

Chester Borough
Morris County

Housing Plan Element
&
Fair Share Plan

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Prepared by the Chester Borough Planning Board

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TABLE OF CONTENTS

Chester Borough Housing Element and Fair Share Plan	1
Summary of Chester Borough’s Third Round Growth Share Obligation, Prior Rounds Crediting, and Third Round Fair Share Plan.....	3
Municipal Determination of Fair Share Obligation	Error! Bookmark not defined.
Table 1: Units in Structure by Tenure.....	6
Table 2: Year Structure Built by Tenure.....	7
Table 3: Comparison of Year of Construction for Borough, County, and State.....	7
Table 4: Household Size in Occupied Housing Units by Tenure.....	8
Table 5: Number of Bedrooms per Unit by Tenure.....	8
Table 6: Average Household Size for Occupied Units for Borough, County, and State.....	8
Table 7: Percentage of All Units by Number of Bedrooms	9
Table 8: Housing Quality for Borough, County, and State.....	9
Table 9: Value of Owner Occupied Residential Units.....	10
Table 10: Gross Rents for Specified Renter-Occupied Housing Units ¹	10
Table 11: Household Income in 1999 by Gross Rent as a Percentage of Household Income in 1999 ¹	11
Analysis of Demographic Characteristics	12
Table 12: Population by Age and Sex.....	12
Table 13: Comparison of Age Distribution for Borough, County, and State (% of persons)	13
Table 14: Persons in Household	13
Table 15: Comparison of Persons in Household for Borough, County, and State (% of households).....	14
Table 16: Persons by Household Type and Relationship	14
Table 17: 1999 Income for Borough, County, and State	15
Table 18: Poverty Status for Persons and Families for Borough, County, and State.....	15
Table 19: Comparison of 1995-1998 and 2000 Place of Residence for Borough, County, and State.....	16
Table 20: Educational Attainment for Borough, County, and State Residents	16
Table 21: Means of Transportation to Work for Borough, County and State Residents.....	16
Projection of Municipal Housing Stock, Population and Employment	17
Table 22: Building Permits, CO’s, Demolitions and Approved Applications 1995-2004	17
Table 23: NJTPA Population Estimate and Projections	18
Table 24: Certificates of Occupancy for Non-Residential Development	19
Table 25: NJTPA Employment Estimate and Projections	19
Appendix A	Error! Bookmark not defined.

Chester Borough Housing Element and Fair Share Plan

Introduction

This Housing Plan Element has been prepared in accordance with the Municipal Land Use Law (MLUL) at N.J.S.A. 40:55D-28b.(3). This Housing Element has also been prepared pursuant to N.J.S.A. 52:27D-310, as amended, which outlines the mandatory requirements for a Housing Plan Element, including an inventory and projection of the municipal housing stock; an analysis of the demographic characteristics of the Borough's residents; and, a discussion of municipal employment characteristics. This plan responds to the affordable housing mandates of the Third Round Substantive Rules of the Council on Affordable Housing (COAH) (N.J.A.C. 5:97-1 et seq.).

Chester Borough initially petitioned the NJ Council for Third Round substantive certification in 2005 in accordance with N.J.A.C. 5:94-1 et seq. and N.J.A.C. 5:95-1 et seq. These were the body of regulations that COAH first adopted governing municipal Third Round affordable housing planning in December 2004. The Borough's petition was not acted upon by COAH before the regulations were set aside by a ruling from the NJ Appellate Division in January of 2007, which invalidated certain aspects of the regulations and ordered revised rule-making. The Court ordered no further action by COAH on petitions received under the initial third round rules. COAH then adopted N.J.A.C. 5:97-1 et seq. and N.J.A.C. 5:96-1 et seq. in response to the Court's ruling. The growth projections for Chester Borough in the revised regulations increased the Borough's COAH-assigned affordable housing obligation. Both Chapters 94 and 97 imposed a retroactive growth share obligation on the Borough. Neither the former nor the existing regulations provide any relief to address the problem of relief for increased obligation that the revised regulations impose on municipalities, such as Chester Borough.

Both sets of regulations identified municipal fair share through the use of 'growth share ratios' based upon the number of residential and nonresidential certificates of occupancy issued after January 1, 2004 and through the duration of the Third Round. The initial regulations required one affordable unit for every eight (8) residential dwelling units created and one unit for every 25 jobs created from nonresidential development. The revised third round regulations rely upon a growth share formula of one affordable unit for every four residential units created and every 16 jobs created. Jobs are calculated in accordance with a prescribed schedule developed by COAH, not in accordance with the actual number of jobs created in nonresidential development.

The effect of the change between the growth share ratios in these two sets of regulations increased the Borough's fair share dramatically from an erstwhile actual obligation today of 26 affordable housing units under the original third round rules to an actual requirement of 35 affordable housing units under the amended regulations. The overall growth share for the Borough increased from a total of 35 units under the original rules to 50 affordable units today. Thus, the revised regulations increased both the actual obligation and the estimated growth share dramatically. During this time, the Borough's land and sewer resources have become scarce with a limited supply of land and no additional sewer capacity to accommodate new growth and redevelopment. This occurred not as a result of approvals granted following the adoption of the initial or revised third round rules, but primarily as *a result of approvals granted prior to COAH promulgating its initial growth share methodology in the summer of 2004.*

At the same time COAH's regulations were revised, the NJ Highlands Council and NJDEP's revised wastewater management rules came into effect (water quality management rules N.J.A.C. 7:15). Chester Borough's participation in Highlands Plan Conformance activities included

Modules 1 & 2, which resulted in a build-out estimate for the Borough of only 9 additional individual on site septic systems – calculated by the Highlands Council. Morris County, as the lead agency responsible for the County-wide Water Quality Management Plan conducted its own build out under slightly less stringent standards than the Highlands Council, and identified a build-out for the Borough of just 13 individual on-site septic systems for Chester Borough. Thus, both the Highlands Regional Management Plan and the County Water Quality Management Plan growth estimates identified severely constrained growth estimates for Chester Borough.

Chester Borough's actual growth share calculation is primarily driven by development that occurred as a result of approvals that were granted by the Borough prior to any indication from COAH that affordable housing would be calculated under a growth share formula. Approximately 27 affordable units of the actual 32 unit nonresidential obligation is the result of development approvals that were granted prior to there being any "growth share". However, these developments were constructed and received certificates of occupancy after January 1, 2004. In effect, 27 units of the Borough's actual obligation of 34.2 units today were retroactively assigned to the Borough for approvals granted when the Borough had no knowledge of growth share methodology and had no regulatory authorization from COAH to capture the affordable housing obligation being generated by these developments.

Notwithstanding the patent unfairness in COAH retroactively assigning municipal affordable housing obligations, COAH's regulations include no acknowledgement of this obvious bureaucratic oversight. In addition, the Council has not made any attempt to reconcile this problem in the regulations for the two years that COAH has been aware of this issue. In fact, this matter was called to the attention to COAH during the revised third round regulations comment period. Instead of addressing the situation, COAH seems to have left this matter to be resolved in the Court. The Appellate Division heard oral argument on December 3, 2009 on this and numerous other issues pertaining to the revised third round regulations. No decision has since come forth from the Court. In the meantime, the inequities and inefficiencies in COAH's regulations remain in place.

For municipalities such as Chester Borough that choose to address their constitutional obligation to provide their fair share of affordable housing, COAH's refusal to address the problem presented in the revised regulations results in an obstacle to sound effective affordable housing planning. This is particularly true in Chester Borough, which is nearly built-out and has few options for addressing the affordable housing obligation that has been retroactively assigned for development approved prior COAH's growth share methodology.

As indicated above, Chester Borough may not have the capacity to support the amount of development that is indicated by the Borough's third round growth share obligation. The NJ Highlands Region Master Plan build-out capacity estimate for Chester Borough is 9 individual on site septic systems. The Morris County build-out capacity estimate for Chester Borough is 13 individual on site septic systems. Chester Borough's municipal sewage collection and treatment system is at capacity and the Borough cannot rely upon its centralized sewage collection and treatment system to support new development. Under either of the two build-out estimates for Chester Borough, full build of the Borough's affordable housing obligation may be problematic. Nevertheless, the Borough has identified a fair share plan that may be viable under existing NJDEP rules for individual on site wastewater treatment systems.

Chester Borough's Third Round Affordable Housing Obligation, Prior Rounds Crediting, and Third Round Fair Share Plan

Municipal Determination of Fair Share Obligation - According to the Third Round COAH rules, the calculation of Chester Borough's third round affordable housing obligation including (1) a rehabilitation share, and the new construction obligation consisting of (2) the prior round and (3) the growth share obligation attributable to residential and non-residential growth projected to occur between 2004 and 2018. The Borough's actual growth share obligation to date is identified below and the Borough's affordable housing credits that may be applied to the prior round and the third round is also identified below.

Third Round Growth Share Obligation:

Rehabilitation Obligation: 11
 Prior round adjusted obligation: 16-units;
 Residential growth share: $22 \div 5 = 4.4$ affordable housing units (as per COAH)
 Nonresidential growth share: $735 \div 16 = 45.9$ affordable housing units (as per COAH)
 Total Growth Share: $4.4 + 45.9 = 50.3$ or 50 affordable housing units (as per COAH)

Chester Borough's affordable housing planning requirement, in accordance with COAH's regulations is therefore summarized as follows:

	COAH (as per N.J.A.C. 5:97-1. et seq., Appendices B and F)	
3 rd Round Rehab. Obligation:	11	
Prior Cycle Component:	16	
Actual growth share to date:		34.21
3 rd Round Growth Share:	50	
	66	

The table above includes Chester Borough's actual growth share to date, which is calculated according to COAH's growth share methodology based upon certificates of occupancy issued for residential and nonresidential certificates of occupancy issue between January 4, 2010 and the present, (1 affordable unit per 4 market-rate residential units & 1 affordable unit per 16 jobs created) as follows:

- 31 single-family and other residential units – $31 \div 4 = 7.75$ affordable units
- 423.47 jobs created (as per COAH's Appendix D) – $423.47 \div 16 = 26.46$ affordable units

Actual growth share to date: 34.21units (as per certificates of occupancy issued to date)

According to COAH's rules, the Borough is required to plan for the entire growth share obligation as identified in COAH's growth projections (50 units), or request an adjustment based upon vacant land procedures contained in COAH's rules. In this plan, the Borough seeks to identify its Fair Share Plan based upon COAH's overall growth projection for the Borough.

Fair Share Plan

Chester Borough will apply credits from existing/approved affordable housing projects to its total new construction obligation of 66 units; and will establish a rehabilitation program to address its rehabilitation share of 11 units.

When applied to the Borough’s adjusted prior round obligation, existing and approved affordable housing development in Chester Borough results in a reduction of the 16-unit obligation to a remaining prior round obligation of 3 units:

<u>Prior Rounds Crediting:</u>	
Prior rounds obligation (revised):	16-units
Prior rounds credits:	13.33-credits (see prior round summary below)
Remaining prior round obligation:	2.7 (3 - unmet need)

The remaining prior round obligation indicated above is determined by applying 13.33 affordable housing credits from existing/approved affordable housing development, as indicated in the following table:

Chester Borough Prior Round Summary – Affordable Housing Credits

5	Project Hope, Inc.(91 Oakdale Road, Block 110, Lot 13, 5-bedroom group home)
1	Trematore (76 Main Street, LLC, Block 129, Lot 9; 1-rental apartment)
4	Chester Area Senior Housing, Corp. (“CASH”) (245 Main Street, Block 110, Lot 48; 19-age-restricted apartments, of which 4 are eligible for credit under prior cycle .25 maximum (16 x .25) = 4)
1.33	CASH-age restricted bonus (4 x 1.33 = 5.33)
1	Toys With Love (Gary and Gail Rogers, 92 West Main Street, Block 101, Lot 12.02; mixed-use rental apartment)
1	Asdal Development, LLC (265 Main Street) Block 110, Lot 38; inclusionary apartment in 9-unit age-restricted complex of which 8 units are market rate age-restricted rental units and the remaining unit is an affordable unit.
<hr/> 13.33	TOTAL UNITS & CREDITS

After applying affordable housing credits to the Borough’s prior round obligation, the remaining third round affordable housing obligation is identified as follows (not including rehabilitation share:

Remaining Prior Round need:	3
3 rd Round Growth Share:	+ 50
Remaining combined prior round need and 3 rd Round Growth share:	<hr/> 53

Chester Borough will address the remaining combined 53 unit new construction affordable housing obligation as follows:

<u>Remaining combined prior & 3rd round need:</u>	<u>53</u>
1. Chester Area Senior Housing (CASH):	-12
2. Family Rental Project (Mill Ridge & Larison's mixed-use redevelopment):	-18
2.b. Family rental project bonus credits:	-12
3. Group homes (two at least 4-BR each unit):	-8
4. Accessory apartment program:	-10
5. Seidner apartments	<u>-2</u>
	(5)

For the Third Round, Chester Borough's 3rd round fair share plan will address its remaining prior round obligation and the Borough's third round growth share obligation with twelve (12) existing CASH age-restricted rental apartments, an eighteen (18) family rental project on the Mill Ridge/Larison's redevelopment properties, two (2) group homes, each with a minimum of 4-bedrooms, a ten (10) unit accessory apartment program and two (2) apartments to be created in a new mixed-use development at 266 Main Street.

Prior to the exclusion of Regional Contribution Agreements as an authorized affordable housing mechanism to address third round affordable housing obligations by the Fair Housing Act amendments of 2008, Chester Borough had executed an RCA with the City of Elizabeth for a total of fifteen (15) units of affordable housing obligation. The RCA received approval from both municipalities and both counties prior to the enactment of the 2008 Fair Housing Act amendments. If RCA's become authorized through legislative change or some other mechanism, the Borough will fully implement the RCA previously executed by the two municipalities.

Chester Borough expressed its desire and willingness to participate in the NJ Highlands Affordable Housing Development Planning Program for a total of nineteen (19) units of affordable housing obligation. The Borough wishes to pursue this option, however the Borough's request for 19-units of commitment from the NJ Highlands Council was not accepted.

If either the previously approved RCA is reauthorized by law or regulation; or if the Highlands Affordable Housing Development Planning Program units are accepted by the NJ Highlands Council in the future, Chester Borough will adjust its third round fair share plan by reducing the number of family rental apartments accordingly, but to not less than 6 units of family rental housing. If either of the transfer mechanisms become viable, the Borough will provide family rental units as either accessory apartments, or through Mill Ridge / Larison's mixed use redevelopment.

Fully implementing this fair share plan, will result in the Borough exceeding its projected third round growth share affordable housing obligation. The Borough's plan is to provide its fair share utilizing the methods listed above, which shall be pursued during the third round and to ensure that the required affordable housing units are delivered in accordance with the Borough's obligation. The plan is intended to be flexible to ensure that the total affordable housing requirement is met.

Inventory of Municipal Housing Conditions

The primary source of information for the inventory of the Borough's housing stock is the 2000 U.S. Census.

According to the 2000 Census, the Borough has 627 housing units, of which 609 (97%) are occupied. Table 1 identifies the units in a structure by tenure; as used throughout this Plan Element, "tenure" refers to whether a unit is owner-occupied or renter-occupied. While the Borough largely consists of one-family, detached dwellings (72% of the total, compared to 69% in the County), there are 190 units in attached or multi-family structures. The Borough has a relatively higher percentage of renter-occupied units, 23%, compared to 24% in Morris County and 32% in the State.

Table 1: Units in Structure by Tenure

Units in Structure	Vacant Units	Occupied Units		
		Total	Owner	Renter
1, detached	8	429	400	29
1, attached	6	19	16	3
2	0	19	0	19
3 or 4	2	42	2	40
5+	2	49	0	49
Other	0	0	0	0
Mobile home or trailer	0	51	51	0
Total	18	609	469	140

Source: 2000 U.S. Census, Summary Tape File 3 (STF-3) for Borough, QT-H10 and DP-4.

Table 2 presents the data concerning the year housing units were built by tenure, while Table 3 compares the Borough to Morris County and the State. Approximately 52% of the owner-occupied units in the Borough have been built since 1970. Of the remaining housing stock, 31% was built between 1940 and 1970 and 18% were built prior to 1940. The highest rate of renter occupied units (37%) was also built before after 1990 and 26% were built prior to 1940.

Table 2: Year Structure Built by Tenure

Year Built	Vacant Units	Occupied Units		
		Total	Owner	Renter
1990-2000	10	160	108	52
1980-1989	0	52	39	13
1970-1979	4	98	95	3
1960-1969	0	81	77	4
1950-1959	0	63	45	18
1940-1949	2	35	22	13
Pre-1940	2	120	83	37

Source: 2000 U.S. Census, STF-3 for Borough, QT-H7.

Table 3 compares the year of construction for all dwelling units in the Borough to Morris County and the State. The Borough has a much larger percentage of units built between after 1990 than does the County or State, and a smaller percentage of units built between 1940-1960. This is exemplified in the median year built between the State, County and Borough.

Table 3: Comparison of Year of Construction for Borough, County, and State

Year Built	%		
	Chester Borough	Morris County	New Jersey
1990 – 2000	27.1	13.5	10.5
1980 – 1989	8.3	12.6	12.4
1970 – 1979	16.3	15.3	14.0
1960 – 1969	12.9	18.6	15.9
1940 – 1959	15.9	24.8	27.1
Pre-1940	19.5	15.3	20.1
Median Year	1971	1965	1962

Source: 2000 U.S. Census, SF-3 for Borough, County, and State, DP-4.

Information reported in the 2000 Census concerning occupancy characteristics includes the household size in occupied housing units by tenure, and the number of bedrooms per unit by tenure; these data are reported in Tables 4 and 5, respectively. Table 4 indicates that renter-occupied units generally house smaller households, with 70.7% of renter-occupied units having 2 persons or fewer compared to 51.8% of owner-occupied units. Table 5 indicates that renter-occupied units generally have fewer bedrooms, with 83.6% having two bedrooms or fewer, compared to 17.7% of owner-occupied units.

Table 4: Household Size in Occupied Housing Units by Tenure

Household Size	Total Units	Owner-occupied Units	Renter-occupied Units
1 person	145	73	72
2 persons	197	170	27
3 persons	85	71	14
4 persons	110	96	14
5 persons	53	44	9
6 persons	9	9	0
7+ persons	10	6	4
Total	609	469	140

Source: 2000 U.S. Census, SF-3 for Borough, H-17.

Table 5: Number of Bedrooms per Unit by Tenure

Number of Bedrooms	Total Units	(%)	Vacant Units	Occupied Units		
				Total	Owner	Renter
No bedroom	0	0	0	0	0	0
1 bedroom	85	13.6	2	83	8	75
2 bedrooms	119	19	2	117	75	42
3 bedrooms	157	25	12	145	134	11
4 bedrooms	228	36.4	0	228	222	6
5+ bedrooms	38	6.1	2	36	30	6

Source: 2000 U.S. Census, SF-3 for Borough, QT-H8 and QT-H5.

Table 6 compares the Borough's average household size for all occupied units, owner-occupied units, and renter-occupied units to those of the County and State. The Borough's average household size for owner-occupied units is higher than the State but lower than the County. The average household size for renter-occupied units is lower than the County and the State's.

Table 6: Average Household Size for Occupied Units for Borough, County, and State

Jurisdiction	All Occupied Units	Owner-occupied units	Renter-occupied units
Chester Borough	2.66	2.83	2.07
Morris County	2.72	2.88	2.21
New Jersey	2.68	2.81	2.43

Source: 2000 U.S. Census, SF-1 for Borough, County, and State, DP-1.

The distribution of bedrooms per unit, shown in Table 7, indicates that the Borough contains fewer 0-3 bedroom units than the County or State and more four or five bedroom units than either the County or State.

Table 7: Percentage of All Units by Number of Bedrooms

Jurisdiction	None or one	Two or Three	Four or More
Chester Borough	13.6	44	42.5
Morris County	15.2	49.8	35
New Jersey	18.3	59.2	22.6

Source: 2000 U.S. Census, SF-3 for Borough, County, and State, QT-H4.

In addition to data concerning occupancy characteristics, the 2000 Census includes a number of indicators, or surrogates, which relate to the condition of the housing stock. These indicators are used by the Council on Affordable Housing (COAH) in calculating a municipality's deteriorated units and indigenous need. In the first Two Rounds of COAH's fair share allocations (1987-1999), COAH used seven indicators to calculate indigenous need: age of dwelling; plumbing facilities; kitchen facilities; persons per room; heating fuel; sewer; and, water. In the proposed Round Three rules, COAH has reduced this to three indicators, which in addition to age of unit (Pre-1940 units in Table 2), are the following, as described in COAH's rules.

Plumbing Facilities Inadequate plumbing is indicated by either a lack of exclusive use of plumbing or incomplete plumbing facilities.

Kitchen Facilities Inadequate kitchen facilities are indicated by shared use of a kitchen or the non-presence of a sink with piped water, a stove, or a refrigerator.

Table 8 compares the Borough, County, and State for the above indicators of housing quality. The Borough has no units with inadequate plumbing and but more units with inadequate kitchen facilities than the County.

Table 8: Housing Quality for Borough, County, and State

Condition	%		
	Chester Borough	Morris County	New Jersey
Inadequate plumbing ¹	0	.4	.7
Inadequate kitchen ¹	.5	.3	.8

Notes: ¹The universe for these factors is all housing units.

Source: 2000 U.S. Census, SF-3 for Borough, County, and State QT-H4.

The last factors used to describe the municipal housing stock are the values and rental values for residential units. With regard to values, the 2000 Census offers a summary of housing

values. These data are provided in Table 9 and indicate that 86% of all residential properties in the Borough are valued over \$200,000.

Table 9: Value of Owner Occupied Residential Units

Value	Number of Units	%
\$0 – 50,000	2	.5
\$50,000 – 99,999	0	0
\$100,000 – 149,999	9	2.3
\$150,000 – 199,999	43	11.1
\$200,000 – 299,999	126	32.5
\$300,000 – 499,999	135	34.8
\$500,000 – 999,999	69	17.8
\$1,000,000 +	4	1

Source: 2000 U.S. Census, SF-3 for Borough, County, and State, DP-4.

The data in Table 10 indicate that virtually all housing units rent for over \$500/month (72.7%) with the largest percentage, 26.7%, found between \$749 and \$999 per month, and 28.2% of the units renting for \$1,000/ month or more.

Table 10: Gross Rents for Specified Renter-Occupied Housing Units¹

Monthly Rent	Number of Units	%
Under \$200	12	8.9
\$200 – 299	5	3.7
\$300 – 499	20	14.8
\$500 – 749	24	17.8
\$750 – 999	36	26.7
\$1,000 – 1,499	29	21.5
\$1,000 or more	9	6.7

Note: Median gross rent for Chester Borough is \$802.

Source: 2000 U.S. Census, SF-3 for Borough, QT-H12.

The data in Table 11 indicate that there are 69 renter households making less than \$35,000 annually. At least 40 of these households are paying more than 30% of their income for rent; a figure of 30% is considered the limit of affordability for rental housing costs.

Table 11: Household Income in 1999 by Gross Rent as a Percentage of Household Income in 1999¹

Income	Number of Households	Percentage of Household Income					
		0 – 19%	20 – 24%	25 – 29%	30 – 34%	35% +	Not computed
< \$10,000	14	3	0	0	0	6	5
\$10,000 – 19,999	34	5	6	6	0	17	0
\$20,000 – 34,999	21	2	0	2	3	14	0
\$35,000 +	66	39	11	10	0	6	0

Note: ¹The universe for this Table is specified renter-occupied housing units.
Source: 2000 U.S. Census, SF-3 for Borough, QT-H13.

Analysis of Demographic Characteristics

As with the inventory of the municipal housing stock, the primary source of information for the analysis of the demographic characteristics of the Borough's residents is the 2000 U.S. Census. The data collected in the 2000 Census provide a wealth of information concerning the characteristics of the Borough's population.

The 2000 Census indicates that the Borough has 1,635 residents, or 421 more residents than in 1990, a 35% increase. The Borough's 35% increase in the 1990's compares to a 12% increase in Morris County and an 8% increase in New Jersey.

The age distribution of the Borough's residents is shown in Table 12. The age classes between 0-34 and 55-69 show a predominance of males while males and females are evenly split in the 35-54 age range. Females dominate the 70+ age category.

Table 12: Population by Age and Sex

Age	Total Persons	Male	Female
0-4	120	66	54
5 – 19	307	162	145
20 – 34	278	147	131
35 – 54	525	262	263
55 – 69	241	126	115
70 +	164	56	108
Total	1,635	819	816

Source: 2000 U.S. Census, SF-1 for Borough, QT-PI.

Table 13 compares the Borough to the County and State for the same age categories. The principal differences among the Borough, County, and State occurs the age categories over 55 where the Borough has a higher percentage of population located in those cohorts. The Borough has a lower percentage of 5-19 and 20-34-year olds than the County or State.

Table 13: Comparison of Age Distribution for Borough, County, and State (% of persons)

Age	Chester Borough	Morris County	New Jersey
0-4	7.3	7	6.7
5 – 19	18.8	19.9	20.4
20 – 34	17	17.9	19.9
35 – 54	32.1	33.6	30.9
55 – 69	14.7	13.3	12.4
70 +	10	8.3	9.7
Median	39.1	37.8	36.7

Source: 2000 U.S. Census, SF-1 for Borough, County, and State. QT-P1.

Table 14 provides the Census data on household size for the Borough, while Table 15 compares household sizes in the Borough to those in Morris County and the State. The Borough, for the most part, has household sizes close the County and State with a slightly smaller average household size for 6 persons and more.

Table 14: Persons in Household

Household Size	Number of Households
1 person	145
2 persons	199
3 persons	87
4 persons	110
5 persons	49
6 persons	11
7 or more persons	8

Source: 2000 U.S. Census, STF-1 for Borough, QT-P10.

Table 15: Comparison of Persons in Household for Borough, County, and State (% of households)

Household Size	Chester Borough	Morris County	State
1 person	23.8	21.5	24.5
2 persons	32.7	31.8	30.3
3 persons	14.3	17.6	17.3
4 persons	18.1	17.7	16
5 persons	8	7.8	7.5
6 persons	1.8	2.3	2.7
7 or more persons	1.3	1.3	1.7
Persons per household	2.66	2.72	2.68

Source: 2000 U.S. Census, SF-1 for Borough, County, and State, QT-P10.

Table 16 presents a detailed breakdown of the Borough's population by household type and relationship. There are 427 family households in the Borough and 182 non-family households; a family household includes a householder living with one or more persons related to him or her by birth, marriage, or adoption, while a non-family household includes a householder living alone or with non-relatives only. In terms of the proportion of family and non-family households, the Borough has fewer family households than the County or State (70.1% for the Borough, 73.6% for the County, and 70.3% for the State).

Table 16: Persons by Household Type and Relationship

	Total
In family Households:	427
Spouse	369
Child	212
In Non-Family Households:	182
Male householder:	63
Living alone	42
Not living alone	21
Female householder:	119
Living alone	103
Not living alone	16
In group quarters:	14
Institutionalized:	0
Non-institutionalized	14

Source: 2000 U.S. Census, SF-3 for Borough, QT-P11 and QT-P12.

Table 17 provides 1999 income data for the Borough, County, and State. The Borough's

per capita and median incomes are higher than those of the State and the County. The definitions used for households and families in Table 17 are similar to those identified in the description of Table 16, so that the households figure in Table 17 includes families.

Table 17: 1999 Income for Borough, County, and State

Jurisdiction	Per Capita Income	-----Median Income-----	
		Households	Families
Chester Borough	42,564	80,398	106,260
Morris County	36,964	77,340	89,773
New Jersey	27,006	55,146	65,370

Source: 2000 U.S. Census, SF-3 for Borough, County, and State, DP-3.

Table 18 addresses the lower end of the income spectrum by providing data on poverty levels for persons and families. The determination of poverty status and the associated income levels is based on the cost of an economy food plan and ranges from an annual income of \$9,570 for a one-person family to \$32,390 for an eight-person family (three-person family is \$16,090) (determined for 2005). According to the data in Table 18, the Borough proportionally has more persons qualifying for poverty status than do the County but less than the State. The Borough has more persons qualifying for poverty status than the County, but fewer families qualifying than both the County and State. However, the percentages in Table 18 translate to 84 persons and 9 families in poverty status. Thus, the non-family households have a larger share of the population in poverty status.

Table 18: Poverty Status for Persons and Families for Borough, County, and State
(% with 1999 income below poverty)

Jurisdiction	Persons (%)	Families (%)
Chester Borough	5.2	2.1
Morris County	3.9	2.4
New Jersey	8.5	6.3

Source: 2000 U.S. Census, SF-3 for Borough, County, and State, DP-3.

The U.S. Census includes a vast array of additional demographic data that provides interesting insights into an area's population. For example, Table 19 provides a comparison of the percent of persons who moved into their homes between the years 1995-2000; this is a surrogate measure of the mobility/stability of a population. The data indicate that the percentage of Borough residents residing in the same house as in 1995 exceeds that of the County and is slightly less than that of the State.

Table 19: Comparison of 1995-1998 and 2000 Place of Residence for Borough, County, and State

Jurisdiction	Percent living in same house in 1995-1998
Chester Borough	43
Morris County	42.3
New Jersey	43.3

Source: 2000 U.S. Census, SF-3 for Borough, County, and State, QT-H7.

Table 20 compares the educational attainment for Borough, County, and State residents. These data indicate that Borough residents exceeds the State for residents with a high school diploma or higher and has a higher percentage of residents with a bachelor's degree or higher.

**Table 20: Educational Attainment for Borough, County, and State Residents
(Persons 25 years and over)**

Jurisdiction	Percent (%) high school graduates or higher	Percent (%) with bachelor's degree or higher
Chester Borough	90.2	48.3
Morris County	90.6	44.1
New Jersey	82.1	29.8

Source: 2000 U.S. Census, SF-3 for Borough, County, and State, DP-2.

The 2000 Census also provides data on the means of transportation which people use to reach their place of work. Table 21 compares the Census data for the Borough, County, and State relative to driving alone, carpooling, using public transit, and using other means of transportation. The Borough has a relatively high percentage of those who drive alone, and a relatively low percentage of workers who carpool or use public transit. Of the 11.4% of workers who reside in the Borough and use other means of transportation to reach work, 32% (or 29 workers) work at home and 54% (or 49 workers) walk to work.

**Table 21: Means of Transportation to Work for Borough, County and State Residents
(Workers 16 years old and over)**

Jurisdiction	Percent who drive alone	Percent in carpools	Percent using public transit	Percent using other means
Chester Borough	75.6	11.7	1.4	11.4
Morris County	81.2	8.2	4.2	6.4
New Jersey	73	10.6	9.6	6.7

Source: 2000 U.S. Census, SF-3 for Borough, County, and State, DP-3.

Projection of Municipal Housing Stock, Population and Employment

As part of the mandatory contents of a housing element, the Borough is required to produce “a projection of the municipality’s housing stock, including the probable future construction of low and moderate income housing, for the next six years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands.” (N.J.S.A. 52:27D-310b.) Table 22 provides detailed information concerning the issuance of building permits for new residential units for the last 10 years.

Table 22: Building Permits, CO’s, Demolitions and Approved Applications 1995-2004

Year	Building Permit (Units)¹	Certificate of Occupancy (Units)²	Demolitions (Units)³	Approved Residential Applications not Developed
1995	1			
1996	0	8	1	
1997	1	8	0	
1998	7	6	0	
1999	6	8	2	
2000	6	7	2	
2001	3	11	0	
2002	0	2	0	
2003	1	0	0	
2004	1	2	0	
Total	26	52	5	

The data in Table 22 provides an interesting view of the Borough's recent residential development. The Borough has averaged 2.6 residential building permits per year during the last 10 years, in which the years of 1998 through 2000 having the greatest amount of permits issued. Similarly, Certificate of Occupancy (CO), which demonstrate the completion of a building and certify that the building meets all required codes, also show that the prior 10 years have seen a slow down in residential units being constructed with an average of 5.7 CO’s per year in the last 10 years, with the majority of CO’s being issued in prior to 2001. Demolitions in the Borough are not very predominate with only 5 demolitions occurring over the last 10 years.

The New Jersey Transportation Planning Authority (NJTPA) prepared a population projection for the Borough that would add an additional 80 persons to the Borough over the next 30 years (Table 23). This would result in an additional 30.07 units, given the

¹ New Jersey Department of Labor, New Jersey Building Permits, for the years 1995-2004

² New Jersey Department of Community Affairs

³ New Jersey Department of Community Affairs

Borough’s average household size of 2.66 the 2000 Census identified as the median household size. The anticipated **population growth** from 2005 to 2015 is **40 persons, from 1,650 in 2005 to 1,690 to 2015.**

Table 23: NJTPA Population Estimate and Projections

Year	Population
2000	1,640
2005	1,650
2010	1,660
2015	1,690
2020	1,670
2025	1,660
2030	1,720

Municipal Employment Projections

As part of the mandatory contents of a housing element, the Borough is to provide “an analysis of the existing and probable future employment characteristics of the community.” (N.J.S.A. 52:27D-310d) In COAH’s First Round (1987-1993), COAH used employment data, in terms of how many people worked within a municipal border, as an allocation factor for its affordable housing need allocations. In the Second Round (1993-1999) COAH changed this allocation factor to the value of non-residential ratables. Now in the proposed Third Round rules COAH is using the growth in non-residential jobs as a component of the growth share formula for the determination of a municipality’s affordable housing obligation.

The reasons for which COAH has changed this allocation factor from employment to non-residential valuation are the methodological problems of using employment data. The New Jersey Department of Labor compiles data on the number of people working within a municipality’s borders from unemployment insurance forms filed by employers; thus, only private sector employees are reported, and only those covered by their employers for unemployment insurance. In addition, the data is compiled by the zip code address of the firm, which may not reflect the actual location of employment. For example, if a business has more than one location, its total employment is allocated to only the location listed on the unemployment insurance form. Also, many businesses use mailing addresses in perceived prestigious communities, even though the actual facility is located in another municipality. Thus, the data is fraught with uncertainty.

Table 24 displays the non-residential CO’s for the last 10 years. Again, non-residential development has been minor in the Borough. Over the last 10 years 94,936 square feet of non-residential development has been completed.

Table 24: Certificates of Occupancy for Non-Residential Development

Year	Office (Sq. Ft)	Retail (Sq. Ft)	A-3 (Sq. Ft)	Industrial (Sq. Ft)	Educational (Sq. Ft)	Demolitions (no. of permits)
1995						
1996	17,511	3,906	0	0	0	0
1997	5,600	2,500	0	672	0	3
1998	0	0	1,100	0	0	0
1999	0	5,000	1,600	0	0	0
2000	0	6,801	0	0	0	1
2001	16,880	0	0	0	0	0
2002	6,982	0	0	0	3,600	2
2003	0	0	0	0	0	0
2004	6,981	7,958	7,845	0	0	3
TOTAL	53,954	26,165	10,545	672	3,600	9

Source: New Jersey Department of Community Affairs website:
<http://www.state.nj.us/dca/codes/cr/conrep.shtml>

NJTPA Employment Estimate and Projections

The NJTPA also estimates and projects employment from the years 2000 to 2030. These figures are depicted below (the figure for the year 2000 is from PRJN), the other years are projections):

Table 25: NJTPA Employment Estimate and Projections

Year	Employment
2000	2,520
2005	2,520
2010	2,550
2015	2,580
2020	2,630
2025	2,650
2030	2,730

According to the NJTPA projections, the Borough's employment base will increase by 210 jobs over the next 20 years. For the period 2005 – 2015, the NJTPA projects an increase of **60 jobs from 2,520 jobs in 2005 to 2,580 in 2015.**