



MUNICIPALITY ^{of} PRINCETON

Planning Department
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Princeton, NJ 08540
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MEMORANDUM

To: Princeton Mayor and Council
From: Justin Lesko, AICP, PP – Planning Director *JL*
Nathan Foote, AICP, PP – Assistant Planning Director
Date: March 6th, 2026
Subject: **Ordinance #2026-14: An Ordinance of the Municipality of Princeton Amending Chapter B17A Entitled “Land Use and Zoning” of the Municipality of Princeton to Create the Affordable Housing Overlay-19 (AHO-19) in Furtherance of the Fair Housing Act**
Council Introduction – February 23rd, 2026
Planning Board Review – March 5th, 2026

The Princeton Council has referred Ordinance #2026-14 to the Planning Board for master plan consistency review pursuant to N.J.S.A. 40A:55D-26a. The ordinance establishes the Affordable Housing Overlay 19 (AHO-19) at the properties of 344 Nassau Street, 342 Nassau Street, 338 Nassau Street, 341 Nassau Street, and 343-345 Nassau Street. The ordinance allows the development of multiple dwellings above the ground floor or behind commercial uses on the ground floor or street level; townhouses; stacked townhouses; a combination of multiple dwellings and townhouse uses; and retail sales and services, offices and restaurants on the ground floor so long as the business faces on Nassau Street. At least 20% of any proposed residential units are required to be designated and restricted as affordable. The ordinance requires the retention of street-fronting buildings in existence as of July 13, 2020 (the date of adoption of the existing overlay AHO-2). The ordinance was introduced on February 23rd. The Planning Board reviewed the ordinance at their regular meeting open to the public on March 5th.

By a unanimous vote, the Board found Ordinance #2026-14 to be substantially consistent with the Princeton Master Plan and recommended approval of the Ordinance. While the Board did not have any comments or recommendations regarding the ordinance itself, it recommended that, because the properties are part of the Jugtown Historic District, a memo explaining the background of and decision-making on the proposed overlay be prepared and included in the municipality’s files on this ordinance.

See the memo from Mr. Foote to the Board for more information on the ordinance, the Affordable Housing Overlay 19 (AHO-19) it would establish, and its relation to the Princeton Master Plan, including the Fourth Round Housing Plan Element and Fair Share Plan. The memo is attached.

Please reach out if there are any questions or concerns regarding the ordinance or the Planning Board’s review.



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MEMORANDUM

To: Princeton Planning Board
From: Nathan Foote, AICP, PP – Assistant Planning Director
Date: February 27th, 2026
Subject: **Ordinance #2026-14: An Ordinance of the Municipality of Princeton Amending Chapter B17A Entitled “Land Use and Zoning” of the Municipality of Princeton to Create the Affordable Housing Overlay-19 (AHO-19) in Furtherance of the Fair Housing Act**
Council Introduction – February 23rd, 2026

The Princeton Council has referred Ordinance #2026-14 to the Planning Board for master plan consistency review pursuant to N.J.S.A. 40A:55D-26a. The ordinance was introduced on February 23rd and is scheduled for a public hearing on March 9th. Ordinance 2026-14 is attached to this memo for reference.

The ordinance establishes the Affordable Housing Overlay 19 (AHO-19), comprised of five lots as follows:

Block	Lot	Street Address	Existing Zoning District	Existing Overlay District
32.01	214	344 Nassau Street	NB B	AHO-2
34.01	14	342 Nassau Street	RO B	AHO-2
34.01	32	338 Nassau Street	RO B	AHO-2
52.01	67	341 Nassau Street	RO B	AHO-2
53.01	80	343-345 Nassau Street	NB B	AHO-2

The five properties are adjacent to the intersection of Nassau Street and North Harrison Street, and all five are developed with historic buildings that are currently used for commercial spaces, mostly offices. As noted in the table above, the 344 Nassau Street and 343-345 Nassau Street properties are both in the NB Neighborhood Business zone of the former Borough; while the 342, 338, and 341 Nassau Street properties are all in the RB Residence-Business zone of the former Borough. All the properties are located in the Jugtown Historic District.

As noted in the table, all five lots are also currently in the Affordable Housing Overlay-2, AHO-2. At page 42 of Princeton’s Fourth Round Housing Element and Fair Share Plan (“Fourth Round HEFSP”) it is noted that, “AHO-2 will be modified in the Fourth Round to carve out properties in the Jugtown Historic District and create an additional overlay AHO-8 with distinct bulk standards compatible with the affected historic properties.” While the overlay designation noted in the Fourth Round HEFSP is different, the purpose of Ordinance 2026-14 is to carve out the Jugtown Historic District properties

and create an overlay more suitable for the properties. The ordinance requires the retention of street-fronting buildings in existence as of July 13, 2020 (the adoption date of AHO-2) and no new construction is permitted on top of these buildings.

Ordinance 2026-14 establishes AHO-19 that would allow the development of multiple dwellings above the ground floor or behind commercial uses on the ground floor or street level; townhouses; stacked townhouses; a combination of multiple dwellings and townhouse uses; and retail sales and services, offices and restaurants on the ground floor so long as the business faces on Nassau Street. At least 20% of any proposed residential units are required to be designated and restricted as affordable. The affordable units would be regulated consistent with the Uniform Housing Affordability Controls (UHAC) and the New Jersey Fair Housing Act.

The ordinance permits a maximum height of three stories and 35 feet, with a pitched roof required. The maximum impervious coverage is 80%. Yard setbacks are required for new buildings: front yard (the greater of five feet and no less than three feet more than the existing front yard setback of an adjacent building in the Jugtown Historic District), side yard (the greater of five feet or at least three feet greater than the existing side yard depth of an existing building on the lot), and rear yard (five feet). Landscape buffers to residential districts of minimum 15 feet are required. Per the proposed ordinance, no spaces are required for the first five residential units, with 1.1 parking spaces required for each unit in excess of five units. One parking space is required for each 400 square feet of retail sales and services, one for each 300 square feet of office space, and one for each five seats in a restaurant.

In my professional opinion, the ordinance is consistent with the Master Plan. Aside from being directly called for in the Municipality's adopted Fourth Round HEFSP, Ordinance 2026-14 is substantially consistent with many other goals of the Princeton Master Plan. One of the key findings from community input in the Introduction section of the plan is that Princeton needs more housing, especially at lower price points. The Vision statement includes that Princeton will have "housing ample and diverse enough to accommodate all who want to live here" and the Princeton of the future will be "affordable to households of all income levels." A Land Use goal of the plan is to enhance the existing pattern of land use, particularly by strengthening mixed-use centers in town. The Mobility goals of the plan include reducing inbound commuting through the development of additional housing in areas where jobs are located and encouraging shifts from single-occupancy vehicle travel to low- or zero-emissions mobility options such as walking, cycling, and transit. Utility Goals and Natural Resource Conservation Goals such as accommodating future growth while minimizing adverse impacts to the natural environment are supported by repurposing an already developed parcel.

The Board shall determine if they find the Ordinance consistent with the Master Plan and provide any comments to Council. If Council approves the Ordinance, any future development would require site plan approval by the Board.



MUNICIPALITY OF PRINCETON

Office of the Municipal Clerk

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MEMORANDUM

To: Planning Board
From: Dawn M. Mount, *Municipal Clerk*
CC: Justin Lesko, *Planning Director*
Subject: Planning Board Review of Ordinance 2026-14 upon Introduction
Date: February 25, 2026

On behalf of the Mayor and Council, and in accordance with the provisions of N.J.S.A. 40:55D-26 and N.J.S.A. 40:55D-64, the attached ordinance, introduced at the Regular Meeting of February 9, 2026, is being directed to the Planning Board for its review and consideration. Please transmit the report of findings and recommendations from the Planning Board no later than thirty-five (35) days from this referral. It should be noted that the tentative date of the public hearing and final adoption of this ordinance is scheduled to take place at the Mayor and Council Regular Meeting of March 9, 2026.

Thank you in advance for your cooperation. Please contact me should you have any questions or concerns.

ORDINANCE #2026-14

AN ORDINANCE OF THE MUNICIPALITY OF PRINCETON AMENDING CHAPTER B17A ENTITLED “LAND USE AND ZONING” OF THE MUNICIPALITY OF PRINCETON TO CREATE THE AFFORDABLE HOUSING OVERLAY DISTRICT-19 (AHO-19) IN FURTHERANCE OF THE FAIR HOUSING ACT

WHEREAS, the New Jersey Supreme Court, through its rulings in Southern Burlington County NAACP vs. Mount Laurel, 67 N.J. 151 (1975) (“Mount Laurel I”) and Southern Burlington County NAACP vs. Mount Laurel, 92 N.J. 158 (1983) (“Mount Laurel II”), has determined that every municipality in New Jersey has a constitutional obligation to provide, through its land use regulations, a realistic opportunity for its fair share of the regional need for housing for low- and moderate-income households and families; and

WHEREAS, on March 20, 2024, Governor Murphy signed P.L.2024, c.2. into law, amending the Fair Housing Act of 1985, N.J.S.A. 52:27D-301, et seq., to establish a new framework for determining and enforcing municipalities’ affordable housing obligations under the New Jersey Supreme Court’s Mount Laurel doctrine and the Act (the “FHA”), starting with fourth round (2025-2035) affordable housing obligations; and

WHEREAS, in accordance with the FHA and Administrative Directive #14-24 issued by the Administrative Office of the Courts on December 13, 2024 (“Administrative Directive #14-24”), Princeton filed a Complaint for Declaratory Judgment entitled *In the Matter of the Application of the Municipality of Princeton in Mercer County*, Docket No. MER-L-000207-25 on January 28, 2025 (the “Fourth Round DJ Action”), identifying Princeton’s present and prospective fair share obligations for the Fourth Round, and committing to adopting and submitting a Fourth Round Housing Plan Element and Fair Share Plan (“HEFSP”) as required by the FHA; and

WHEREAS, on June 25, 2025, the Princeton Planning Board (“Board”) adopted a Fourth Round HEFSP pursuant to the Municipal Land Use Law at N.J.S.A. 40:55D-1, et seq., as required by and in conformance with the FHA; and

WHEREAS, on June 26, 2025, by Resolution No. 25-230, the Mayor and Council endorsed Princeton’s Fourth Round HEFSP, which was filed with the court in the Fourth Round DJ Action on June 27, 2025; and

WHEREAS, Princeton’s Fourth Round HEFSP addresses Princeton’s affordable housing obligations in a manner which will promote the public health and general welfare, and sets forth a plan which fully satisfies Princeton’s Fourth Round affordable housing obligations; and

WHEREAS, as contemplated by and in conformity with P.L.2024, c.2, Princeton now looks forward to implementing the goals, objectives and housing opportunities contemplated by its HEFSP by creating a new Affordable Housing Overlay District-19 (“AHO-19”) zoning district; and

WHEREAS, the Municipal Land Use Law, N.J.S.A. 40:55D-1 (“MLUL”) at N.J.S.A. 40:55D-62.a requires that the provisions of a zoning ordinance be substantially consistent with the land use plan element and the housing plan element of the master plan or designed to effectuate such plan elements; and

WHEREAS, Princeton finds and declares that, pursuant to the purposes of the MLUL, the within ordinance promotes the public health, safety, morals, and general welfare and advances the municipality’s efforts to meet its constitutional obligation to provide for its fair share of very low, low and moderate income housing; and

WHEREAS, the Mayor and Council formally refers this Ordinance to the Board for review, examination, discussion and recommendations in accordance with N.J.S.A. 40:55D-26; and

WHEREAS, the adoption of this Ordinance was appropriately noticed pursuant to the requirements of the MLUL.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the Municipality of Princeton as follows:

Section 1. Definitions Amended. Section §B17A-201, “Definitions”, of Chapter B17A of the “Code of the Borough of Princeton, New Jersey, 1974” (the “Code”), entitled “Land Use and Zoning”, is amended to add the following new definitions:

DWELLING, ATTACHED

A one-family dwelling unit in a row of at least three such units in which each unit has its own front and rear access to the outside, no unit is located over another unit, and each unit is separated from any other unit by one or more vertical common fire-resistant walls.

STACKED TOWNHOUSE

See “Dwelling, Stacked Attached”

TOWNHOUSE

See “Dwelling, Attached”

Section 2. Affordable Housing Districts. Section §B17A-202(i), “Affordable Housing Districts”, of Chapter B17A of the “Code of the Borough of Princeton, New Jersey, 1974” (the “Code”), entitled “Land Use and Zoning”, is amended to add the following new zoning district:

(18) AHO-19 Affordable Housing Overlay – 19.

Section 3. Zoning Map. Section §B17A-203, “District Map”, of Chapter B17A of the Code, is hereby supplemented and amended to modify the “Official Zoning Map of Princeton, Mercer County, New Jersey” by designating the following lands identified by block(s) and lot(s) on the official Tax Map of Princeton as follows:

<u>Block(s)</u>	<u>Lot(s)</u>	<u>Street Address</u>	<u>Existing Overlay District</u>	<u>New Overlay District</u>
32.01	214	344 Nassau Street	AHO-2	AHO-19
34.01	14	342 Nassau Street	AHO-2	AHO-19
34.01	32	338 Nassau Street	AHO-2	AHO-19
52.01	67	341 Nassau Street	AHO-2	AHO-19
53.01	80	343-345 Nassau Street	AHO-2	AHO-19

Section 4. Affordable Housing District Provisions. Division 10 “Affordable Housing Zones” of Chapter B17A of the Code is hereby supplemented and amended to add the following new Affordable Housing Zone to Subdivision I “Affordable Housing Overlay (AHO) Zones” as follows:

§B17A-460. Affordable Housing Overlay - 19 (AHO-19)

- A. Purpose. The purpose of the Affordable Housing Overlay – 19 (“AHO-19”) zoning district is to provide a realistic opportunity for the construction of affordable housing pursuant to the New Jersey Fair Housing Act and thereby comply with the Municipality's constitutional obligation to provide such housing to for low-and moderate-income households. Specifically, the AHO-19 zone is established to encourage redevelopment consisting of upper-story multiple dwellings with an affordable housing set-aside, along with ground-level retail, service, commercial and office uses.
- B. Permitted Uses. In the AHO-19 District, no lot shall be used and no structure shall be erected, altered or occupied for any purpose except the following:
- (1) Multiple dwellings above the ground floor, or behind retail sales and services businesses and restaurants located on the ground floor or street level.
 - (2) Townhouses (dwelling, attached).
 - (3) Stacked townhouses.

- (4) Combinations of multiple dwellings, townhouses and stacked townhouses.
 - (5) Retail sales and services, offices and restaurants located on the ground floor or street level, provided the establishment faces on Nassau Street.
- C. Accessory Uses Permitted. Any of the following uses shall be permitted when used in conjunction with a principal use:
- (1) Residential management office.
 - (2) Common rooms/areas, including for meetings, recreation, laundry and storage.
 - (3) Communications infrastructure.
 - (4) Maintenance facility.
 - (5) Maintenance and storage.
 - (6) Off-street parking and loading.
 - (7) Street/site furnishings.
 - (8) Home occupations.
 - (9) Fences and walls.
 - (10) Landscape amenities and open space.
 - (11) Signs.
 - (12) Storm water management facilities and other utilities.
 - (13) Other customary uses which are clearly incidental and subordinate to a permitted principal use on the same lot.
- D. Required Income Restriction. In any AHO-19 district, at least twenty percent (20%) of the total number of dwellings shall be affordable to very low, low and moderate income households. Affordable units shall be restricted, regulated and administered consistent with the Municipality's affordable housing regulations, the Uniform Housing Affordability Controls rules (N.J.A.C. 5:80-26.1 et seq.) and the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301 et seq.), including the Fair Housing Act's definition of very low-income households and all other provisions of the Municipality's Affordable Housing Ordinance (§T10B-332).

E. AHO-19 Site Development Regulations. The following site development regulations shall apply to all lots and buildings:

- (1) Minimum yard requirements:
 - (a) Front yard: five (5) feet, or no less than three (3) feet more than the existing front yard setback of an adjacent building in the Jugtown Historic Overlay District on Nassau Street, whichever is greater.
 - (b) Side yard: five (5) feet, except where the side yards facing public streets of corner lots where the primary frontage is Harrison Street, the minimum side yard shall be five (5) feet; or, at least three (3) feet greater than the existing side yard depth of an existing building on the lot, whichever is greater.
 - (c) Rear yard: five (5) feet.
- (2) Minimum landscape buffer to residential zones: 15 feet.
- (3) Exemptions from setback standards: the minimum and maximum front, side, and rear yard setback standards do not apply to street-fronting buildings required to be retained in the AHO-19 Overlay District.
- (4) Maximum impervious coverage: 80%.
- (5) Maximum building height and roof requirement. A pitched roof shall be required; consequently, flat roofs shall not be permitted. The maximum building height shall be three (3) stories, not to exceed thirty-five (35) feet. The spring point of such pitched roof shall be no greater than five feet above the finished floor level of the third floor.
- (6) Street-fronting buildings: Retention of the street-fronting buildings in existence as of July 13, 2020 (the date of adoption of Ordinance 2020-17 that established the AHO-2 Overlay Zone) is required and no new construction is permitted on top of these existing buildings: Block 32.01, Lot 214 (344 Nassau Street), Block 34.01, Lot 14 (342 Nassau Street), Block 34.01, Lot 32 (338 Nassau Street); Block 52.01, Lot 67 (341 Nassau Street); and Block 53.01, Lot 80 (343-345 Nassau Street).

F. Off-street parking.

- (1) Residential uses:
 - (a) Up to five dwelling units, inclusive of existing and new: no off-street parking is required.

- (b) 1.1 off-street parking spaces shall be provided for each new dwelling unit in excess of five dwelling units.
 - (c) On-street parking credit. Off-street parking requirements shall be reduced by the number of new on-street parking spaces created.
- (2) Non-residential uses, one space for each 400 sf. of retail sales and services; one space for each 300 sf. of office space; and one space for each five seats in a restaurant.
- G. Lighting. Illumination of sites and buildings shall be regulated pursuant to §B17A-365.1 Lighting.
- H. Signs. Signs shall be regulated pursuant to §B17A-368, Accessory Signs-Permitted, in business districts

Section 5. Conflicts. If the terms of this Ordinance shall be in conflict with those of another Ordinance, the provisions of this Ordinance shall control.

Section 6. Severability. If any section, paragraph, subsection, clause, or provision of this ordinance shall be adjudged by a court of competent jurisdiction to be invalid, such adjudication shall apply only to the section, paragraph, subsection, clause, or provision so adjudged, and the remainder of this ordinance shall be deemed valid and effective.

Section 7. Referral. After introduction, the Municipal Clerk is hereby directed to submit a copy of this ordinance to the Princeton Planning Board for its review and report in accordance with N.J.S.A. 40:55D-64.

Section 8. Notice. The Municipal Clerk is directed to give notice at least ten (10) days prior to the hearing on the adoption of this Ordinance to the Mercer County Planning Board and to all other persons entitled thereto pursuant to N.J.S.A. 40:55D-62.1.

Section 9. Effective Date. This ordinance shall take effect immediately upon final passage and publication, filing with the Mercer County Planning Board, and as otherwise provided for by law.

Dawn M. Mount, Clerk

Hon. Mark Freda, Mayor

STATEMENT OF PURPOSE: The purpose of this ordinance is to amend Princeton's zoning ordinance by creating a new affordable housing zoning overlay district in furtherance of Princeton's Fourth Round Housing Plan Element and Fair Share Plan.

NOTICE

NOTICE IS HEREBY GIVEN that the above Ordinance was introduced and passed on first reading at the Council Meeting of the Mayor and Council of the Municipality of Princeton in the County of Mercer, State of New Jersey, held on February 23, 2026 and will be considered for final passage and adoption at the Council Meeting scheduled for March 9, 2026 at 7:00 p.m. at the Princeton Municipal Building, 400 Witherspoon Street, Princeton, New Jersey. Any person interested in this matter will be given an opportunity to be heard at that meeting. A copy of this Ordinance may be obtained at no cost by any member of the general public upon request at the Municipal Building during business hours.