

FAQ ON PRINCETON'S THIRD ROUND AFFORDABLE HOUSING PLAN AND PROCESS

What is meant by the term “affordable housing”?

Affordable housing is subsidized housing offered below market rate rent or purchase price available to those whose income falls below a certain level. Princeton offers three types of subsidized housing: 1) rental units administered by the [Housing Authority of Princeton](#) for those with low- and very-low incomes 2) rental units administered by [Princeton Community Housing](#) and 3) for-sale deed restricted units administered by the [Affordable Housing Department](#).

Who determines each town's affordable housing obligation?

In the past, this administrative function was handled by the Council on Affordable Housing (COAH), which is the state agency charged with overseeing affordable housing in New Jersey. In 1986, COAH released the First Round rules (1987-1993), which required 10,849 low- and moderate-income homes per year statewide. In 1994, COAH released the Second Round rules (1993-1999), 6,465 low- and moderate-income homes per year statewide. These obligations were broken down into regional and local obligations. Since 1999, gridlock at the state level has prevented new Third Round rules from being established.

Why are we in court?

We are in court because the State administrative process under COAH has been dysfunctional since 1999. As a result, in 2015 the New Jersey Supreme Court [created a process](#) for towns to go to court to have their obligations determined and plans approved—a function that previously would have been performed by COAH.

Has Princeton done anything to provide affordable housing during the long period of State dysfunction?

Yes. Princeton has continued to provide affordable housing during this gap period, most recently with affordable units at Copperwood, Avalon Bay, Merwick-Stanworth, and two group homes for disabled adults.

How is Princeton's obligation being determined?

The trial courts throughout the State, including in Mercer County, have been tasked with determining each town's affordable housing obligation through 2025, and we are participating in that process. Princeton joined with most of the other municipalities in the state to share costs in hiring an expert to conduct an analysis of each town's obligation. Meanwhile, the Judge hearing the case for Mercer County hired an independent consultant, or “Special Master,” to help her determine the appropriate number for each Mercer County town. The municipal expert, Econsult, determined Princeton's obligation for the Third Round to be 320 units. The court's special master calculated Princeton's number as 424 units. Independently, Princeton held a series of public meetings and in consultation with our Planning Board and staff, determined that we could create 445 new affordable units in Round 3, and we submitted that [plan](#) to the Court to that effect. This is more than the municipality's expert required, and even more than the Court's own expert had estimated.

The [analysis](#) prepared by Fair Share calls for Princeton to add 1480 new affordable units.

How much housing does Princeton currently have, and how much is affordable?

Currently Princeton has 10,136 total housing units, of which approximately 959 are non-market, subsidized housing. (See [The Mayor's Task Force on Affordable Housing Final Report](#).)

Why has Princeton not settled when some other municipalities have?

Princeton engaged in good faith in mediation with Fair Share Housing Center, with the assistance of the court's special master. Princeton has sent its top officials to every settlement meeting, including the Mayor, Council President, Planner, and Administrator, and has always come to the table willing to negotiate. Despite our willingness to achieve a reasonable compromise, Fair Share refused to move from its one-size-fits-all settlement offer. Therefore, we were unable to reach a settlement. We remain committed to working with the Court and parties to reach a settlement or determination of our fair share obligation. We will continue to provide affordable housing opportunities notwithstanding the legal process.

What is Princeton's plan for building more subsidized units over the next 10 years?

The municipality provides affordable housing by encouraging developer-built units through zoning and by purchasing or subsidizing units with our affordable housing trust fund, which is paid for by fees on home construction. Much of the town is covered by inclusionary zoning, whereby any new multi-family development must include 20% affordable units. (For example, Avalon Bay consists of 280 units, of which 56 --20%-- are affordable.) Princeton is calling for new areas to be zoned for inclusionary housing and it also supports the expansion of 100% affordable developments.

Can Princeton meet its obligation by zoning some areas for 100% affordable housing?

The law requires that municipalities provide a "reasonable opportunity" for affordable housing. It has been determined that it is reasonable to expect that developers will build new housing even while requiring them to provide 20% of their units as affordable. It does not allow 100% affordable projects to be counted toward its obligation unless the municipality can demonstrate that the plan has funding.

What happens if Princeton does not meet its obligation, or does not go through the court process to get an official obligation number?

If Princeton does not have its affordable housing plan approved by the Court, the municipality could be subject to what is called a "builder's remedy" lawsuit. In a "builder's remedy" lawsuit, a court can grant power to a developer to override a town's zoning regulations and bypass the town's planning process. We believe the best way to address Princeton's affordable housing needs is for Princeton to be in control of the process, not a developer.