

Affordable Housing Frequently Asked Questions (FAQs)

For Bernardsville Borough

1. Why do all NJ Towns, including Bernardsville, need to provide affordable Housing?

In New Jersey, affordable housing is not just a policy preference - it is a state constitutional requirement. New Jersey courts have held that every municipality must provide a realistic opportunity for its fair share of the region's need for affordable housing.

This obligation applies to all towns, regardless of size or character. No funds are provided to meet this mandate. Therefore, towns must either fund these projects through taxes, development fees collected into an Affordable Housing Trust Fund, or require future development to include affordable housing units (mandatory set-asides).

2. What is "affordable housing"?

Affordable housing consists of housing units that are deed-restricted to remain affordable for households earning at or below specific income thresholds—very low, low, or moderate income—based on [regional income standards](#). These units comply with New Jersey's Uniform Housing Affordability Controls (UHAC) and can be for rent or purchase.

3. What Do the Affordable Housing Requirements Mean for Bernardsville?

Affordable housing in New Jersey is managed in 10-year cycles, known as "rounds." These rounds allow the state to recalculate housing needs based on updated census data, job growth, and population shifts.

The 4th Round officially begins on July 1, 2025, and runs through June 30, 2035.

In the 4th Round, the Department of Community Affairs (DCA) provides the "target numbers" for each town using a transparent formula.

Towns that submit a Housing Element and Fair Share Plan by the June 2025 deadline receive "immunity" from "Builder's Remedy" lawsuits.

- **Builder's Remedy:** If a town fails to provide its fair share, a developer can sue to build high-density housing with reduced local control, provided a portion of it is affordable.

The 4th Round encourages towns to build near train stations (Transit-Oriented Development) and to repurpose vacant office parks or retail spaces into housing, offering "bonus credits" for these types of projects.

4. What is Bernardsville’s Fourth Round Housing Element and Fair Share Plan?

In June 2025, the Borough of Bernardsville adopted, in a public meeting open to public comment, its Fourth Round Housing Element and Fair Share Plan (“Fair Share Plan”) to meet its state-mandated affordable housing obligations for the period of 2025–2035.

Following the new framework established by New Jersey’s 2024 Affordable Housing Act, the plan outlines how the Borough will provide a "realistic opportunity" for the development of affordable housing.

5. What is Bernardsville’s Fourth Round Affordable Housing Obligation?

Bernardsville’s total obligation is defined by two categories: present need and prospective need. Because the Borough has no "Present Need" (substandard housing requiring rehab), the entire focus is on "Prospective Need" (new construction)ii.

Category	Unit Count
Present Need (Rehabilitation)	0 units
Prospective Need (2025–2035)	113 units
Total Obligation	113 units
Projected Bonus Credits	41 units
Net New Affordable Units to be Built	72 units

5. Why is the Fourth Round Housing Element and Fair Share Plan being updated?

Fourth Round: Legal Challenges to the Fair Share Plan

In August 2025, four different stakeholders, including the Fair Share Housing Center, filed legal challenges to the Bernardsville Fair Share Plan.

One common theme of the challenges was that the Quarry site is not a realistic site for future affordable housing units. The Quarry had been identified in both the 3rd and 4th rounds as potentially providing up to 51 units. This meant that the Borough had to find a replacement site(s) for these units.

Two of the other challenges were brought by owners of the proposed Clarus site and the I-2 Industrial Zone site, who argued that they were prepared to develop projects on those sites that would include affordable housing units sufficient to meet the Borough’s 4th round obligations and that the number of units permitted at those locations needed to be increased.

The Council considered all possible alternative sites in order to minimize the impact of development on any one particular site or part of town.

After several months of negotiations, the Borough was able to settle with the parties challenging the Fair Share Plan, successfully and substantially reducing the number of total units proposed by the plaintiffs on both the Clarus site and the I-2 Industrial Zone site. Additional conditions were negotiated for the Clarus site that would limit the height of the building, require certain open space improvements, and allow the Borough more architectural control than is typically afforded to towns. Due to the settlements, the Housing Element and Fair Share Plan must be updated.

5. What is proposed for the updated Fourth Round Housing Element and Fair Share Plan?

The final Fair Share Plan, as approved by the Court, is as follows:

The Borough’s Prior Round Obligation is 127 and has been met with the following mechanisms:

Prior Round Obligation – 127 Units				
Mechanism	Description	Units	Bonus Credits	Total Credits
Prior Cycle (20% Substantial Compliance Granted December 6, 1995 by COAH)			9	9
Regional Contribution Agreement (RCA)		77		77
100% Affordable Family for Sale	Pine Ridge Condo Units	26		26
100% Affordable Family for Sale	Rolling Hills at Bernardsville (Bernards Ave & Pine Street)	15		15
Total		127	9	127
Maximum Senior Obligation	25%	31		0
Minimum Rental Obligation	25%	9*		9*
Prior Round Total		127	9	<u>127</u>

* COAH permitted a reduction in required rentals for the Prior Round obligation.

The Borough’s Third Round Obligation is 215 and has been met with the following mechanisms:

Third Round Obligation 215 Units				
Mechanism	Type	Units	Bonus Credits	Total Credits
Completed/Scattered Sites				
100% Affordable Family for Sale	Habitat for Humanity Mine Brook Road	4		4
100% Affordable – Family for Sale	N. Finley Condos	2		2
100% Affordable Group Home - Rental	Conti Site	4	4	8
100% Affordable – Scattered Site – Family Rental	63 Bernards Dev. Mine Brook Dev. Mt. Airy Dev.	59	49	108
Extension of Expiring Controls	Pine Ridge / Rolling Hills Condo Units	6		6
100% Affordable – Age Restricted Rental	210 N. Finley	46		46
Inclusionary Zone – Family Rental	Quimby Lane Dev.	13		13

Third Round Obligation 215 Units				
Mechanism	Type	Units	Bonus Credits	Total Credits
	Quimby Lane Redevelopment			
Inclusionary Zone – Family Rental	24-26 Claremont Road	5		5
Inclusionary Zone – Family Rental	Downtown Districts	23		23
Total Completed & Proposed Round 3		155	53	215
Minimum Family Units 50% (107)		161		
Age-Restricted Max 25% (53)		46		
Minimum Rental 25% (54)		203		
Minimum Family Rental 50% of Rental (27)		149		
Maximum Bonus 25% (53)		53		
Third Round Total		162	53	215

The Borough’s Fourth Round Obligation of 113 will be addressed with the following mechanisms:

Obligation 113				
Mechanism	Description	Units	Bonus Credits	Total Credits
Inclusionary Zone -Family Rental	Bernards Avenue Redevelopment	36	18 ^A	54
Extension of Expiring Controls – Family for Sale	Pine Ridge Condos/ Rolling Ridge	29		29
Redevelopment Plan – Senior Rental	Clarus Redevelopment Plan	19	6 ^B	25
Inclusionary Zone – Family Rental	65 Claremont Road (Block 69, Lots 1-4)	6		6
Total		90	24	114^D
Minimum Family Units 50% (57)			89	
Age-Restricted Max 30% (25)			25	
Minimum Rental 25% (29)			85	
Minimum Family Rental 50% of Rental (15)			60	
Maximum Bonus 25% (28)			24	

A. Pursuant to the Amended FHA, redevelopment of former commercial land generates an additional 0.5 credit.

B. Pursuant to the Amended FHA, sites within 0.5 miles of a New Jersey Transit location can receive an additional 0.5 credit. The Clarus Redevelopment Area is approximately 0.2 miles from the Bernardsville Station (NJ Transit).

6. What Happens Next?

Just because these sites have been identified as the most likely and realistic options for building affordable housing units, it does not necessarily mean they will be developed.

The property owner/developer must bring a proposal to the Borough and negotiate the details of the site plan, either through the traditional site plan approval process or via an area in need of redevelopment.

It is also possible that affordable housing units may be built on other properties in the future, allowing the Borough an opportunity to attempt to amend the Fair Share Plan.

7. What the Settlement and Adoption of the 4th Round Fair Share Plan Means for Residents

- Compliance with state law and constitutional obligations.
- Reduced risk of costly litigation and loss of zoning control.
- A planned, transparent approach to meeting affordable housing needs rather than reactive development.

8. What types of affordable housing will be available?

The Borough's plan includes:

- **Rental units** (minimum 25% of the total obligation)
- **Owner-occupied units**
- **Very low-income units** (minimum 13% of units, per UHAC guidelines)
- **Family units**, as well as **age-restricted (senior) rental units** (up to about 25–30% of the total obligation, with 46 senior units in the Third Round and 19 senior units planned in the Fourth Round)

These affordable units will be part of new residential developments through inclusionary zoning or 100% affordable housing projects.

9. Who qualifies for affordable housing in Bernardsville?

Applicants must meet income limits set annually by the New Jersey Department of Community Affairs (DCA), based on household size:

- **Very low income:** ≤ 30% of Area Median Income (AMI)
- **Low income:** ≤ 50% of AMI
- **Moderate income:** ≤ 80% of AMI

For example, a moderate-income family of four in Somerset County may earn up to approximately \$95,000/year (2025 estimate). Final eligibility is confirmed during the application process. The 2025 UHAC Regional Income Limits can be accessed [here](#).

10. How do I apply for affordable housing in Bernardsville?

When units become available, interested applicants should:

- Visit the [Borough's Affordable Housing Administrator Website](#)
- Visit the [New Jersey Housing Resource Center](#) to search for affordable and accessible housing units.
- Apply for units and participate in a randomized lottery selection.

- Provide documentation to verify income and eligibility.

11. How are affordable housing units allocated?

Units are awarded via a random lottery system to ensure fairness and compliance with Affirmative Marketing rules. Some preferences may be granted to applicants who live or work in the region, as allowed by state-approved guidelines.

12. Can seniors or people with disabilities apply?

Yes. Bernardsville’s affordable housing plan includes some age-restricted (55+) rental units, including the possible Clarus Redevelopment Area. Accessible units for people with disabilities are also available, provided applicants meet income and eligibility requirements.

13. How long do affordable units remain affordable?

Units have deed restrictions for a minimum of 30 years for both rental and ownership units. These restrictions limit resale prices and income eligibility during that period. The Borough is actively working to extend affordability controls on expiring units, such as those at Pine Ridge and Rolling Hills Condos.

14. What happens if my income increases after I move in?

Once housed in an affordable unit, residents are not required to move if their income rises above eligibility limits. However:

- **Renters** may see rent adjustments within legal limits, and
- **Homeowners** must follow resale restrictions when selling their property.

15. What if Bernardsville doesn’t follow the adopted plan?

Failure to comply with the Borough’s affordable housing plan risks losing judicial immunity, exposing the Borough to “builder’s remedy” lawsuits. Such lawsuits can result in court-mandated development that exceeds current zoning or planning.

16. Overview of Previous Rounds

Round 1 (1987–1993) & Round 2 (1993–1999)

In these early stages, the Borough focused heavily on meeting its obligations through a mix of small internal projects and legal transfers.

- **The Numbers:** The combined obligation for these rounds was 127 units.

- Key Strategy: Bernardsville utilized Regional Contribution Agreements (RCAs), which allowed the Borough to pay another municipality to build affordable housing on its behalf. Most notably, we entered an RCA with the City of Perth Amboy for 36 units.
- Local Projects: The Borough fulfilled the rest of the 127-unit requirement through the rehabilitation of 27 units and the construction of 41 new units within the Borough, including projects like Pine Ridge and Rolling Hills.

Round 3 (1999–2025)

- The Numbers: Bernardsville was assigned a significant 215-unit obligation.
- Legal Shift: Because the state's COAH agency failed to adopt valid rules, the courts took over. Bernardsville had to enter into a court-monitored settlement with the Fair Share Housing Center to maintain its "immunity" from developer lawsuits.
- Strategic Moves:
 - Extension of Controls: The Borough focused on extending affordability protections for units at Pine Ridge and Rolling Hills that were set to expire.
 - 100% Affordable Projects: We utilized scattered-site family rentals and group homes.
 - Inclusionary Zoning: New zones were created to require developers to include affordable units in market-rate projects.

1 To ensure a diverse housing stock, the state requires the plan to meet specific "micro-requirements":

- Family Housing: At least 50% must be non-age-restricted family units.
- Rental Units: At least 25% must be rental housing.
- Income Split: At least 50% must be for Low/Moderate income, with at least 13% of the total reserved for Very Low Income households.

Total Number of Mandated Units through all Four Rounds - 414

17. Additional Information and Contacts

- Contact the Borough's Affordable Housing Administrator: Piazza & Associates at Info@HousingQuest.com or (609) 786-1100, ext. 300.
- Attend Planning Board and Borough Council public meetings, which are listed on the Borough calendar.

ⁱ The legal foundation for this requirement is the **Mount Laurel Doctrine**. It stems from two landmark New Jersey Supreme Court cases (1975 and 1983) that fundamentally changed land-use laws in the state.

- **Prohibition of "Exclusionary Zoning":** The courts ruled that towns cannot use their zoning powers to build "walls" around themselves. In the past, many towns used large-lot requirements or bans on apartments to keep out lower-income residents.
- **The "Fair Share" Mandate:** Every municipality in New Jersey has an affirmative legal obligation to provide its "fair share" of the regional need for low- and moderate-income housing.

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