

III. Fair Share Plan: Obligations and Compliance Plan

A. Introduction

As noted, on March 20, 2024, Governor Murphy signed P.L. 2024, c.2 into law, which established a new framework for determining and enforcing municipalities' affordable housing obligations under the Mount Laurel doctrine and the Fair Housing Act. The Act sets forth the procedures for how New Jersey municipalities are assigned affordable housing obligations and how they may meet those obligations over a series of affordable housing "rounds." On July 1, 2025, the "Fourth Round" will begin and run for a ten-year period ending on June 30, 2035.

The Act required the Department of Community Affairs (the "DCA") to prepare a report with the calculation of the regional and municipal Prospective Need and the municipal Present Need for the Fourth Round in accordance with the formula required by the Amended Act. The DCA released a report entitled "Affordable Housing Obligations for 2025-2035 (Fourth Round)" on October 18, 2024 and concluded that Teaneck's fair share obligations for the Fourth Round included a Present Need of 214 units and a Prospective Need of 431 units.

In accordance with N.J.S.A. 52:27D-301 et seq. and the implementation schedule set forth in Directive #1424, the Township adopted Resolution 42-2025 on January 30, 2025 (See Appendix A), as part of its participation in the Affordable Housing Dispute Resolution Program (the "Program").

Resolution 42-2025 revised the Fourth Round affordable housing Prospective Need from 431 units to 384 units. These figures were derived from an analysis applying DCA's Land Capacity Factor methodology, which updated properties deemed unavailable for development due to environmental constraints, existing structural improvements, highway rights-of-way, and similar limitations not making the land "developable."

In response, the New Jersey Builders Association ("NJBA") filed a formal objection to the proposed adjustment. A case management conference was held on March 26, 2025 (Docket No. BER-L-776-25), during which the ruling favored adherence to the original DCA-issued obligation of 431 credits. As of the time of this Housing Element, no formal order has been issued from such decision, and the Township continues to reserve its right to appeal the determination.

As such, the Housing Element and Fair Share Plan is based on the original obligation of 431 affordable housing credits, as outlined by the New Jersey Department of Community Affairs (DCA) in its non-binding release of obligation figures in October 2024.

The purpose of the following sections is to set forth the Township of Teaneck's proposed approach to satisfying its Fourth Round obligation, where the Township Present Need or "Rehabilitation Obligation" is 214 credits, and the "Prospective Need" is 431 credits.

B. Prior Round Need Compliance “Look Back” (2015-2025)

Teaneck has a history of fulfilling its affordable housing obligation. Most recently, on February 1, 2019, the Township received a Final Judgment of Compliance and Repose (“JCR”) relating to its Third Round obligation. The JCR was issued after a period of negotiation and settlement, primarily between the Township and Fair Share Housing Center (“FSHC”). During this period of negotiation, the Township adopted a [Third Round Housing Element](#) on February 6, 2019. The HEFSP and settlement agreements set forth the Township’s Third Round obligation and identified the actions required by the Township to fulfill these obligations. As demonstrated in the tables below and supported by the issuance of the JCR, the Township fully satisfied its obligations under the Third Round as articulated in its settlement with the FSHC. As such, no obligation is carried forward to the Fourth Round.

Table 18: Projects Cited to Satisfy Third Round Realistic Development Potential (“RDP”)

ROUND 3 RDP PROJECT (SEE ROUND 3 HEFSP, PG. 23-26)	LMI UNITS	STATUS
Surplus Units Carried from Prior Round	22	On-Going
Supportive Shared Housing	28	Completed
Teaneck Senior Citizens Addition	18	Completed
Single-Family Homes (Bergen County Housing Authority)	8	Completed
The Brookdale	26	Completed
227 Teaneck Road	5	Completed
1775 Windsor Road (Avalon Bay)	25	Completed
1500 Teaneck Road	23	Completed
1475 Palisade Avenue	10	Completed
140 State Street	5	On December 13, 2022 the Township adopted Ordinance 49-2022 which adopted a Redevelopment Plan for 140 State Street for multifamily. On February 11, 2025 the Township amended the Redevelopment Plan (Ordinance 15-2025) which creates a concept for 10 affordable units (i.e. 5 surplus).
764 New Bridge Road	2	Completed
Bonus Credits	44	On-Going

Table 19: Zoning Actions to Satisfy Third Round Unmet Need Requirements

ROUND 3 UNMET NEED MECHANISM	REQUIREMENT (SUMMARY BELOW. SEE FULL TEXT PER ROUND 3 HEFSP, PG. 27-30)	CREDITS SUPPLIED / MADE OPPORTUNITY
Surplus Credits	40 surplus non-age restricted units from projects addressing the RDP, 24 age-restricted units from The Bookdale	Complete
Alfred Avenue Rezoning	<p>Rezone an 18-acre site (Block 6002, Lots 1-9) from L-I Light Industry to R-MO3 Residential-Multifamily 3 Overlay District.</p> <p>Permit densities up to 60 du/acre of non-age restricted units, which could yield about 150 to 200 affordable units depending on the tenure and set-aside.</p>	<p>Rezoned by Ord. No. 48-2015. on February 9, 2016.</p> <p>See R-MO3 standards at https://ecode360.com/38151638.</p> <p>329 Aldred Avenue / 1085 Decatur Avenue approved 38 affordable units via PB 2020-16</p> <p>359 Aldred Avenue approved 37 affordable units via PB 2022-20</p>
East Oakdene	<p>Rezone a 1.737-acre site from R-S Residential Single-Family / the B-2 Business-Office zone to R-RO Overlay (Residential-Rowhouse Overlay District).</p> <p>Permit up to 30 du/acre non-age restricted development and could yield approximately 10 affordable units.</p>	<p>Rezoned by Ord. No. 14-2017 on July 6, 2017.</p> <p>See full standards at https://ecode360.com/38151547</p>
1405 Teaneck Road and 1425 Teaneck Road	<p>Rezone sites from B-R Business-Residential zone to R-SCII Residential-Senior Housing II Zone.</p> <p>Permit up to 60 du/acre age restricted development and could yield approximately 10 affordable units.</p>	<p>Rezoned by Ord. No. 15-2017 on July 6, 2017.</p> <p>See full standards at https://ecode360.com/38151548</p> <p>1425 Teaneck Road approved 40 senior affordable units on September 21, 2020</p> <p>Additionally, a AHTF contribution of \$900,000 was made on November 30, 2022.</p>

ROUND 3 UNMET NEED MECHANISM	REQUIREMENT (SUMMARY BELOW. SEE FULL TEXT PER ROUND 3 HEFSP, PG. 27-30)	CREDITS SUPPLIED / MADE OPPORTUNITY
Holuba	Rezone a 6.75-acre site from L-I Light Industry District. Permit densities 12 du/acre non-age restricted development, which would yield approximately 16 affordable units.	The “Holuba” soap factory townhouse development at 520 Palisades Ave has a Developer’s Agreement which requires 16 affordable units.
Township-wide mandatory set-aside ordinance	A multi-family or single-family attached development providing a minimum of five (5) new housing units created through any future municipal rezoning or Zoning Board action, use or density variance, redevelopment plan, or rehabilitation plan that provide for densities at or above six (6) units per acre is required to include an affordable housing set-aside of 20 percent if the affordable units will be for sale and 15 percent if the affordable units will be for rent.	Adopted. See Appendix D.

As demonstrated in the tables above and supported by the issuance of the JCR, the Township fully satisfied its obligations under the Third Round as articulated in its settlement with the FSHC. As such, no obligation is carried forward to the Fourth Round.

C. Present and Prospective Need Obligation (2025-2035)

The analysis in this section shall satisfy Part E of P.L.1985, c.222 (C.52:27D-310), which requires:

- E) “A determination of the municipality's present and prospective fair share for low- and moderate-income housing and its capacity to accommodate its present and prospective housing needs, including its fair share for low- and moderate-income housing, as established pursuant to section 3 of P.L.2024, c.2 (C.52:27D-304.1)”

Present Need (Rehabilitation Share)

The Rehabilitation Share is described as “deficient housing units occupied by low- and moderate-income households within a municipality and is a component of “present need” under N.J.A.C. 5:93-1.3. In Teaneck Township, the rehabilitation obligation through the end of the Fourth Round (i.e. July 2035) has been determined to be 214.

Teaneck plans to continue its participation in Bergen County's rehabilitation program. This program offers deferred payment loans to low- and moderate-income homeowners living in one- to three-family homes within the Bergen County Consortium.

Qualified homeowners may receive a zero-interest, 10-year deferred loan covering the cost of necessary rehabilitation work. The County Division of Housing and Community Development administers these loans through the Home Improvement Program, which markets the program, screens applicants, and manages the repair process.

The program will primarily serve owner-occupied units and address homes with lack of heat, lack of hot water, roof leaks, dangerous electrical problems, broken pipes, problems with sanitary facilities, and other housing conditions that threaten the health, safety, or well-being of the household members per COAH rules (N.J.A.C. 5:93). All rehabilitated units shall remain affordable to low- and moderate-income households for a period of at least 10 years (the control period). For owner-occupied units, the control period is enforced with a recorded lien; and for renter occupied units, the control period is enforced with a recorded deed restriction.

The Township has also endorsed the Bergen County CDBG program proposed by Advance Housing Inc. for Commonwealth Drive Sustainability (via Resolution 28-2025). This project will serve 3 homeless LMI individuals with rehabilitation repairs at a residence located on Commonwealth Drive in Teaneck (See Appendix J).

The Township also intends to program funding from the Affordable Housing Trust Fund to support rehabilitation of deficient housing units that are occupied by low- and moderate-income households, in accordance with the New Jersey State Housing Code, N.J.A.C. 5:28, or the requirements of the Rehabilitation Subcode, N.J.A.C. 5:23-6, as applicable. All qualifying project contributions will be amended in the Spending Plan accordingly.

Prospective Need Obligation

The Township has a prospective need of 431 credits for Round 4 (2015-2025).

However, as demonstrated in the completed Vacant Land Analysis found in Appendix B, the Township does not have enough suitable land to address the obligation. Therefore, the Township seeks a vacant land adjustment ("VLA") under the COAH Second Round Rules (N.J.A.C. 5:93-4.2) and an adjustment of its Fourth Round new construction obligation to reflect the available and developable land area within its municipal boundaries. It is the conclusion of this analysis that the Realistic Development Potential ("RDP") is 11 units.

In addition to vacant properties that have a realistic development potential, the Township must also consider known projects in its RDP assessment likely to be redeveloped in the 2025-2035 Fourth Round obligation. The Legislation includes the following language (emphasis added):

Any municipality that receives an adjustment of its prospective need obligations for the fourth round or subsequent rounds based on a lack of vacant land shall as part of the process of adopting

and implementing its housing element and fair share plan identify sufficient parcels likely to redevelop during the current round of obligations to address at least 25 percent of the prospective need obligation that has been adjusted, and adopt realistic zoning that allows for such adjusted obligation, or demonstrate why the municipality is unable to do so.

With a Fourth Round prospective need of 431 credits and Realistic Development Potential of 11, this leaves a remaining need to be addressed of 420 credits. In accordance with the above, twenty-five percent of the remaining need is 105.

Realistic Development Potential (RDP) Mechanisms

The Township will address at least 25 percent of the prospective need obligation that has been adjusted through the following projects:

1. **140 State Street Amended Redevelopment Plan: 5 Credits***

**Project previously planned at 36 units with 5 LMI set-aside in Round 3. Amended to 66 units with 10 LMI set-aside, where 5 new LMI units count towards Round 4*

2. **Cedar Lane and American Legion Drive (Redevelopment): 48 Credits**

3. **143 State Street (Redevelopment): 9 Credits**

4. **827 Teaneck Road (Rezoning or Redevelopment): 6 Credits**

5. **1387 Hill Street (Rezoning or Redevelopment): 4 Credits**

6. **54 West Englewood (Rezoning or Redevelopment): 11 Credits**

7. **Bonus Credits Under the Fourth Round: 41.5 Credits**

Under N.J.S.A. [52:27D-311k](#), New Jersey updated the rules for bonus credits in Round 4⁹. Municipalities can now earn bonus credits in the following ways:

- a. One (1) bonus credit for special needs or permanent supportive housing;*
- b. One (1) bonus credit for 100% affordable housing projects for which the host municipality has contributed towards the cost of the project, subject to certain minimum contribution requirements;*
- c. One (1) bonus credit for market rate units that are converted to affordable units;*
- d. One-half (0.5) bonus credit for ownership units created in a partnership sponsorship with a non-profit housing developer;*
- e. One-half (0.5) bonus credit for units located within a one-half mile radius (or a one-mile radius for projects located in a Garden State Growth Zone) of NJ Transit or Port*

⁹ Note:

- A municipality may claim only one type of bonus credit per affordable unit
- Bonus credits may satisfy no more than 25% of the Round 4 obligation

- Authority rail, bus, or ferry stations, including all light rail stations;*
- f. One-half (0.5) bonus credit for age-restricted units, subject to certain caps;*
 - g. One-half (0.5) bonus credit for each three-bedroom unit in excess of the three- bedroom requirements set forth in the Uniform Housing Affordability Controls;*
 - h. One-half (0.5) bonus credit for housing units constructed on previously developed land that was utilized for retail, office, or commercial space; and*
 - i. One-half (0.5) bonus credit for units whose affordability controls are extended for a new term of affordability;*

The following are bonus credits applicable in Round Four:

PROJECT	PROJECT NOTE	BONUS CREDITS
140 State Street	This project will replace former gas station, where 5 new LMI units (beyond the original 5 in Round 3) are planned	+ 2.5 Credits (per H above)
Cedar Lane and American Legion Drive	This project will replace former commercial buildings / commercial parking lots, where 48 LMI units are planned	+ 24 Credits (per H above)
143 State Street	This project will replace a gas station, where 9 LMI units are planned	+ 4.5 Credits (per H above)
827 Teaneck Road	This project will replace a commercial restaurant, where 6 LMI units are planned	+ 3 Credits (per H above)
1387 Hill Street	This project is located within ½ mile of NJ Transit Bus Stop, where 4 LMI units are planned	+ 2 Credits (per E above)
54 West Englewood Ave	This project is located within ½ mile of NJ Transit Bus Stop, where 11 LMI units are planned	+ 5.5 Credits (per E above)

The following is a summary of the Round 4 Projects and bonus credits applicable in Round Four:

Compliance Framework:

ROUND 4 COMPLIANCE FRAMEWORK

DCA OBLIGATION

Prospective Need Obligation	431
Realistic Development Potential (RDP) per VLA	11
"Likely to Redevelop" 25% Requirement	105
Maximum Bonus Credits	107.75

Crediting Projects:

PROJECT SITE	B/L	LMI UNITS	BONUS CREDIT TYPE	BONUS CREDITS	W/ BONUS CREDITS
140 State Street Amended RDP	Block 5004, Lot 1	5	TOD (0.5)	2.5	7.5
Cedar Lane & American Legion Drive	Block 819, Lots 1, 14, 16, 17; Block 707, Lots 1-5; Block 705, Lot 4.01	48	TOD or Non-Res Conversion (0.5)	24	72
143 State Street	Block 5002, Lot 26	9	TOD or Non-Res Conversion (0.5)	4.5	13.5
827 Teaneck Road	Block 3902, Lot 2.01	6	TOD or Non-Res Conversion (0.5)	3	9
1387 Hill Street	Block 5003, Lot 16	4	TOD (0.5)	2	6
54 West Englewood Ave	Block 4905, Lot 3	11	TOD (0.5)	5.5	16.5
Total:					124.5

Unmet Need:

CREDITS	CREDITS
Prospective Need Obligation	- 431 Credits
Credits Toward 4 th Round 25% VLA	- 124.5 Credits
REMAINING UNMET NEED CREDITS	306.5 Credits

Prospective Need Projects Description and Suitability Analysis

Municipalities shall designate sites that are available, suitable, developable and approvable, as defined in N.J.A.C. 5:93-1. As such, the criteria for crediting units must meet the following:

1. "Available site" – a site with clear title, free of encumbrances which preclude development for low- and moderate-income housing.
2. "Suitable site" – a site that is adjacent to compatible land uses, has access to appropriate streets and is consistent with the environmental policies delineated in N.J.A.C. 5:93-4.
3. "Developable site" – a site that has access to appropriate water and sewer infrastructure, and is consistent with the applicable area wide water quality management plan (including the wastewater management plan) or is included in an amendment to the area wide water quality management plan submitted to and under review by DEP.
4. "Approvable site" – a site that may be developed for low- and moderate-income housing in a manner consistent with the rules or regulations of all agencies with jurisdiction over the site. A site may be approvable although not currently zoned for low- and moderate-income housing.

Based on the below, the following crediting sites can appropriately be included in the Township's Fourth Round HEFSP.

Table 20: Projects Description and Suitability Analysis

140 STATE STREET (REDEVELOPMENT - AMENDED JANUARY 2025)	
Description of Availability	The site is owned by a Developer with clear title.
Description of Suitable	The Redevelopment Area is suitable. It is near a variety of residential and commercial uses. It contains access to bus routes, parks, sidewalk pedestrian access, and a built-out center.
Description of Developable	The Redevelopment Area is developable. It has access to infrastructure necessary to support development.
Description of Approvable	The Redevelopment Area is approvable. It has an adopted redevelopment plan in place.
CEDAR LANE AND AMERICAN LEGION DRIVE (REDEVELOPMENT PLANNED)	
Description of Availability	The site is owned by a Developer with clear title.
Description of Suitable	The property is suitable. It is near a variety of residential and commercial uses. It contains access to bus routes, parks, sidewalk pedestrian access, and a built-out center.

Description of Developable	The site is developable. It has access to infrastructure necessary to support development.
Description of Approvable	The site is approvable. The Township commits to a Redevelopment Plan and/or rezoning to permit the residential affordable housing.
143 STATE STREET (REDEVELOPMENT OR REZONING PLANNED)	
Description of Availability	The site is owned by a Developer with clear title.
Description of Suitable	The property is suitable. It is near a variety of residential and commercial uses. It contains access to bus routes, parks, sidewalk pedestrian access, and a built-out center.
Description of Developable	The site is developable. It has access to infrastructure necessary to support development.
Description of Approvable	The site is approvable. The Township commits to a Redevelopment Plan and/or rezoning to permit the residential affordable housing.
827 TEANECK ROAD (REDEVELOPMENT OR REZONING PLANNED)	
Description of Availability	The site is owned by a Developer with clear title.
Description of Suitable	The property is suitable. It is near a variety of residential and commercial uses. It contains access to bus routes, parks, sidewalk pedestrian access, and a built-out center.
Description of Developable	The site is developable. It has access to infrastructure necessary to support development.
Description of Approvable	The site is approvable. The Township commits to a Redevelopment Plan and/or rezoning to permit the residential affordable housing.
1387 HILL STREET (REDEVELOPMENT OR REZONING PLANNED)	
Description of Availability	The site is owned by a Developer with clear title.
Description of Suitable	The property is suitable. It is near a variety of residential and commercial uses. It contains access to bus routes, parks, sidewalk pedestrian access, and a built-out center.

Description of Developable	The site is developable. It has access to infrastructure necessary to support development.
Description of Approvable	The site is approvable. The Township commits to a Redevelopment Plan and/or rezoning to permit the residential affordable housing.
54 WEST ENGLEWOOD AVE (REDEVELOPMENT OR REZONING PLANNED)	
Description of Availability	The site is owned by a Developer with clear title.
Description of Suitable	The property is suitable. It is near a variety of residential and commercial uses. It contains access to bus routes, parks, sidewalk pedestrian access, and a built-out center.
Description of Developable	The site is developable. It has access to infrastructure necessary to support development.
Description of Approvable	The site is approvable. The Township commits to a Redevelopment Plan and/or rezoning to permit the residential affordable housing.

Land Most Appropriate for Affordable Housing

The analysis in this section shall satisfy Part F of P.L.1985, c.222 (C.52:27D-310), which requires:

- *F) "A consideration of the lands that are most appropriate for construction of low- and moderate-income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low- and moderate-income housing, including a consideration of lands of developers who have expressed a commitment to provide low- and moderate-income housing"*

As part of this Fair Share Plan, the shipship has considered land that is appropriate for the construction of very low-, low-, and moderate-income housing. By utilizing various zoning mechanisms, the Township has successfully met its affordable housing obligations and continues to facilitate the creation of such housing. The Township has amended zoning regulations to establish affordable and inclusionary housing districts. Furthermore, the adoption of a mandatory set-aside ordinance guarantees that unexpected opportunities for affordable housing are utilized. The Township considers the strategies outlined in this document to be the most effective approach to meeting its affordable housing needs. While it acknowledges that developers may propose additional sites in the future that could be suitable for affordable housing, no further sites are currently required to fulfill the Township's obligations.