

ORDINANCE 2026-07

**ORDINANCE TO AMEND THE CODE OF THE TOWNSHIP OF CHATHAM,
COUNTY OF MORRIS, STATE OF NEW JERSEY BY AMENDING CHAPTER 30,
LAND DEVELOPMENT REGULATIONS, ADDING THE AHO (AFFORDABLE
HOUSING OVERLAY ZONE) OPTION IN THE B-1 AND PI-2 ZONE DISTRICTS
IN THE TOWNSHIP OF CHATHAM**

BE IT ORDAINED by the Mayor and Committee of the Township of Chatham, in the County of Morris, that it does hereby supplement and amend Chapter 30 of the Code of the Township of Chatham as follows:

PURPOSE

The purpose of this Ordinance is to provide regulations and standards governing the development of mixed-use and multi-family housing developments, which will include a required on-site affordable housing component, in a new Affordable Housing Overlay (AHO) Zone encompassing the Township’s B-1 and PI-2 Zones as depicted on the attached map. The ordinance is designed to regulate said mixed-use and multi-family housing developments in a manner consistent with Township’s Affordable Housing Ordinance, the Township’s Housing Element and Fair Share Plan, any applicable Order of the Court, the Fair Housing Act, N.J.S.A. 52:27D-301, et. seq. (“FHA”), Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et seq. (“UHAC”), and applicable New Jersey Committee on Affordable Housing (COAH) Prior Round regulations, N.J.A.C. 5:93-1 et seq.

In any instance in which these regulations and standards do not address a particular land development controls, or when specific reference to the Land Development Ordinance is made, the standards of the Land Development Regulations (Chapter 30) shall apply:

SECTION 1

That Chapter 30, Land Development Regulations, Subsection 30-79.3 of the code of the Township of Chatham shall be added as follows:

30-79.3 Affordable Housing Overlay (AHO) Zone

- a. Purpose. The AHO Zone is intended to promote development that supports, and is consistent with, the commercial development pattern in the underlying district, and to accommodate multi-family housing in a location that can address the housing needs and preferences of market rate and affordable households, and which also supports the underlying district.
- b. Location. The AHO Zone is a mixed-use overlay option in the Township’s B-1 (Business Central) and PI-2 (Professional Institutional) Zones. Within the overlay zone district, the development of a new mixed-use development, with a required on-site affordable housing component, or the conversion of an existing non-residential use to a mixed-use development, with a required on-site affordable housing component, is permitted as an option to the uses otherwise permitted in the B-1 and PI-2 Zones.
- c. Permitted uses. The following uses shall be permitted:
 - 1. Mixed-use development including inclusionary_multi-family residential units and townhouses provided:
 - i. The minimum affordable housing set-aside is met;
 - ii. All affordable housing units produced comply with the Township’s Affordable Housing Ordinance.

iii. The commercial uses are permitted in the underlying zone.

d. General Requirements and Conditions.

1. All standards and requirements in the underlying B-1 and PI-2 Zones shall be met, except as otherwise modified by this section. In addition, the standards of the PI-AHO district (Subsections 30-84 h(6,7&8), i, j, k and l) shall apply.
2. Minimum Front Yard Setback: 30 feet
3. Height: Mixed-use buildings shall not exceed 3-stories or 36 feet provided:
 - i. The third story is setback a minimum of 10 feet from any façade facing a public right-of-way or is adjacent to a single-family residence of the building:
 - ii. Mechanical equipment shall be set back from all building facades by at least 10 feet and screened.
4. Density: The maximum density for residential uses shall be ten (10) dwelling units per acre.
5. Parking: On-site parking must be provided for all uses on site in accordance with Township standards for commercial uses and for residential uses in accordance with RSIS standards. Shared parking may be permitted provided a shared parking study is submitted to the Board's satisfaction.
6. Building Design Standards:
 - i. As a general rule, buildings shall reflect a continuity of treatment obtained by maintaining the building scale or by subtly graduating changes; by maintaining front yard setbacks at the build-to-line; by maintaining base courses; by use of front porches on residential buildings; by maintaining cornice lines in buildings of the same height; by extending horizontal lines of fenestration; and by echoing architectural styles and details, design themes, building materials, and colors historically used in Chatham Township.
 - ii. Facades shall be expressed as building modules that do not exceed 30 feet in width.
 - iii. Building facades facing a publicly accessible area shall be articulated into three distinct vertical components — a “base”, a “middle”, and a “top.”
 1. The base should consist of the first story. The base design shall be emphasized to create visual interest and support pedestrian activity.
 2. The middle should consist of all or a portion of the upper stories. The middle shall be differentiated from the base and the top by a horizontal transition line. The transition line's specific location shall be determined primarily by the overall height of the building and that of any adjacent buildings. The transition line shall relate to adjacent building if the adjacent buildings are lower than the proposed building. A change of material and/or color from the base is an acceptable way to distinguish the middle portion of the building.
 3. The top may consist of the top story or may consist of a horizontal or projecting element articulating the top of the building.

7. Affordable Housing Set-Aside: Development projects will deliver an on-site affordable housing set-aside of twenty percent (20%). Affordable units in said projects must be affordable to very low, low- and moderate-income households in accordance with the Fair Housing Act, N.J.S.A. 52:27D-301, et. seq. (“FHA”), Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et seq. (“UHAC”), and New Jersey Committee on Affordable Housing (COAH) Prior Round regulations, N.J.A.C. 5:93-1 et seq. If there are multiple dwelling units within each building, then the affordable units shall be evenly dispersed with market-rate units in each building. Affordable units shall have equal access to all amenities and recreational areas available to market-rate units.

Introduced: February 24, 2026

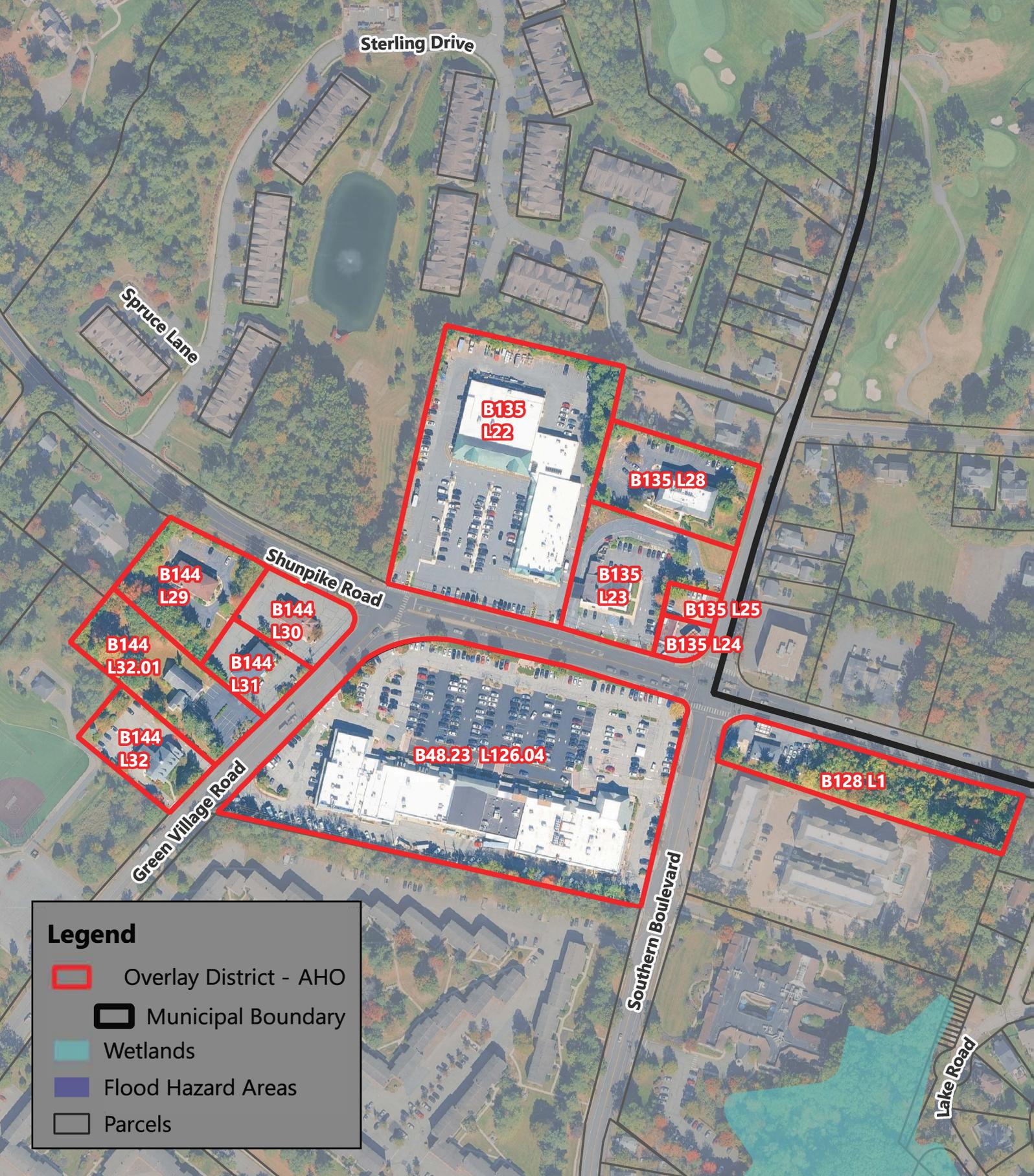
TOWNSHIP OF CHATHAM, COUNTY OF
MORRIS, STATE OF NEW JERSEY

Adopted:

Attest:

BY: _____
Jennfer Rowland, Mayor

Gregory J. LaConte, Clerk



Legend

- Overlay District - AHO
- Municipal Boundary
- Wetlands
- Flood Hazard Areas
- Parcels



AFFORDABLE HOUSING OVERLAY

TOWNSHIP OF CHATHAM | MORRIS COUNTY
 DATA SOURCES: Basemap, Google Earth; Flood Hazard Areas, FEMA; Other GIS Data, NJ DEP

