Development and Redevelopment Plan (the State Plan or SDRP), Sea Isle City is designated as an Environmentally Sensitive/Barrier Island Planning Area (PA-5), and petitioned the Office of Smart Growth (Department of Community Affairs) in 2007 for designation as a Town Center; which would afford Sea Isle City increased opportunities for Smart Growth Planning under the SDRP guidelines. The Town Center designation is generally targeted at; "traditional designated centers of commerce or government throughout New Jersey, with diverse residential neighborhoods served by a mixed-use Core offering locally oriented goods and services."

City Master Plan and Municipal Concurrence with State Plan Vision Statement

The 2001 State Plan contains the following Vision Statement for Housing:

Preserve and expand the supply of safe, decent and reasonably priced housing by balancing land uses, housing types, and housing costs and by improving access between jobs and housing. Promote low-and moderate-income and affordable housing through code enforcement, housing subsidies, community-wide housing approaches and coordinated efforts with the New Jersey Council on Affordable Housing.

This Fair Share Plan is consistent with the State Plan vision for affordable housing.

Existing Affordable Housing Units in Sea Isle City

Through the former Sea Isle City Housing Authority (SICHA), a number of housing vouchers (Section 8 vouchers) were administered. Currently, the Section 8 vouchers are administered by the New Jersey Department of Community Affairs office in Cape May Court House. There are currently Section 8 vouchers, age-restricted developments, group homes, assisted living facilities or other inclusionary housing districts within the City.

Funding Mechanisms

In order to meet the City's current and future affordable housing needs, Sea Isle City has identified funding mechanisms. These mechanisms are described below.

Affordable Housing Trust Fund

Sea Isle City will establish an Affordable Housing Trust Fund to govern the funds required to meet the low and moderate income housing needs in the City. The Affordable Housing Trust Fund will include funds collected through payment in lieu of constructing affordable units in inclusionary zone, residential and non-residential development fees, proceeds from sale of affordable units, rental income, and any other funds collected by the City in connection with affordable housing programs.

Following COAH certification, the City will impose, collect and spend these funds to provide and maintain affordable housing in the City, in accordance with the spending plan included with this Fair Share Plan. The Affordable Housing Trust Fund will be created and maintained in accordance with COAH regulations (N.J.A.C. 5:97-8), in the form of a separate, interest-bearing account.

Development Fees

In order to meet the City's affordable housing needs, all development on residential properties not included in the inclusionary overlay zoning district and except as specifically exempted, and all non-residential development within the City, will incur a development fee. The City's draft development fee ordinance is included as Appendix F, and is summarized below.

Residential development fee

- All development on properties not included in the inclusionary overlay zoning district, except for developments specifically exempted, will incur a development fee equal to one and one half percent (1.5) of EAV, provided no increased density is permitted.
- When increase in residential density is permitted ("d" variance), a development fee of six (6) percent of EAV will be imposed, for each additional unit that is part of a mixed-use development.
- Development fees will be imposed on the construction of new residential development that results in additional units. New construction fees will be based on the EAV and will be based on the increase in EAV that results from the additional units.
- Eligible exactions, ineligible exactions and exemptions for residential development.
 - All detached single-family dwelling and side-by-side condominium (2-unit) development.
 - Affordable housing developments and developments where the developer has made a payment in lieu of on-site construction of affordable units shall be exempt from development fees.
 - Developments that have received preliminary or final site plan approval prior to the adoption of a municipal development fee ordinance shall be exempt from development fees, unless the developer seeks a substantial change in the approval. Where a site plan approval does not apply, a zoning and/or building permit shall be synonymous with preliminary or final site plan approval

for this purpose. The fee percentage shall be vested on the date that the building permit is issued.

- Development fees shall be imposed and collected when an existing structure undergoes a change to a more intense use, is demolished and replaced, or is expanded, if the expansion is not otherwise exempt from the development fee requirement. The development fee shall be calculated on the increase in the equalized assessed value of the improved structure.
- Within the inclusionary zoning overlay district, residential developers shall be exempt from paying a development fee if they fulfill their affordable housing requirement or have made an equivalent payment in lieu of construction of affordable housing units.
- Residential development by an educational/nonprofit institution that is not constructed for new or additional full-time or equivalent employees of said institution shall be exempt from paying development fees. Examples of this type of construction would be dormitories and other types of student housing.

Non-residential development fee

- Within all zoning districts, non-residential development, except for types of development specifically exempted, will incur a fee equal to two and one-half (2.5) percent of EAV of the land and improvements, in accordance with the State comprehensive affordable housing reform bill P.L.2008, c.46.
- All non-residential development, not specifically exempt, will incur the development fee resulting from any additions to existing structures; and when an existing structure is demolished and replaced. The fees will be based on increase in EAV in case of additions and alterations.
- Eligible exactions, ineligible exactions and exemptions for non-residential development.

- The non-residential portion of a mixed-use inclusionary or market rate development shall be subject to the two and a half (2.5) percent development fee, unless otherwise exempted below.
- The 2.5 percent fee shall not apply to an increase in equalized assessed value resulting from alterations, change in use within existing footprint, reconstruction, renovations and repairs.
- Non-residential developments shall be exempt from the payment of non-residential development fees in accordance with the exemptions required pursuant to P.L.2008, c.46, as specified in the Form N-RDF “State of New Jersey Non-Residential Development Certification/Exemption” Form. Any exemption claimed by a developer shall be substantiated by that developer.
- A developer of a non-residential development exempted from the non-residential development fee pursuant to P.L.2008, c.46 shall be subject to it at such time the basis for the exemption no longer applies, and shall make the payment of the non-residential development fee, in that event, within three years after that event or after the issuance of the final certificate of occupancy of the non-residential development, whichever is later.

If a property, which was exempted from the collection of a non-residential development fee thereafter, ceases to be exempt from property taxation, the owner of the property shall remit the fees required pursuant to this section within 45 days of the termination of the property tax exemption. Unpaid non-residential development fees under these circumstances may be enforceable by Sea Isle City as a lien against the real property of the owner

Payment-in-Lieu Fees

Residential development within the inclusionary overlay zoning district will be eligible to make payment in lieu of providing all or part of their affordable housing requirement, as described in the preceding sections. These fees will be part of the City’s Affordable Housing Trust Fund, and will be available for assistance with affordable housing programs, in accordance with the spending plan.

Other Funds

In addition to development fees and payment in lieu fees, the Affordable Housing Trust Fund will be designed to collect and manage any funds arising from sale of affordable units, rental income, or similar funds collected by the City in connection with affordable housing programs.

The City will also explore other external State level and Federal level funding sources, such as the New Jersey Affordable Housing Trust Fund Balanced Housing Program, to aid the provision of affordable housing within the City.

Spending Plan

Sea Isle City has created a spending plan to allocate the spending of Affordable Housing Trust Funds. The spending plan includes a projection of revenues, administrative mechanism used to collect and distribute revenues, anticipated use of funds, and a schedule of expenditure. The plan also addresses shortfall or excess of Affordable Housing Trust Funds. According to the spending plan, the City is projected to collect a total of \$1,658,127 in revenues during the 2019-2025 period. These funds will be available for affordable housing programs in the City. A draft spending plan is included as Appendix G.

Conclusion

Sea Isle City is a compact, densely built barrier island community with limited land available for new construction. The goals of the City's Master Plan indicate a strong desire to protect the City's environmental resources, increase/concentrate commercial activity in the downtown area, and reduce summer traffic congestion. Along with these goals, the City recognizes that it has a responsibility to address affordable housing in accordance with the COAH regulations.

Based upon the analysis presented, Sea Isle City has a cumulative affordable housing obligation of 366 units. This plan recommends a rehabilitation program to address the City's its Present Need (2 units), and establishes an inclusionary overlay zoning district, and an age-restricted zone which include a set-aside for affordable housing units to address the new construction component.

Furthermore, the plan also includes development fees, equal to 1.5 percent of EAV for non-exempt residential development outside of the inclusionary zone, and 2.5 percent of EAV for all non-residential development within the City. These funds will be part of the Affordable Housing Trust Fund that in conjunction with the

Spending Plan will manage the financing of all affordable housing programs and projects in the City.

Appendix A – Settlement Agreement, November 14, 2017

Terms of Settlement Agreement

Sea Isle City and Fair Share Housing Center have agreed to the following terms:

1. FSHC agrees that the City, through the adoption of a Housing Element and Fair Share Plan consistent with this Agreement in the timetable specified herein, and the implementation of that Plan and this agreement, satisfies its obligations under the Mount Laurel doctrine and Fair Housing Act of 1985, N.J.S.A. 52:27D-301 et seq., for the Prior Round (1987-1999) and Third Round (1999-2025).
2. At this time and at this particular point in the process resulting from the Supreme Court's Mount Laurel IV decision, when fair share obligations have yet to be definitively determined, it is appropriate for the parties to arrive at a settlement regarding a municipality's Third Round present and prospective need instead of doing so through plenary adjudication of the present and prospective need.
3. FSHC and Sea Isle City hereby agree that Sea Isle City's affordable housing obligations are as follows:

Rehabilitation Share (per Kinsey Report ¹)	2
Prior Round Obligation (pursuant to <u>N.J.A.C. 5:93</u>)	109
Third Round (1999-2025) Prospective Need (per Kinsey Report, as adjusted through this settlement agreement)	261
TOTAL	372

4. The City's efforts to meet its present need include the following: Sea Isle City will create a rehabilitation program to renovate deficient housing units that are occupied by low and moderate income households. The program will be based upon COAH regulations and will be designed to address the City's rehabilitation share of two (2) housing units.

This program will provide municipal rehabilitation investment for hard costs averaging at least \$10,000 per unit, and will include the rehabilitation of a major system. The program will be funded through the City's newly created Affordable Housing Trust Fund. The program will provide funding for owner-occupied and rental units, with 10-year affordability controls established on the units. A Rehabilitation Manual that describes procedures and administration of the rehabilitation program in accordance with COAH regulations will be developed by the City. In the event that Cape May County creates a rehabilitation program, the City shall be able to satisfy its obligation through participation in that program. This is sufficient to satisfy the City's present need obligation of 2 units.

5. The City, as calculated in Exh. A, has a realistic development potential (RDP) of 4 units. The RDP of 4, subtracted from the combined Prior Round and Third Round

¹ David N. Kinsey, PhD, PP, FAICP, NEW JERSEY LOW AND MODERATE INCOME HOUSING OBLIGATIONS FOR 1999-2025 CALCULATED USING THE NJ COAH PRIOR ROUND (1987-1999) METHODOLOGY, May 2016.

obligation of 370 units, results in an unmet need of 366 units. The City's RDP and unmet need shall be addressed through the following mechanisms, which will be more fully described in the City's final fair share plan.

The City proposes creating a new zoning district that being an age restricted zone in compliance with the appropriate administrative code requirements for age restricted housing. The specific areas, lots, and blocks of the age restricted zone are attached to this Agreement as Exhibit B. The age-restricted zone will allow for a density of 4 units per 5,000 square feet, which may be developed either as 100% affordable age-restricted housing, which development the City shall facilitate through municipal actions necessary to support applications for such developments if proposed on these lots and blocks, or as mixed-income age-restricted housing with a 20% set-aside.

The City proposes an overlay inclusionary zone affecting portions of C3 – Marine commercial/industrial District and a portion of the C-2 – neighborhood business district as attached to this Agreement as Exhibit C. In the event the City moves forward with the recently adopted Master Plan and creates a new district C3A – marina, such district, if created out of the C3 District, shall become part of the overlay and inclusionary district to the extent that any of the inclusionary C3 lots and blocks are moved over to the newly created C3A district.

The following Blocks and Lots shall be the inclusionary zone as graphically depicted in the exhibits.

Block 37.07, Lots 1, 1.01, 2, 3, 4, 5, 5.01, 6.01, 6.02, 6.03, 6.04, 7, 7.01, 8, 9.01, 9.02, 9.03, 9.04, 10, 10.01, 11, 12, 13, 13.01, 13.02, 14, 15.01, 15.02, 16, 17, 18, and 19

Block 38.06, Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, and 22

Block 38.07, Lots 1, 2, 3, 4.01, 4.02, 5.01, 5.02, 6.01, 6.02, 7, 8, 9, and 10.01

Block 39.06, Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, and 22

Block 39.07, Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10

Block 40.07, Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10

Block 41.04, Lots 1, 2, 3.01, and 3.02

Block 42.05, Lots 1, 2.01, 2.02, 3, 4.01, 4.02, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, and 43

Block 42.06, Lots 1, 2, 3.01, 3.02, 4, 5.01, 5.02, 6, 7.01, 7.02, 8, 9, 10, 11.01, 11.02, 12, 13, 15, 16, 17.01, 17.02, 18, 19.01, 19.02, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, and 40

Block 43.04, Lots 1, 2, 17.01, 18.01, 19.01, and 20.01

Block 43.05, Lots 1.01, 1.02, 1.03, 2.01, 2.02, 2.03, 3.01, 3.02, 3.03, 4.01, 4.02, and 4.03

Block 44.03, Lots 1, 2, 3, 4, 5, 13, 14, 15, 16, 17, and 18

Block 58.02, Lots 1281, 1282, 1283, 1284, 1285.01, 1285.02, 1286.01, 1286.02, 1287.01, 1287.02, 1288.01 and 1288.02

Block 59.03, Lots 14.01, 14.02, 15.01, 15.02, 29.01, 29.02, 30.01, and 30.02

Block 60.03, Lots 17 and 26.10

Block 61.03, Lot 26.09

Block 85.04, Lots 24.01, 24.02, 25, 26.01, and 26.02

Block 86.02, Lot 14.02 and 15
Block 86.03, Lot 1.01, 1.02, 1.03, 2.01, 2.02, 3, 4, 5, 6, and 18.01
Block 86.03, Lot 29
Block 86.04, Lots 1.01 and 4.01
Block 88.03, Lots 1.02, 2, 2.01, 4.01, 4.02, 4.03, 4.04, 4.05, 5, 5.01, and 13.01
Block 88.04, Lots 1.01, 1.02, 2.01, and 2.02
Block 89.03, Lots 6, 7, 8, 9, 10, 26, 27, 28, 29, and 30.01

The inclusionary zone as described above will allow for increased density for residential development and tax incentives, while requiring the provision of at least 16.6% affordable units (one affordable unit for every 5 market rate units by the developer). The inclusionary zone will include the following:

- a. For all mixed use/residential development, any developer seeking five units or more shall set aside 16.6% of the units for development as affordable housing units. The developer will be permitted an increase in density from the current allocation of four upper story residential units per each 5000 ft.² lot to an increased density allowing six upper story residential units per each 5000 ft.² lot.
- b. Developers providing affordable units will receive tax relief in form of a lower equalized assessed valuation (EAV) of the affordable units in accordance with the market valuation of the affordable units.
- c. Developers unable to provide 16.6% affordable housing units on site will have the option of providing the units as family affordable housing units elsewhere in the municipality. In a case when fractional units would be required, a payment in lieu of providing the fractional affordable units will be permitted.
- d. The payment in lieu amount shall be as recommended by the Council on Affordable Housing formulas, which in the past has resulted in an amount of \$182,859 per unit. This would require any developer who chooses not to, or is not able to provide all or part of the required affordable units to make a payment to the City in the amount of \$182,859 per unit, to be deposited into the City's Affordable Housing Trust Fund. The affordable housing requirement shall not be rounded.
- e. Any fees collected pursuant to the inclusionary zoning herein contemplated shall be part of the City's Affordable Housing Trust Fund, and will be available for assistance with affordable housing programs, in accordance with the spending plan.
- f. The City shall make zoning bulk requirements changes to accommodate the additional units as deemed necessary by the City in conjunction with advice from the City Planning Board and the City Planner.
- g. All affordable units shall meet or shall be improved to meet UCC requirements and shall be certified to be in standard condition prior to their conveyance or occupancy.
- h. There shall be certain exemptions and exceptions as noted herein.

1. Developments that have received preliminary or final site plan approval prior to the adoption of the City's Inclusionary Zoning Ordinance shall be exempt from the requirement, unless the developer seeks a substantial change in the approval. Where a site plan approval does not apply, a zoning and/or building permit shall be synonymous with preliminary or final site plan approval for this purpose.
2. Residential development in the inclusionary zoning district on individual or combined lots smaller than 5000 ft.² in size will be exempt from the affordable unit requirements or payment in lieu requirement, but shall be required to pay an affordable housing development fee pursuant to the City's Development Fee Ordinance. Language shall be included in the Ordinance to explicitly address that developers cannot, for example, subdivide a project into two lots and then make each of them a square footage just below the threshold.
3. Single family and side-by-side condominium (2 units) developments shall be exempt from the affordable unit requirement and payment in lieu requirement and shall be exempt from payment into the affordable housing development fee pursuant to the City's Development Fee Ordinance. Language shall be included in the Ordinance to explicitly address that developers cannot, for example, subdivide a project into multiple lots and then make each of them a separate development of single family or side-by-side condominiums.
4. Residential developments that are planned to produce an affordable housing set aside in accordance with the Inclusionary Zoning Ordinance or that include only low and moderate-income housing units shall be exempt from payment of residential development fees pursuant to the Development Fee Ordinance.

As an additional mechanism to address unmet need, the City will adopt a mandatory set-aside ordinance in a form satisfactory to FSHC and the Special Master, so as to establish zoning standards that provide for an inclusionary zoning requirement on future multifamily development of five (5) or more units in the City, other than such development permitted by the City's zoning as of the date of execution of this agreement, developed through planning board approval, zoning board approval, redevelopment or rehabilitation plan requiring a set-aside of at least 15 percent of all units in rental developments as affordable, and 20 percent of all units in for-sale developments as affordable, with at least 50 percent of the units in each development being affordable to low-income households including 13 percent in rental developments affordable to very-low-income households, with all such affordable units including the required bedroom distribution, be governed by controls on affordability and affirmatively marketed in conformance with the Uniform Housing Affordability Controls ("UHAC"), N.J.A.C. 5:80-26.1 et. seq. or any successor regulation, and all other applicable law. Language shall be included in the Ordinance to explicitly address that developers cannot, for example, subdivide a project into two lots and then make each of them a number of units just below the threshold. This ordinance does not give any developer the right to any such rezoning, variance or other relief, or establish any obligation on the part of the City to grant such rezoning, variance, or other relief.

6. The City agrees to require 13% of all units referenced in this plan, with the exception of units constructed as of July 1, 2008, and units subject to preliminary or final site

- plan approval, to be very low income units, with half of the very low income units being available to families, through incorporating a requirement for 13% of the affordable units produced in each site subject to the overlay zones referenced above to be very-low-income units.
7. The City shall meet its Third Round Prospective Need in accordance with the following standards as agreed to by the Parties and reflected in the table in paragraph 6 above:
 - a. Third Round bonuses will be applied in accordance with N.J.A.C. 5:93-5.15(d).
 - b. At least 50 percent of the units addressing the Third Round Prospective Need shall be affordable to very-low-income and low-income households with the remainder affordable to moderate-income households.
 - c. At least twenty-five percent of the Third Round Prospective Need shall be met through rental units, including at least half in rental units available to families.
 - d. At least half of the units addressing the Third Round Prospective Need in total must be available to families.
 - e. The City agrees to comply with an age-restricted cap of 25% and to not request a waiver of that requirement. This shall be understood to mean that in no circumstance may the municipality claim credit toward its fair share obligation for age-restricted units that exceed 25% of all units developed or planned to meet its cumulative prior round and third round fair share obligation.
 8. The City shall add to the list of community and regional organizations in its affirmative marketing plan, pursuant to N.J.A.C. 5:80-26.15(f)(5), Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, and the Cape May County, Mainland/Pleasantville, and Atlantic City Branches of the NAACP, and shall, as part of its regional affirmative marketing strategies during its implementation of this plan, provide notice to those organizations of all available affordable housing units. The City also agrees to require any other entities, including developers, persons, or companies retained to do affirmative marketing, to comply with this paragraph.
 9. All units shall include the required bedroom distribution, be governed by controls on affordability and affirmatively marketed in conformance with the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et. seq. or any successor regulation, with the exception that in lieu of 10 percent of affordable units in rental projects being required to be at 35 percent of median income, 13 percent of affordable units in such projects shall be required to be at 30 percent of median income, and all other applicable law. The City as part of its HEFSP shall adopt and/or update appropriate implementing ordinances in conformance with standard ordinances and guidelines developed by COAH to ensure that this provision is satisfied.
 10. All new construction units shall be adaptable in conformance with P.L.2005, c.350/N.J.S.A. 52:27D-311a and -311b and all other applicable law.

11. As an essential term of this settlement, no later than May 1, 2018, the City shall introduce and adopt an updated Housing Element and Fair Share Plan and Spending Plan that conforms to the terms of this agreement and introduce and adopt an ordinance providing for the amendment of the City's Affordable Housing Ordinance and Zoning Ordinance to implement the terms of this settlement agreement and the zoning contemplated herein.
12. The parties agree that if a decision of a court of competent jurisdiction in Cape May County, or a determination by an administrative agency responsible for implementing the Fair Housing Act, or an action by the New Jersey Legislature, would result in a calculation of an obligation for the City for the period 1999-2025 that would be lower by more than twenty (20%) percent than the total prospective Third Round need obligation established in this agreement, and if that calculation is memorialized in an unappealable final judgment, the City may seek to amend the judgment in this matter to reduce its fair share obligation accordingly. Notwithstanding any such reduction, the City shall be obligated to implement the fair share plan attached hereto, including by leaving in place any site specific zoning adopted or relied upon in connection with the Plan approved pursuant to this settlement agreement; taking all steps necessary to support the development of any 100% affordable developments referenced herein; maintaining all mechanisms to address unmet need; and otherwise fulfilling fully the fair share obligations as established herein. The reduction of the City's obligation below that established in this agreement does not provide a basis for seeking leave to amend this agreement or seeking leave to amend an order or judgment pursuant to R. 4:50-1. If the City prevails in reducing its prospective need for the Third Round, the City may carry over any resulting extra credits to future rounds in conformance with the then-applicable law.
13. The City will prepare a revised spending plan no later than May 1, 2018 for submission to the Court and FSHC for review and approval. The City reserves the right to request the Court's approval that the expenditures of funds under the revised spending plan constitute "commitment" for expenditure pursuant to N.J.S.A. 52:27D-329.2 and -329.3, with the four-year time period for expenditure designated pursuant to those provisions beginning to run with the entry of a final judgment approving this settlement in accordance with the provisions of In re Tp. Of Monroe, 442 N.J. Super. 565 (Law Div. 2015) (aff'd 442 N.J. Super. 563). On the first anniversary of the execution of this agreement, and every anniversary thereafter through the end of this agreement, the City agrees to provide annual reporting of trust fund activity to the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services, or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services. The reporting shall include an accounting of all housing trust fund activity, including the source and amount of funds collected and the amount and purpose for which any funds have been expended.
14. On the first anniversary of the execution of this agreement, and every anniversary thereafter through the end of this agreement, the City agrees to provide annual reporting of the status of all affordable housing activity within the municipality through posting on the municipal website with a copy of such posting provided to Fair Share

Housing Center, using forms previously developed for this purpose by the Council on Affordable Housing or any other forms endorsed by the Special Master and FSHC.

15. The Fair Housing Act includes two provisions regarding action to be taken by the City during the ten-year period of protection provided in this agreement. The City agrees to comply with those provisions as follows:
 - a. For the midpoint realistic opportunity review due on July 1, 2020, as required pursuant to N.J.S.A. 52:27D-313, the City will post on its municipal website, with a copy provided to Fair Share Housing Center, a status report as to its implementation of its Plan and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity and whether any mechanisms to meet unmet need should be revised or supplemented. Such posting shall invite any interested party to submit comments to the municipality, with a copy to Fair Share Housing Center, regarding whether any sites no longer present a realistic opportunity and should be replaced and whether any mechanisms to meet unmet need should be revised or supplemented. Any interested party may by motion request a hearing before the court regarding these issues after reasonable attempts at mediation.
 - b. For the review of very low income housing requirements required by N.J.S.A. 52:27D-329.1, within 30 days of the third anniversary of this agreement, and every third year thereafter, the City will post on its municipal website, with a copy provided to Fair Share Housing Center, a status report as to its satisfaction of its very low income requirements, including the family very low income requirements referenced herein. Such posting shall invite any interested party to submit comments to the municipality and Fair Share Housing Center on the issue of whether the municipality has complied with its very low income housing obligation under the terms of this settlement.
16. FSHC is hereby deemed to have party status in this matter and to have intervened in this matter as a defendant without the need to file a motion to intervene or an answer or other pleading. The parties to this agreement agree to request the Court to enter an order declaring FSHC is an intervenor, but the absence of such an order shall not impact FSHC's rights.
17. This settlement agreement must be approved by the Court following a fairness hearing as required by Morris Cty. Fair Hous. Council v. Boonton Twp., 197 N.J. Super. 359, 367-69 (Law Div. 1984), aff'd o.b., 209 N.J. Super. 108 (App. Div. 1986); East/West Venture v. Borough of Fort Lee, 286 N.J. Super. 311, 328-29 (App. Div. 1996). The City shall present its planner as a witness at this hearing. FSHC agrees not to challenge the attached Plan (Exh. A) at the fairness hearing. In the event the Court approves this proposed settlement, the parties contemplate the municipality will receive "the judicial equivalent of substantive certification and accompanying protection as provided under the FHA," as addressed in the Supreme Court's decision in In re N.J.A.C. 5:96 & 5:97, 221 N.J. 1, 36 (2015). The "accompanying protection" shall remain in effect through July 1, 2025. If the settlement agreement is rejected by the Court at a fairness hearing, it shall be null and void.

18. If an appeal is filed of the Court's approval or rejection of the Settlement Agreement, the Parties agree to defend the Agreement on appeal, including in proceedings before the Superior Court, Appellate Division and New Jersey Supreme Court, and to continue to implement the terms of the Settlement Agreement if the Agreement is approved before the trial court unless and until an appeal of the trial court's approval is successful at which point, the Parties reserve their right to rescind any action taken in anticipation of the trial court's approval. All Parties shall have an obligation to fulfill the intent and purpose of this Agreement.
19. This settlement agreement may be enforced through a motion to enforce litigant's rights or a separate action filed in Superior Court, Cape May County, after reasonable attempts at mediation.
20. Unless otherwise specified, it is intended that the provisions of this Agreement are to be severable. The validity of any article, section, clause or provision of this Agreement shall not affect the validity of the remaining articles, sections, clauses or provisions hereof. If any section of this Agreement shall be adjudged by a court to be invalid, illegal, or unenforceable in any respect, such determination shall not affect the remaining sections.
21. This Agreement shall be governed by and construed by the laws of the State of New Jersey.
22. This Agreement may not be modified, amended or altered in any way except by a writing signed by each of the Parties.
23. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same Agreement.
24. The Parties acknowledge that each has entered into this Agreement on its own volition without coercion or duress after consulting with its counsel, that each party is the proper person and possess the authority to sign the Agreement, that this Agreement contains the entire understanding of the Parties and that there are no representations, warranties, covenants or undertakings other than those expressly set forth herein.
25. Each of the Parties hereto acknowledges that this Agreement was not drafted by any one of the Parties, but was drafted, negotiated and reviewed by all Parties and, therefore, the presumption of resolving ambiguities against the drafter shall not apply. Each of the Parties expressly represents to the other Parties that: (i) it has been represented by counsel in connection with negotiating the terms of this Agreement; and (ii) it has conferred due authority for execution of this Agreement upon the persons executing it.
26. Any and all Exhibits and Schedules annexed to this Agreement are hereby made a part of this Agreement by this reference thereto. Any and all Exhibits and Schedules now and/or in the future are hereby made or will be made a part of this Agreement with prior written approval of both Parties.

27. This Agreement constitutes the entire Agreement between the Parties hereto and supersedes all prior oral and written agreements between the Parties with respect to the subject matter hereof except as otherwise provided herein.
28. No member, official or employee of the City shall have any direct or indirect interest in this Settlement Agreement, nor participate in any decision relating to the Agreement, which is prohibited by law, absent the need to invoke the rule of necessity.
29. Anything herein contained to the contrary notwithstanding, the effective date of this Agreement shall be the date upon which all of the Parties hereto have executed and delivered this Agreement.
30. All notices required under this Agreement ("Notice[s]") shall be written and shall be served upon the respective Parties by certified mail, return receipt requested, or by a recognized overnight or by a personal carrier. In addition, where feasible (for example, transmittals of less than fifty pages) shall be served by facsimile or e-mail. All Notices shall be deemed received upon the date of delivery. Delivery shall be affected as follows, subject to change as to the person(s) to be notified and/or their respective addresses upon ten (10) days' notice as provided herein:

TO FSHC: Adam M. Gordon, Esq.
Fair Share Housing Center
510 Park Boulevard
Cherry Hill, NJ 08002
Phone: (856) 665-5444
Telecopier: (856) 663-8182
E-mail: adamgordon@fairsharehousing.org

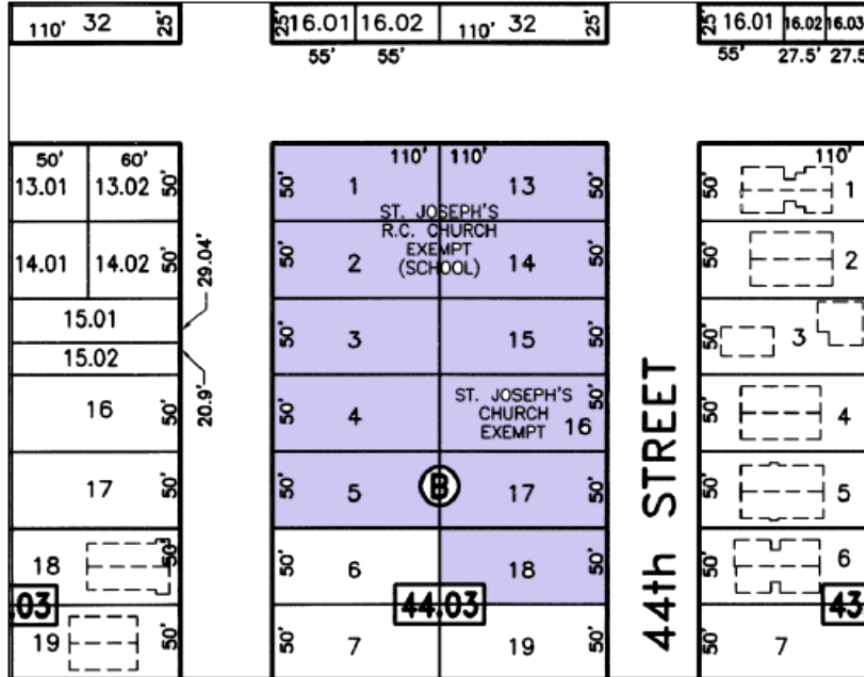
TO THE CITY: Paul J. Baldini, Esq.
4413 New Jersey Avenue
Wildwood, NJ 08260
Telecopier: (609) 729-8627
Email: paul@paulbaldinilaw.com

WITH A COPY TO THE

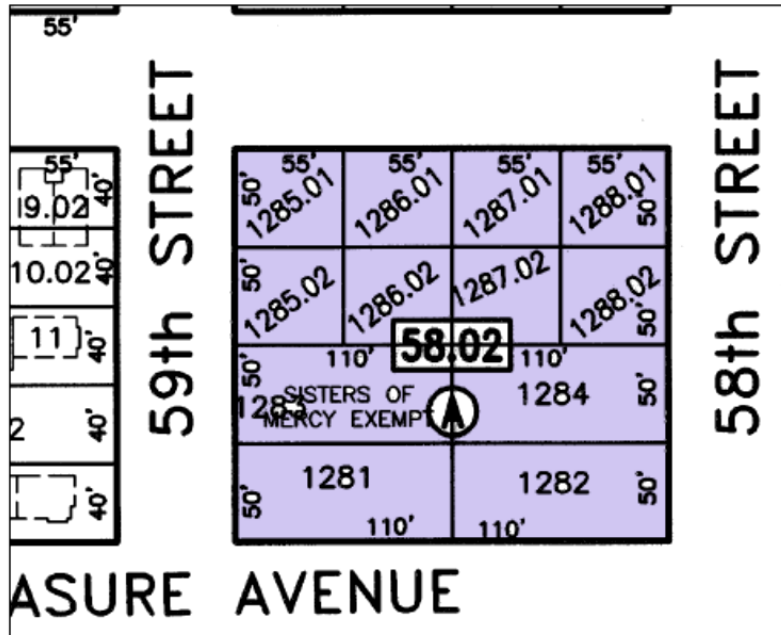
MUNICIPAL CLERK: City Clerk
233 John F. Kennedy Blvd
Sea Isle City, NJ 08243
Telecopier: (609) 263-2142
Email: cgriffith@seaislecitynj.us

Appendix B-1 Proposed Age-Restricted Zone

Sea Isle City
AGE RESTRICTED HOUSING ZONE



Block 44.03, Lots 1, 2, 3, 4, 5, 13, 14, 15, 16, 17, and 18

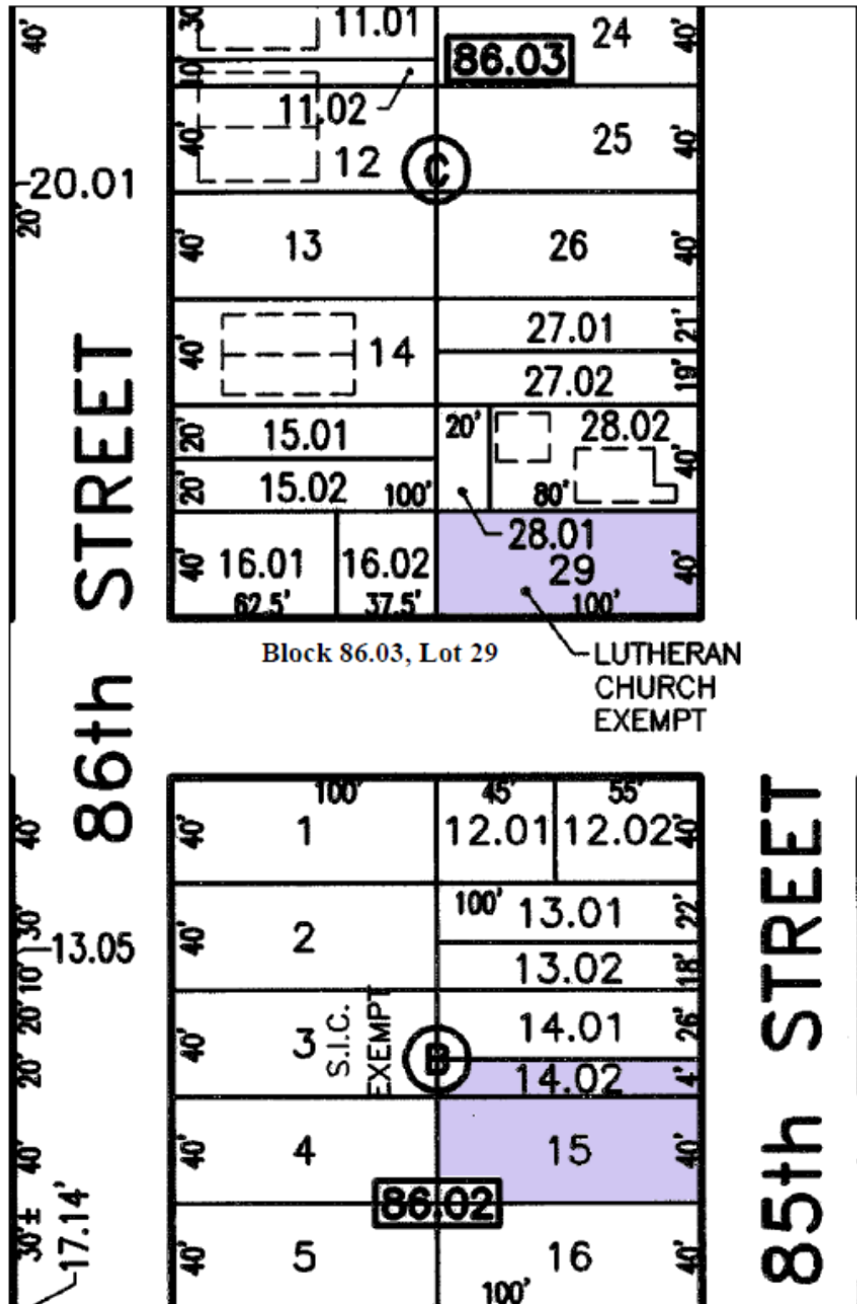


Block 58.02, Lots 1281, 1282, 1283, 1284, 1285.01, 1285.02, 1286.01, 1286.02, 1287.01, 1287.02, 1288.01 and 1288.02

Appendix B-2 Proposed Age-Restricted Zone

Sea Isle City

AGE RESTRICTED HOUSING ZONE



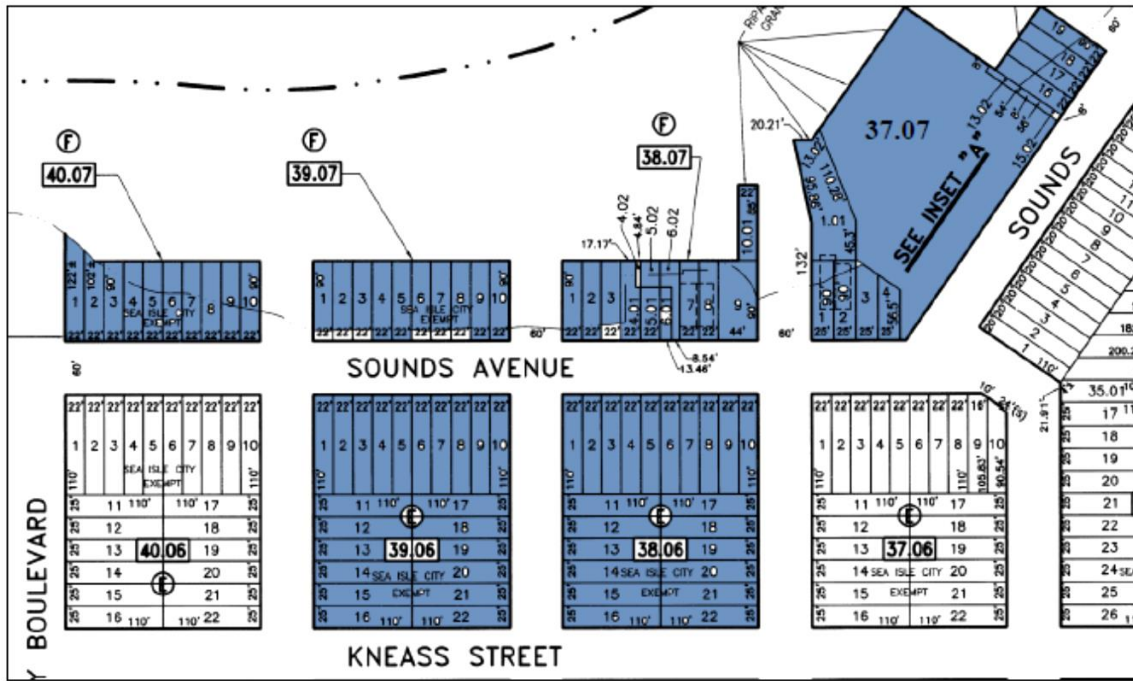
Block 86.03, Lot 29

LUTHERAN CHURCH EXEMPT

Block 86.02, Lot 14.02 and 15

Appendix C-1 Proposed Inclusionary Overlay Zone

Sea Isle City OVERLAY INCLUSIONARY ZONE - PORTIONS OF C2 AND C3



Block 37.07, Lots 1, 1.01, 2, 3, 4, 5, 5.01, 6.01, 6.02, 6.03, 6.04, 7, 7.01, 8, 9.01, 9.02, 9.03, 9.04, 10, 10.01, 11, 12, 13, 13.01, 13.02, 14, 15.01, 15.02, 16, 17, 18, and 19

Block 38.06, Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, and 22

Block 38.07, Lots 1, 2, 3, 4.01, 4.02, 5.01, 5.02, 6.01, 6.02, 7, 8, 9, and 10.01

Block 39.06, Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, and 22

Block 39.07, Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10

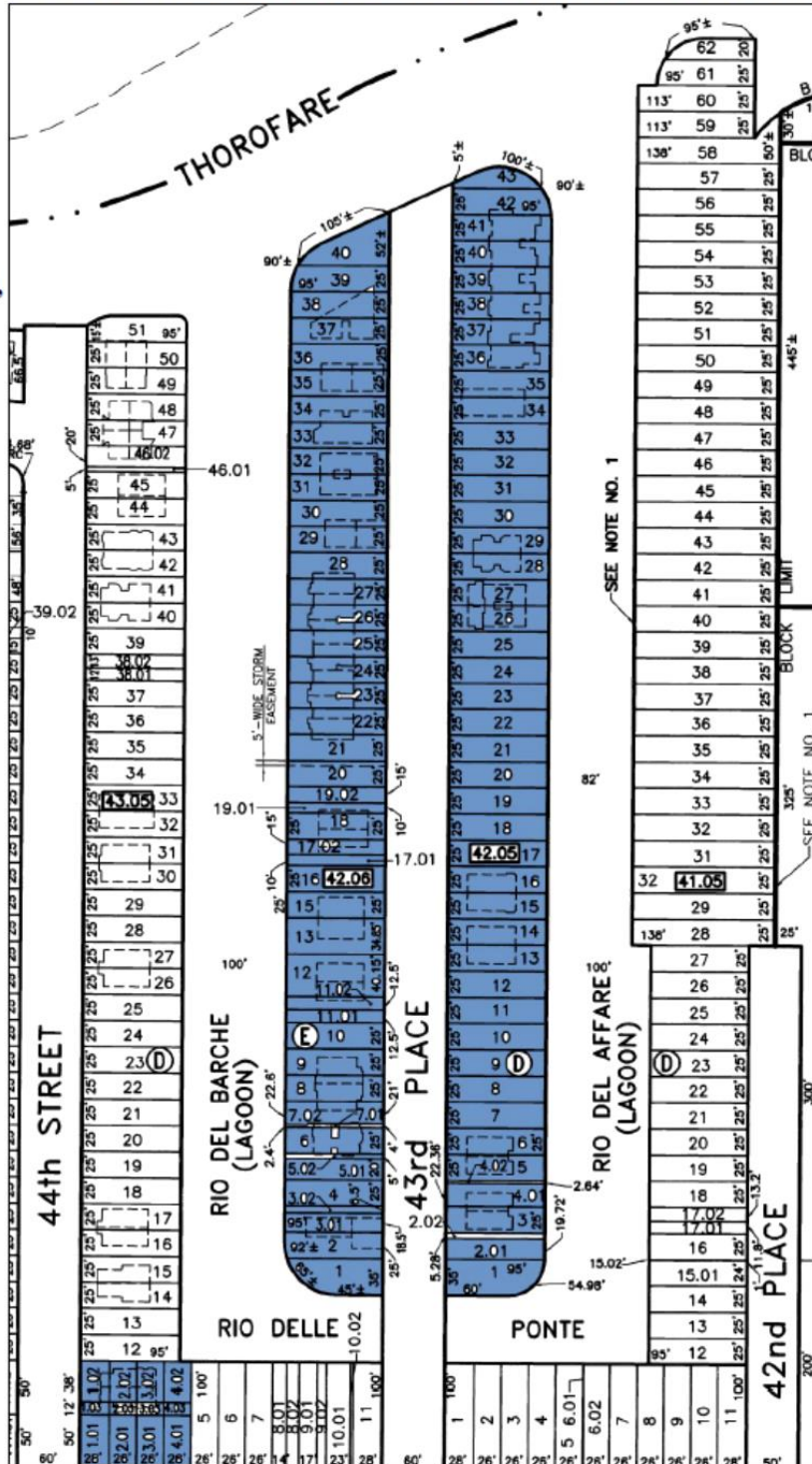
Block 40.07, Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10

Appendix C-2 Proposed Inclusionary Overlay Zone

Sea Isle City

OVERLAY INCLUSIONARY ZONE - PORTIONS OF C2 AND C3

Block 42.06,
Lots 1, 2, 3.01,
3.02, 4, 5.01,
5.02, 6, 7.01,
7.02, 8, 9,
10, 11.01,
11.02, 12,
13, 15, 16,
17.01, 17.02,
18, 19.01,
19.02, 20,
21, 22, 23,
24, 25, 26,
27, 28, 29,
30, 31, 32,
33, 34, 35,
36, 37, 38,
39, and 40



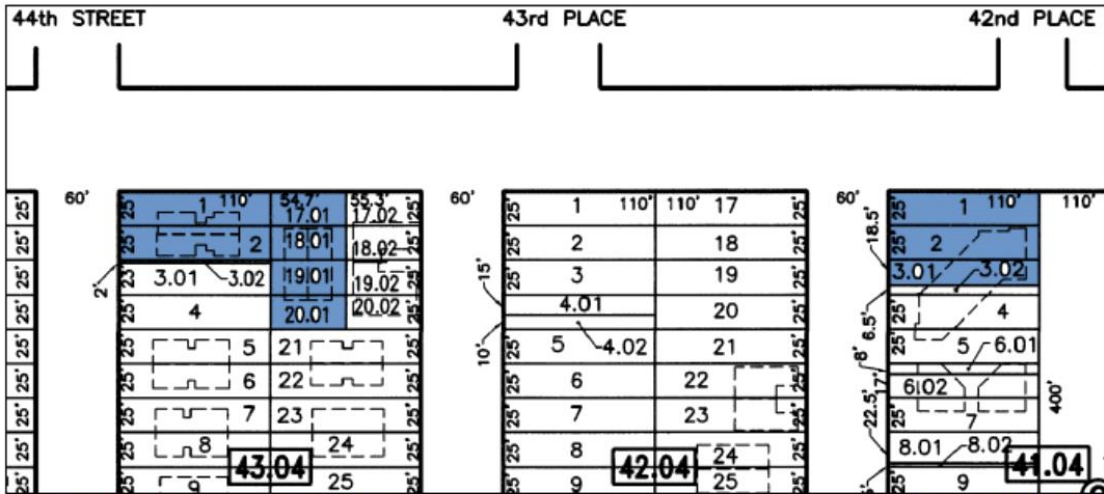
Block 42.05,
Lots 1, 2.01,
2.02 3, 4.01,
4.02, 5, 6, 7,
8, 9, 10, 11,
12, 13, 14, 15,
16, 17, 18, 19,
20, 21, 22, 23,
24, 25, 26, 27,
28, 29, 30, 31,
32, 33, 34, 35,
36, 37, 38, 39,
40, 41, 42, and
43

Block 43.05, Lots 1.01, 1.02, 1.03, 2.01, 2.02, 2.03, 3.01, 3.02,
3.03, 4.01, 4.02, and 4.03

Appendix C-3 Proposed Inclusionary Overlay Zone

Sea Isle City

OVERLAY INCLUSIONARY ZONE - PORTIONS OF C2 AND C3



Block 43.04, Lots 1, 2, 17.01, 18.01, 19.01, and 20.01

Block 41.04, Lots 1, 2, 3.01, and 3.02

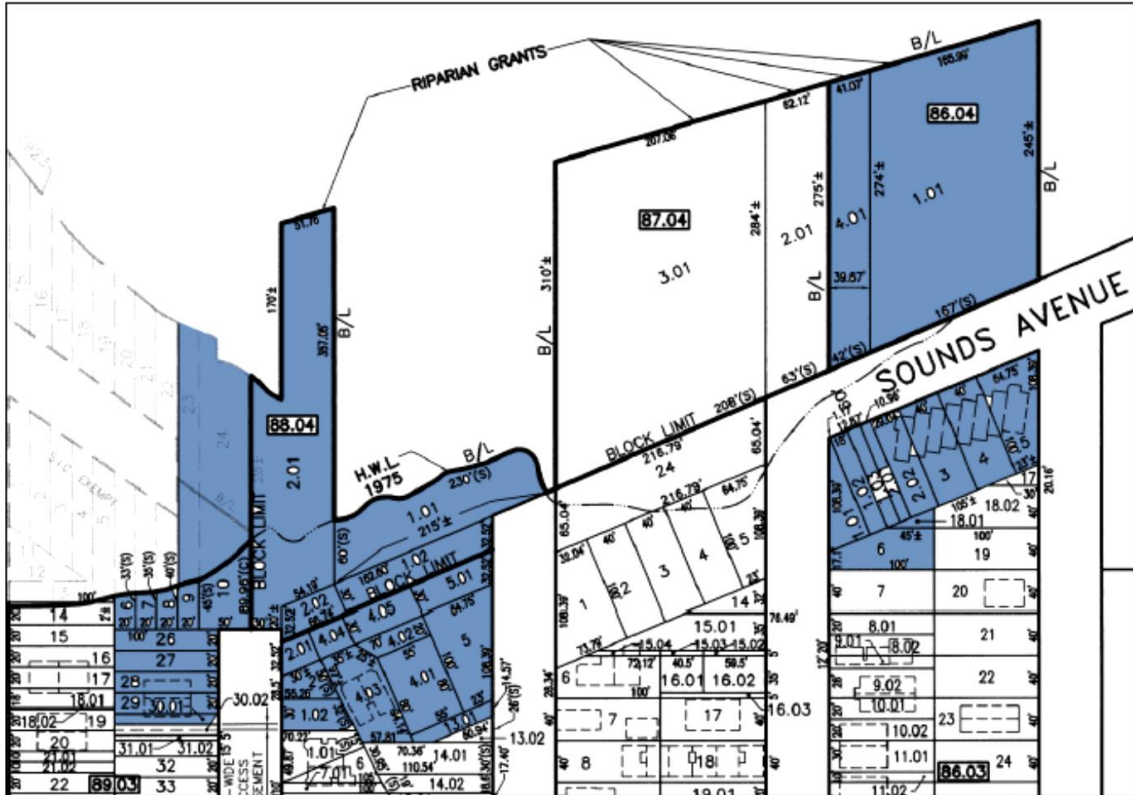


Block 85.04, Lots 24.01, 24.02, 25, 26.01, and 26.02

Appendix C-4 Proposed Inclusionary Overlay Zone

Sea Isle City

OVERLAY INCLUSIONARY ZONE - PORTIONS OF C2 AND C3



Block 86.03, Lot 1.01, 1.02, 1.03, 2.01, 2.02, 3, 4, 5, 6, and 18.01

Block 86.04, Lots 1.01 and 4.01

Block 88.03, Lots 1.02, 2, 2.01, 4.01, 4.02, 4.03, 4.04, 4.05, 5, 5.01, and 13.01

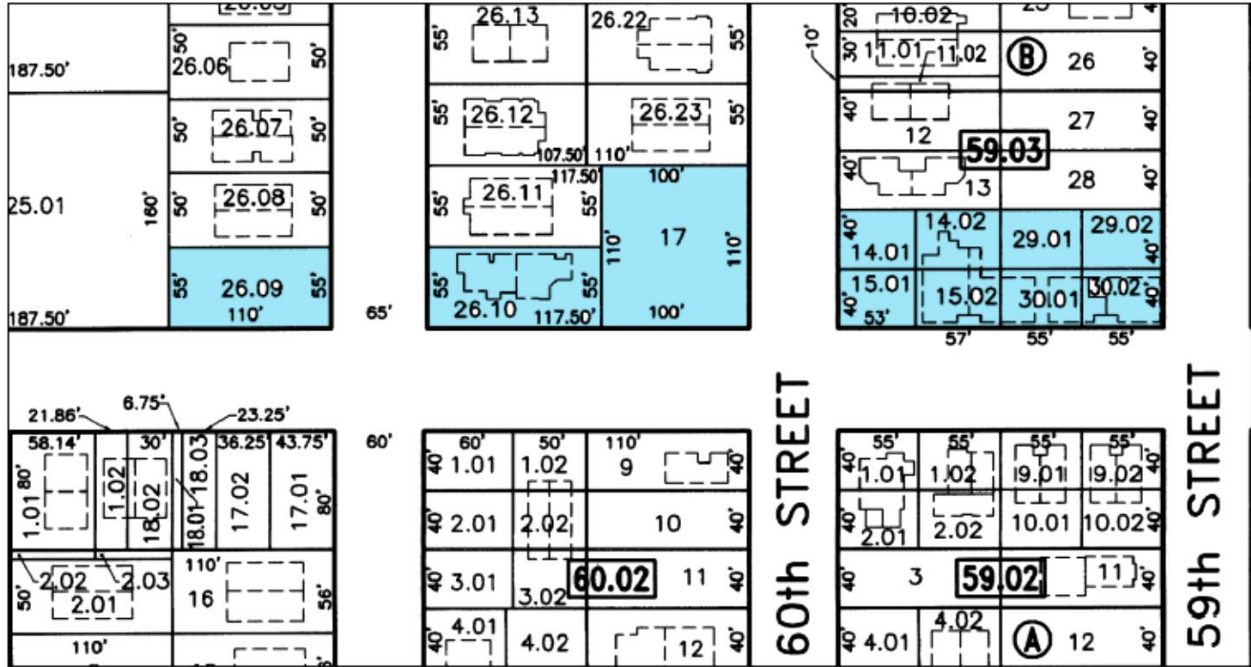
Block 88.04, Lots 1.01, 1.02, 2.01, and 2.02

Block 89.03, Lots 6, 7, 8, 9, 10, 26, 27, 28, 29, and 30.01

Appendix C-5 Proposed Inclusionary Overlay Zone

Sea Isle City

OVERLAY INCLUSIONARY ZONE - PORTIONS OF C2 AND C3



Block 59.03, Lots 14.01, 14.02, 15.01, 15.02, 29.01, 29.02, 30.01, and 30.02

Block 60.03, Lots 17 and 26.10

Block 61.03, Lot 26.09

Appendix D - Proposed Inclusionary Overlay Zone Ordinance

Appendix E - Proposed Age-Restricted Zone Ordinance

Appendix F - Proposed Development Fee Ordinance

Appendix G - Proposed Spending Plan

May 11, 2018