

## Amendment to the 2016 Third Round Housing Element and Fair Share Plan

TOWNSHIP OF HARRISON | GLOUCESTER COUNTY, NEW JERSEY

March 4, 2022

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## **AMENDMENT** TO THE **2016** THIRD ROUND HOUSING ELEMENT AND FAIR SHARE PLAN

Adopted by the Joint Land Use Board \_\_\_\_\_

ENDORSED BY THE TOWNSHIP COMMITTEE

PREPARED BY:

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BRETT L HARRIS, AICP Kyle + McManus Associates

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Engineer: Hugh Dougherty, P.E., Pennoni Associates

Planner: Robert Melvin, P.P., Pennoni Associates

#### **TOWNSHIP COMMITTEE**

Lou Manzo, Mayor Julie DeLaurentis John Williams Michelle Powell Adam Wingate Solicitor: Brian J. Duffield, Esq.

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## **INTRODUCTION & EXECUTIVE SUMMARY**

The following amends the 2016 *Third Round Housing Element and Fair Share Plan* (hereinafter the "2016 Housing Plan"). As discussed therein, the 2016 Housing Plan was prepared as part of a 2016 Settlement Agreement between Harrison Township and Fair Share Housing Center (hereinafter "FSHC"). Prior to the Settlement Agreement being approved by Superior Court at a Fairness Hearing, or the 2016 Housing Plan being approved by Superior Court at a Compliance Hearing, it was determined that the 2016 Settlement Agreement was in need of amendment to reflect an improperly calculated third round obligation. To rectify an error in the obligation, the Township entered into a new Settlement Agreement with FSHC on November 18, 2019 (hereinafter the "2019 Settlement Agreement"). A 2020 Amendment to the Housing Element and Fair Share Plan (hereinafter the "2020 Housing Plan") was prepared and was adopted by the Joint Land Use Board on December 03, 2020, which addressed the change in the Third Round Obligation from 546 units identified in the 2016 Housing Plan to 625 units set forth in the 2019 Settlement Agreement and addressed herein.

The Township entered into a new Settlement Agreement (hereinafter the "2021 Settlement Agreement") with FSHC because of the anticipated sale of certain parcels in the Richwood Village by Madison Marquette, LLC to MOTUS, and the changed development plans that resulted. This 2022 Amendment addresses the change in plans and the updated affordable housing strategies that will satisfy the Prior Round and Third Round Obligations. This 2021 Amendment supersedes and replaces the 2020 Housing Plan.

The Rehabilitation Obligation remains at 0 units. While no rehabilitation program is required, the Township will continue participation in the Gloucester County Home Improvement Loan Program as stated in the 2016 Housing Plan.

The Prior Round Obligation remains at 198 units. The Township will satisfy this obligation as set forth in the 2016 Housing Plan, with the exception of the Visalli Tract, which is now proposed to be developed at a higher density. Further details regarding the changes to the Visalli Tract project can be found in the following section.

The Third Round Obligation is 625 units. The Township will satisfy this obligation using some of the strategies outlined in the 2016 Housing Plan, specifically Mullica West Apartments, Mullica West Expansion, and Visalli Tract. Additional strategies have been identified, and include Mullica West Senior Development, Project Freedom/Richwood, and Circle Haven. Further details regarding the newly proposed strategies can be found in the following Third Round Obligation Section.

## **AMENDED SATISFACTION OF THE PRIOR ROUND OBLIGATION**

The Township's Prior Round Obligation, pursuant to the 2021 Settlement Agreement, is 198 units. The following table summarizes the affordable housing strategies to meet this obligation.

Satisfaction of the 198-unit Prior Round Obligation			
Program	Units	Bonus Credits	Total Credits
Regional Contribution Agreement w/ City of Woodbury (2004)	22	0	22
Walnut Glen/Spring Mill (Block 57, Lot 22.03) Non-Inclusionary Family Rentals	93	50	143
Visalli Tract (Block 45, Lot 16) Inclusionary Family Rentals/For-Sale (30 of 102 to the Prior Round)	30	0	30
Newpoint Group Home (244 Tomlin Station Road)	3	0	3
Total	148	50	198

#### **Regional Contribution Agreement**

The 22-units remain as set forth in the 2016 Housing Plan.

#### Walnut Glen/Spring Mill

The 93-units and 50-bonus credits remain as set forth in the 2016 Housing Plan.

#### Visalli Tract

The Visalli tract, Block 45 Lot 16, is a 63.5-acre tract located on Swedesboro Road and is located adjacent to farmland to the north, an elementary school and commercial uses to the east, and an existing single-family home development to the west. Across Swedesboro Road, to the south, are existing single-family homes. The site was subject to a 2010 settlement agreement and received preliminary major subdivision



approval for a 205-unit age restricted development, which included 24 affordable units. The site remains suitable for the production of affordable housing, as required by N.J.A.C. 5:93-5.3.

The property owner/developer provided correspondence dated December 17, 2021, stating they no longer intend to pursue an age-restricted development and that the prior approvals have been abandoned.

As depicted in the 2021 Settlement Agreement, the Township shall rezone the tract for approximately eight units an acre, to permit a non-age-restricted family development of at least 508 total units. An affordable housing set aside of 20% shall be applied, resulting in at least 102 affordable family units. The residential units are permitted as townhomes and multifamily buildings.

The affordable housing project will meet the applicable requirements for inclusionary housing in the substantive rules, as well as the Uniform Housing Affordability Control rules (UHAC) (N.J.A.C. 5:80-26.1 et seq.). See below as well as supplementary documentation in support of this site in the Appendices.

- Administrative Entity. The Township anticipates that the affordable housing developer will administer and affirmatively market the units at the site, income qualify applicants, place minimum 30-year affordability controls on the units and provide long term administration of the units in accordance with COAH's rules at N.J.A.C. 5:93 et seq. and UHAC per N.J.A.C. 5:80-26.
- Low/Moderate Income Split. The site shall comply with the required split of low and moderate income units, which shall include not less than 50% of the units being reserved for low income households. Additionally, at least 13% of all affordable units shall be reserved for very low income households. If the actual number of affordable units constructed is an odd number, the units will always be split in favor of the low-income unit share per N.J.A.C. 5:93-7.2 and the UHAC at N.J.A.C. 5:80-26.
- Affirmative Marketing. The affordable units will be affirmatively marketed in accordance with COAH's rules at N.J.A.C. 5:93 et seq. and N.J.A.C. 5:80-26.
- Controls on Affordability. The affordable units will have minimum 30-year affordability controls in accordance with COAH's rules and UHAC regulations.
- Bedroom Distribution. The developer will follow the UHAC requirements regarding bedroom distribution for the affordable housing development on the site.
- Phasing. The developer shall follow the phasing schedule set forth in N.J.A.C. 5:93-5.6(d).

The Visalli tract units are split between the Prior and Third Round Obligation, with 30 units counting towards the Prior Round Obligation.

#### **Newpoint Group Home**

The 3-units remain as set forth in the 2016 Housing Plan.

#### **Additional Prior Round Obligations**

In addition to meeting the total 198 Prior Round Obligation, the Township must also meet a rental obligation and maximum senior units.

Minimum Rental = 157 units

.25 (prior obligation) = 50 units | .25 (198) = 49.5, rounded up to 50

This obligation is satisfied with the Walnut Glen/Spring Mill development.

Maximum Senior = 156 units

.25 (prior obligation) = 50 units | .25 (198) = 49.5, rounded up to 50

The Township does not use senior housing to meet the obligation.

### **AMENDED SATISFACTION OF THE THIRD ROUND OBLIGATION**

The Township's Third Round Obligation is established in the 2021 Settlement Agreement is 625 units. The following table summarizes the affordable housing strategies to meet this obligation.

Satisfaction of the 625-unit Third Round Obligation			
Program	Units	Bonus Credits	Total Credits
Mullica West Apartments (Block 52 Lot 8) 100% Affordable Family Rentals	168	46	214
Mullica West Expansion (Block 52, Lot 9) 100% Affordable Family Rentals	48	48	96
Visalli Tract (Block 45 Lot 16) Inclusionary Family Rentals/For-Sale (72 of 102 to the Third Round)	72	0	72

Satisfaction of the 625-unit Third Round Obligation			
Program	Units	Bonus Credits	Total Credits
Mullica West Senior Development (Block 52 Lots 8 & 9) 100% Affordable Senior Rentals	96	0	96
Project Freedom/Richwood (Block 2 Lot 1) 100% Affordable Special Needs/Family Rentals	84	63	147
Circle Haven (Block 38 Lot 6) Supportive/Special Needs	30	0	30
Total	498	157	655

#### **Mullica West Apartments**

The 168-units remain as set forth in the 2016 Housing Plan. These apartments, which are proposed as extensions of affordability, remain as set forth in the 2016 Housing Plan – with one exception. Eighteen (18) of the units are restricted in a way that would allow a household earning greater than 80% of median income to reside. In an effort to rectify this, the Township has worked with the owner to record a deed restriction limiting occupancy of those units to households at or below 80% of median income.

#### Mullica West Expansion

The 48-units remain as set forth in the 2016 Housing Plan.

#### Visalli Tract

The Visalli tract units are split between the Prior and Third Round Obligation, with 72 units counting towards the Third Round Obligation. The project description can be found in the Prior Round Obligation section herein.



#### **Mullica West Senior Development**

The Mullica West Senior Development is a new 96-unit 100% affordable senior development, located to the north of the Mullica West Apartments, near the intersection of Mt Cavalry Lane and High Street. The site is composed of Block 52 Lots 8 and 9. To the north, across High Street are existing single-family homes and the Mt Calvary Baptist Church. Wooded areas, farmland, and single-family homes exist to the east, south, and west of the site.

As stated in the 2021 Settlement Agreement, the developer, Ron Rukenstein Associates will pursue 4% or 9% Low Income Housing Tax Credits in the 2022 and, if necessary, in the 2023 application cycle. The Township has indicated it shall support and facilitate all tax credit applications and will provide \$650,000 to assist with pre-development costs. Additionally, the Township has agreed and that it shall be obligated to bond for the cost of construction if sufficient outside funding is not secured.

This site is suitable for production of low- and moderate-income housing, as described below.

 "Available site" means a site with clear title, free of encumbrances which preclude development for low- and moderate-income housing.

The Township and Ron Rukenstein Associates represent that the site has a clear title and has no encumbrances which would preclude its development with affordable housing in accordance with the Agreement.

• "Suitable site" means 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.

As detailed above, the site is adjacent to compatible land uses, and appears to have access to High Street and Woodstown Road. Additionally, there are minimal environmental constraints associated with the site that do not preclude development of 96 housing units in accordance with the agreement.

 "Developable site" means a site that has access to appropriate water and sewer infrastructure, and is consistent with the applicable areawide water quality management plan (including the wastewater management plan) or is included in an amendment to the areawide water quality management plan submitted to and under review by DEP.

The site is located in the Mullica Hill sewer service area with sewer service provided by Harrison Township, and the water service area served by New Jersey American Water.

 "Approvable site" means 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.

The site appears to be developable consistent with the Residential Site Improvement Standards, *N.J.A.C.* 5:21. The site does not contain any historic or architecturally important structures and is not within an historic district.



 In addition to determining whether the site and proposed development is suitable pursuant to the above definitions, COAH's rules, in *N.J.A.C.* 5:93-5.4, provide guidance as to where in the state inclusionary housing in encouraged. COAH's rules rely on the 2001 State Development and Redevelopment Plan (SDRP) for this guidance and state inclusionary housing in Planning Areas 1, 2, and Centers is encouraged.

The majority of land in Harrison Township is designated as Planning Area 3, the Fringe Planning Area. An eastern portion of the Township is designated as designated as Planning Area 2 the Suburban Planning Area, and a western portion of the Township has lands in Planning Area 4, the Rural Planning Area. The site is in Planning Area 3, the Fringe Planning Area. Notwithstanding, the site is in proximity to public schools, as well as residential uses on the same site, ensuring it is suitable for the production of affordable housing.

#### **Project Freedom/Richwood**

The Project Freedom/Ridgewood project is a new 84-unit 100% affordable special needs and family rental development. Of the 84 units, 21 will be special needs units and at least 63 will be affordable family rentals.

The site is located on the southernly portion of Block 2 Lot 1, in the eastern portion of the Township, on Richwood Aura Road. Adjacent land uses include single-family homes, farmland, and wooded areas. State Route 55 is located directly adjacent to the east. The developer, MOTUS, intends to pursue the development of a soccer/multi-sport complex with commercial uses on the remainder of the lands in the Richwood Redevelopment Area.

The Township has indicated it will partner with the developer, MOTUS, on the 84-unit development. As depicted in the 2021 Settlement Agreement, the developer will pursue 4% or 9% Low Income Housing Tax Credits in the 2022 and, if necessary, in the 2023 application cycle. The Township has indicated it shall support and facilitate all tax credit applications and will a subsidy to assist with pre-development costs. It is anticipated the subsidy will be in the same range as the Mullica West Senior project, \$650,000. Additionally, the Township has agreed and that it shall be obligated to bond for the cost of construction if sufficient outside funding is not secured.

The proposed development shall comply with all affordable housing requirements.

This site is suitable for production of low- and moderate-income housing, as described below.

• "Available site" means a site with clear title, free of encumbrances which preclude development for low and moderate income housing.

The Township and MOTUS represent that the site has a clear title and has no encumbrances which would preclude its development with market rate and affordable housing in accordance with the Agreement.



• "Suitable site" means 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.

As detailed above, the site is adjacent to compatible land uses and access will be provided to Richwood Aura Road. There are no environmental constraints associated with the site.

 "Developable site" means a site that has access to appropriate water and sewer infrastructure, and is consistent with the applicable areawide water quality management plan (including the wastewater management plan) or is included in an amendment to the areawide water quality management plan submitted to and under review by DEP.

The site does not currently have sewer/water infrastructure. As set forth in the Township's 2021 settlement agreement, it is anticipated that sewer service will be obtained through the Gloucester County Utilities Authority and water service through New Jersey American Water. The Township has confirmed the utilities have adequate capacity to service the Project Freedom development. MOTUS has committed to bear full responsibility for extending sewer and water infrastructure lines within five feet of Block 2, Lot 1.

 "Approvable site" means 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.

The site appears to be developable consistent with the Residential Site Improvement Standards, *N.J.A.C.* 5:21. The site does not contain any historic or architecturally important structures and is not within an historic district.

In addition to determining whether the site and proposed development is suitable pursuant to the above definitions, COAH's rules, in *N.J.A.C.* 5:93-5.4, provide guidance as to where in the state inclusionary housing in encouraged. COAH's rules rely on the 2001 State Development and Redevelopment Plan (SDRP) for this guidance and state inclusionary housing in Planning Areas 1, 2, and Centers is encouraged.

The site is in Planning Area 2, the Suburban Planning Area, in accordance with where affordable housing is encouraged.

In addition to site suitability, the affordable housing project will meet the applicable requirements for 100% affordable housing projects in the substantive rules, as well as the Uniform Housing Affordability Control rules (UHAC) (N.J.A.C. 5:80-26.1 et seq.). See below as well as supplementary documentation in support of this site in the Appendices.

- Developer Selection. The Township has partnered with an experienced affordable housing developer

   Project Freedom who will construct, own and manage the site.
- Administrative Entity. The affordable housing developer will administer and affirmatively market the units at the site, income qualify applicants, place minimum 30-year affordability controls on the units and provide long term administration of the units in accordance with COAH's rules at N.J.A.C. 5:93 et seq. and UHAC per N.J.A.C. 5:80-26.



- Low/Moderate Income Split. The site shall comply with the required split of low and moderate income units, which shall include not less than 50% of the units being reserved for low income households. Additionally, at least 13% of all affordable units shall be reserved for very low income households. If the actual number of affordable units constructed is an odd number, the units will always be split in favor of the low-income unit share per N.J.A.C. 5:93-7.2 and the UHAC at N.J.A.C. 5:80-26.
- Affirmative Marketing. The affordable units will be affirmatively marketed in accordance with COAH's rules at N.J.A.C. 5:93 et seq. and N.J.A.C. 5:80-26.
- Controls on Affordability. The affordable units will have minimum 30-year affordability controls in accordance with COAH's rules and UHAC regulations.
- Bedroom Distribution. The Township's affordable housing developer will follow the UHAC requirements regarding bedroom distribution for the affordable housing development on the site.
- Funding. The Township anticipates that the developer will apply for various funding sources, including Federal Low-income Housing Tax Credits. A shortfall of funds will be addressed through the use of outside funding sources, including the municipal Affordable Housing Trust fund and other sources of municipal revenues to the extent necessary.
- Construction Schedule. A construction schedule has been developed for the site that notes each step in the development process, including preparation of the site plan, receiving municipal approvals, submission of funding applications and beginning construction. The Township's affordable housing developer will be responsible for monitoring the construction and development activity.

#### **Circle Haven**

The Circle Haven project is a 30-unit 100% affordable special needs development that the Township is proposing to sponsor. Based on the 2021 Settlement Agreement, the site is currently municipally owned, and will be conveyed to Acenda Integrated Health.

In the 2016 Housing Plan, the Township identified the site as a potential site for future affordable housing, referring to it as the Cedar-Breakneck Road site. The site was not proposed to satisfy the Third Round Obligation, but now is.

The site is Block 38 Lot 6, with frontage on Colson Lane and Cedar Road. The Harrison Township Public Works facility currently occupies the southern portion of the site with access on Colson Lane. Adjacent uses include single-family homes, wooded areas, farmland, and schools. The Pleasant Valley Elementary School is directly adjacent to the east, and the Clearview Regional High School is located to the north.

As depicted in the 2021 Settlement Agreement, Acenda will pursue funding through the NJ Department of Human Services as well as other outside funding, such as 4% Low Income Housing Tax Credits, to finance the construction of the project. The Township shall be responsible for covering any gap financing necessary to start construction. Additionally, the Township has agreed and that it shall be obligated to



bond for the cost of construction, deducting only firmly committed funding from outside sources at that time from the bond amount for the total cost necessary to complete the project.

This site is suitable for production of low and moderate income housing, subject to the terms of the durational adjustment, as described below.

 "Available site" means a site with clear title, free of encumbrances which preclude development for low and moderate income housing.

The Township and Acenda represent that the site has a clear title and has no encumbrances which would preclude its development with market rate and affordable housing in accordance with the Agreement.

 "Suitable site" means 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.

As detailed above, the site is adjacent to compatible land uses with potential access to Colson Lane and Cedar Road. Additionally, while environmental constraints are present on the site, they do not preclude development of 30 units in accordance with the agreement.

- "Developable site" means a site that has access to appropriate water and sewer infrastructure, and is consistent with the applicable areawide water quality management plan (including the wastewater management plan) or is included in an amendment to the areawide water quality management plan submitted to and under review by DEP.
- The site is located in the Mullica Hill sewer service area with service provided by the Township, and the water service area served by New Jersey American Water.
- "Approvable site" means 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.

The site appears to be developable consistent with the Residential Site Improvement Standards, *N.J.A.C.* 5:21. The site does not contain any historic or architecturally important structures and is not within an historic district.

In addition to determining whether the site and proposed development is suitable pursuant to the above definitions, COAH's rules, in *N.J.A.C.* 5:93-5.4, provide guidance as to where in the state inclusionary housing in encouraged. COAH's rules rely on the 2001 State Development and Redevelopment Plan (SDRP) for this guidance and state inclusionary housing in Planning Areas 1, 2, and Centers is encouraged.

The majority of land in Harrison Township is designated as Planning Area 3, the Fringe Planning Area. An eastern portion of the Township is designated as designated as Planning Area 2 the Suburban Planning Area, and a western portion of the Township has lands in Planning Area 4, the Rural Planning Area. The site is in Planning Area 3, the Fringe Planning Area. Notwithstanding, the site is in proximity to public schools, as well as residential uses, ensuring it is suitable for the production of affordable housing.



In addition to site suitability, the affordable housing project will meet the applicable requirements for 100% affordable housing projects in the substantive rules, as well as the Uniform Housing Affordability Control rules (UHAC) (N.J.A.C. 5:80-26.1 et seq.). See below as well as supplementary documentation in support of this site in the Appendices.

- Developer Selection. The Township has partnered with an experienced affordable housing developer

   Project Freedom who will construct, own and manage the site.
- Administrative Entity. The affordable housing developer will administer and affirmatively market the units at the site, income qualify applicants, place minimum 30-year affordability controls on the units and provide long term administration of the units in accordance with COAH's rules at N.J.A.C. 5:93 et seq. and UHAC per N.J.A.C. 5:80-26.
- Low/Moderate Income Split. The site shall comply with the required split of low and moderate income units, which shall include not less than 50% of the units being reserved for low income households. Additionally, at least 13% of all affordable units shall be reserved for very low income households. If the actual number of affordable units constructed is an odd number, the units will always be split in favor of the low-income unit share per N.J.A.C. 5:93-7.2 and the UHAC at N.J.A.C. 5:80-26.
- Affirmative Marketing. The affordable units will be affirmatively marketed in accordance with COAH's rules at N.J.A.C. 5:93 et seq. and N.J.A.C. 5:80-26.
- Controls on Affordability. The affordable units will have minimum 30-year affordability controls in accordance with COAH's rules and UHAC regulations.
- Bedroom Distribution. The Township's affordable housing developer will follow the UHAC requirements regarding bedroom distribution for the affordable housing development on the site.
- Funding. The Township anticipates that the developer will apply for various funding sources, including Federal Low-income Housing Tax Credits. A shortfall of funds will be addressed through the use of outside funding sources, including the municipal Affordable Housing Trust fund and other sources of municipal revenues to the extent necessary.
- Construction Schedule. A construction schedule has been developed for the site that notes each step in the development process, including preparation of the site plan, receiving municipal approvals, submission of funding applications and beginning construction. The Township's affordable housing developer will be responsible for monitoring the construction and development activity.

#### **Additional Third Round Obligations**

In addition to meeting the total 625 Third Round Obligation, the Township must also meet a rental obligation, maximum senior units, family obligation, and the very low income obligation.

#### Minimum Rental = 157 units

.25 (third round obligation) = 157 units | .25 (625) = 156.25, rounded up to 157

This obligation is satisfied with the Mullica West Apartments, Mullica West Expansion, and Project Freedom / Richwood Village.

#### Maximum Senior = 156 units

.25 (third round obligation) = 156 units | .25 (625) = 156.25, rounded down to 156

The Township uses 96 senior rentals at the Mullica West Senior Development.

#### Minimum Family = 328 units

.50 (third round obligation) = 328 units | .50 (655) = 327.5, rounded up to 328

This obligation is satisfied with Mullica West Apartments, Mullica West Expansion, the Visalli Tract and Project Freedom / Richwood Village (63 units)

#### Minimum Family Rental: 79 units

.50 (rental obligation) = 79 units | .50 (157) = 78.5, rounded up to 79

This obligation is satisfied with Mullica West Apartments, Mullica West Expansion, and Project Freedom / Richwood Village (63 units)

#### Minimum Very Low Income = 43 units

.13 (units created or approved on or after July 1, 2008) = 43 units | .13 (330) = 42.9, rounded up to 43 units

This obligation is created by the Visalli Tract (72 Third Round units), Mullica West Expansion (48 family rental units), Mullica West Senior Development (96 family rental units), Project Freedom / Richwood Village (84 family and special needs units), and Circle Haven (30 special needs rental units).

This obligation is satisfied with the Visalli Tract (14 family units), Mullica West Senior Development (13 family rental units), Project Freedom / Richwood Village (11 units, including 9 family rental units), and Circle Haven (5 special needs rental units).

East Greenwich Township

Woolwich Township

**VISALLI TRACT** 

Mantua Township

**Pitman Borough** 

2500

5000

7500 ft

**CIRCLE HAVEN** 

MULLICA WEST MULLICA WEST SENIOR



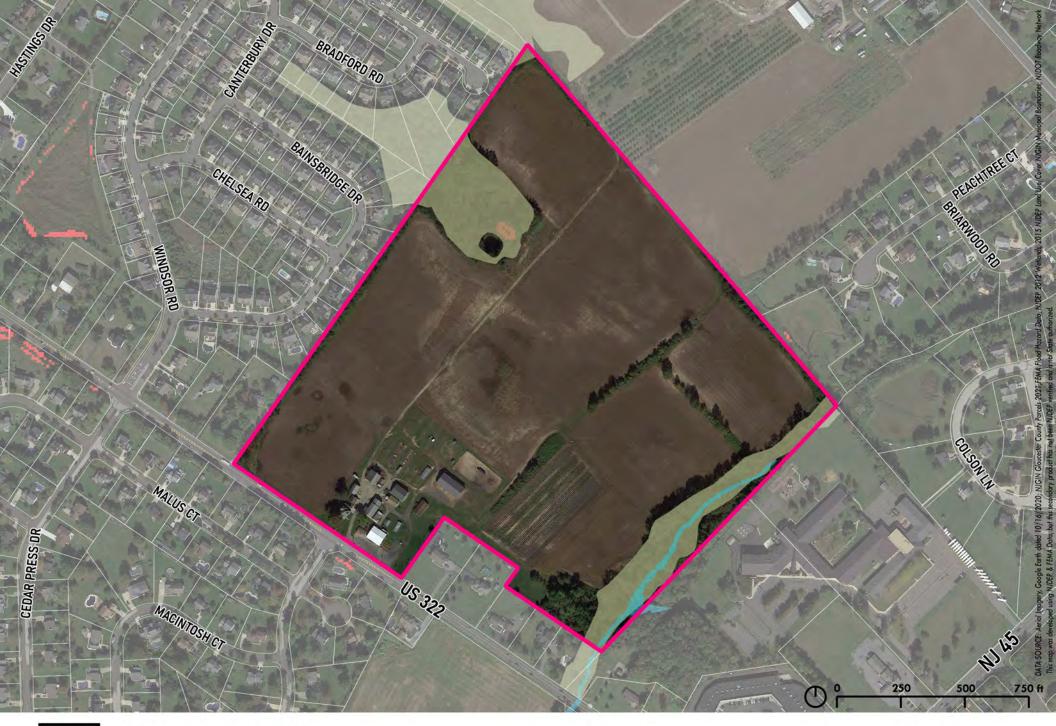
### LEGEND



0

Elk Township

MULLICA WEST EXPANSION WALNUT GLEN/SPRING MILL **PROJECT FREEDOM** Glassboro Borough South Harrison Township





# VISALLI TRACT

BLOCK 45 LOT 16 HARRISON TOWNSHIP, GLOUCESTER COUNTY, NJ







# CIRCLE HAVEN

BLOCK 38 LOT 6 HARRISON TOWNSHIP, GLOUCESTER COUNTY, NJ







## MULLICA WEST

BLOCK 52 LOTS 8 & 9 HARRISON TOWNSHIP, GLOUCESTER COUNTY, NJ







## PROJECT FREEDOM/RICHWOOD BLOCK 2 LOT 1

HARRISON TOWNSHIP, GLOUCESTER COUNTY, NJ







# WALNUT GLEN/SPRING MILL

BLOCK 57 LOT 22.03 HARRISON TOWNSHIP, GLOUCESTER COUNTY, NJ





## **APPENDICES**



Peter J. O'Connor, Esa. Adam M. Gordon, Esa. Laura Smith-Denker, Esa. David T. Rammler, Esa. Joshua D. Bauers, Esa. Bassam F. Gergi, Esa.

December 20, 2021

Kevin A. Van Hise, Esq. Mason, Griffin & Pierson, PC 101 Poor Farm Road Princeton, New Jersey 08540

#### **Re:** In the Matter of the Application of the Township of Harrison, Docket No. GLO-L-908-15

Dear Mr. Van Hise:

This letter memorializes the terms of an amended Settlement Agreement reached between the Township of Harrison (the "Township" or "Harrison"), the declaratory judgment plaintiff, and Fair Share Housing Center ("FSHC"), a Supreme Court-designated interested party in accordance with <u>In re N.J.A.C. 5:96 and 5:97</u>, 221 <u>N.J.</u> 1, 30 (2015) (<u>Mount Laurel IV</u>), and, through settlement, a defendant-intervenor in this matter.

This Settlement Agreement is subject to review and approval by the Court following a duly-noticed fairness hearing and, if approved, shall supersede and replace in its entirety the November 14, 2019 Settlement Agreement between Harrison and FSHC, which is attached hereto as **Exhibit A**, and was previously approved by the Court following a duly-noticed fairness hearing.

#### Background

In accordance with <u>Mount Laurel IV</u>, Harrison is seeking a declaration of its compliance with the <u>Mount Laurel</u> doctrine and the Fair Housing Act of 1985, <u>N.J.S.A.</u> 52:27D-301, et seq.

Through the declaratory judgment process, the Township and FSHC agreed in November 2019 to settle the litigation and to present an agreement to the trial court with jurisdiction over this matter to review, recognizing that the settlement of <u>Mount Laurel</u> litigation is favored because it ends delays and the expense of trial and results more quickly in the construction of homes for very-low-, low- and moderate-income households.

This amended Settlement Agreement was necessitated by the anticipated sale of certain parcels in Richwood Village by Madison Marquette, LLC, to MOTUS, and the changed plans that will result.

This Settlement Agreement supersedes all prior writings between the parties and, once implemented, will create a realistic opportunity for the construction of a substantial number of new affordable homes for very-low-, low-, and moderate-income households.

#### **Settlement Agreement Terms**

The Township and FSHC hereby agree to the following terms:

1. The Township, through the adoption of a Housing Element and Fair Share Plan ("fair share plan" or "HEFSP") conforming with the terms of this Agreement, and through the

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expeditious implementation of the fair share plan and this Agreement, will satisfy its obligations under the <u>Mount Laurel</u> doctrine and Fair Housing Act of 1985, <u>N.J.S.A.</u> 52:27D-301, et seq., for the Prior Round (1987-1999) and Third Round (1999-2025).

- 2. At this time and at this particular point in the process, resulting from the Supreme Court's <u>Mount Laurel IV</u> decision, when Third Round fair share obligations have yet to be definitively determined, it is appropriate for the parties to arrive at a settlement regarding a municipality's Third Round present and prospective need instead of doing so through plenary adjudication of the present and prospective need.
- 3. Harrison hereby agrees that its fair share obligations are as follows:

Rehabilitation/Present Need Obligation (per Kinsey Report <sup>1</sup> )	0
Prior Round Prospective Need Obligation (pursuant to N.J.A.C. 5:93)	198
Third Round (1999-2025) Prospective Need (per Kinsey Report, as adjusted in this Agreement)	625

- 4. For purposes of this Agreement, the Third Round Prospective Need shall be deemed to include the Gap Period Present Need, which is a measure of households formed from 1999-2015 that need affordable housing, which was established by the New Jersey Supreme Court in <u>In re Declaratory Judgment Actions Filed By Various Municipalities</u>, 227 <u>N.J.</u> 508 (2017).
- 5. *Rehabilitation/Present Need*. The Township does not have a present need obligation, and thus no action is required to address it.
- 6. *Prior Round.* As noted above, the Township has a Prior Round Prospective Need Obligation of 198 units, which is met through the following compliance mechanisms:

Developments/ Compliance Mechanisms	Details/Status	Units	Bonuses
Regional Contribution Agreement w/City of Woodbury (2004)	Completed (Funds Transferred)	22	0
Walnut Glen/Spring Mill (Block 57, Lot 22.03) Non-Inclusionary Family Rentals	Completed	93	50
Visalli Tract (Block 45, Lot 16)			
Inclusionary Family Rentals/For-Sale (30 of 102 to the Prior Round)	Proposed	30	
Newpoint Group Home (244 Tomlin Station Road)	Completed	3	0
	Total:	148	50
		198	3 credits

<sup>1</sup> David N. Kinsey, PhD, P.P., F.A.I.C.P., "New Jersey Low and Moderate Income Housing Obligations for 1999-2025 Calculated Using the NJ COAH Prior Round (1987-1999) Methodology, dated May 2016.

Developments/ Compliance Mechanisms	Details/Status	Units	Bonuses
Mullica West Apartments (Block 52, Lot 8) 100% Affordable Family Rentals	Completed	168*	46
Mullica West Expansion (Block 52, Lot 9) 100% Affordable Family Rentals	Completed	48	48
Visalli Tract (Block 45, Lot 16) Inclusionary Family Rentals/For-Sale (72 of 102 to the Third Round)	Proposed	72	0
Mullica West Senior Development (Block 52, Lots 8 & 9) 100% Affordable Senior Rentals	Proposed	96	0
Project Freedom/ Richwood (Block 2, Lot 1) 100% Affordable Special Needs/Family Rentals	Proposed	84	63
Circle Haven (Block 38, Lot 6) Supportive/Special Needs	Proposed	30	0
en e	Total:	498 655	157 credits**

7. *Third Round.* As noted above, the Township has a Third Round Prospective Need Obligation of 625 units, which is met through the following compliance mechanisms:

\*Eighteen (18) of the units at Mullica West Apartments are restricted in a way that would permit a household earning greater than eighty percent (80%) of area median income to occupy the unit, which is above the maximum permitted by the Fair Housing Act and the Uniform Housing Affordability Controls. On or before March 1, 2022, the Township shall provide a recorded deed restriction that limits occupancy of these eighteen (18) units to households at or below eighty percent (80%) of area median income adjusted for household size.

\*\*Any affordable units constructed above Harrison's Third Round Prospective Need may be credited to future rounds in accordance with then-applicable law but shall not be a reason to reduce any Third Round mechanisms or the affordable housing set-aside on any project.

- 8. The Township has committed to provide a realistic opportunity for the development of affordable housing through inclusionary zoning on the following sites:
  - a. The Visalli tract (Block 45, Lot 16) is a 63.5-acre tract located on Swedesboro Road. The site was subject to a 2010 settlement agreement and received preliminary major subdivision approval in March 2010 (Resolution No. 9-2010) for a 205-unit age-restricted development, including 24 affordable units.

The Township has provided correspondence dated December 17, 2021, attached hereto as **Exhibit B**, which indicates that the prior approvals have been abandoned and that the property owner/developer no longer intends to pursue an age-restricted development.

On or before March 1, 2022, the Township shall rezone the Visalli tract at approximately eight (8) units per acre to permit a non-age-restricted family development of no fewer than 508 total units with a mandatory twenty percent (20%) affordable housing set-aside of any units approved/constructed on the site, which shall create a realistic opportunity for no fewer than 102 affordable family units. The residential units will be permitted in townhomes and multifamily buildings that may be up to three-stories and 48 feet and concentrated on the developable acreage of the site.

The rezoning shall ensure that the family affordable units shall comply with all of the affordable housing requirements (including income/bedroom distribution, deed restrictions, integration, affirmative marketing, and phasing) listed below in Paragraph 15.

9. Harrison has committed to provide a realistic opportunity for the development of affordable housing through means other than inclusionary zoning as follows:

a. The Township shall sponsor a 96-unit 100% affordable senior development at Block 52, Lots 8 and 9, known as the Mullica West Senior Development. At least thirteen (13) of the units shall be very low income units (priced to be affordable at or below 30 percent of median income), at least thirty-five (35) of the units shall be low income units (priced to be affordable at or below 50 percent of median income), and the remaining units may be moderate income units (priced to be affordable at or below 60 percent of median income).

The Township shall partner with Ron Rukenstein Associates on this 96-unit development that shall be adjacent to the existing Mullica West Apartments. The Township represents that there is sufficient land area on the site to accommodate the proposed development, and the site is in the sewer service area and is suitable for the development.

To help finance construction of the development, Rukenstein shall pursue 9% Low Income Housing Tax Credits from the New Jersey Housing Mortgage Finance Agency in the 2022 and, if necessary, 2023 application cycles.

The Township shall support and facilitate all applications by Rukenstein for tax credits, including adopting the conventional "Resolution of Need" necessary to apply for 9% tax credits and adopting a Payment in Lieu of Taxes at whatever

percentage is encouraged by NJHMFA to maximize points under the thenapplicable Qualified Allocation Plan. The Township shall also provide at least \$650,000.00 to Rukenstein initially to assist with pre-development costs and to assist in securing financing.

The start of construction must occur on or before April 1, 2024. If the Township and/or Rukenstein do not secure sufficient outside funding support prior to April 1, 2024, the Township agrees and commits that it shall be obligated to bond for the cost of construction necessary to construct the project, deducting only firmly committed funding from outside sources at that time from the bond amount for the total cost necessary to complete the project.

The Township may utilize New Jersey Housing and Mortgage Financing Agency 4% tax credits as part of its obligation to commence construction of the project no later than April 1, 2024.

On or before March 1, 2022, Harrison shall rezone the property to permit the 96unit development and provide FSHC, the Court, and Court Master with an executed developer's agreement between Rukenstein and the Township that conforms with all of the terms of this Agreement, a proposed construction schedule, and pro forma.

The proposed construction schedule shall include ensuring that a site plan application is submitted and approved in time for Rukenstein to apply for 9% tax credits in the 2022 application cycle.

The Township shall sponsor an 84-unit 100% affordable special needs/family rental development at the southerly portion of Block 2, Lot 1, known as the Project Freedom/Richwood Development.

b.

The 84 units shall consist of twenty-one (21) special needs units and at least sixtythree (63) affordable family rental units. The 63 affordable family rental units shall comply, among other terms, with the income/bedroom distribution in Paragraph 15 below. This means that there shall be at least thirteen (13) 3-bedroom units (inclusive of at least 2 very-low-income units), and no more than twelve (12) efficiency/1-bedroom units.

The Township shall partner with Project Freedom on this 84-unit development that shall be in Richwood Village on land to be conveyed to Project Freedom by MOTUS. The Township represents that there is sufficient land area on the site to accommodate the proposed development, and the site is in the sewer service area and is suitable for the development.

The site does not currently have sewer/water infrastructure, but the Township has represented that MOTUS, which shall be pursuing a soccer/multi-sport complex with commercial uses on the remainder of the lands in the Richwood Redevelopment Area understands and has agreed to be responsible for extending sewer and water infrastructure lines within five (5) feet of Block 2, Lot 1. The Township has also represented that it has confirmed that available sewer capacity from the Gloucester County Utilities Authority and water capacity from New Jersey American exceeds MOTUS's needs and is adequate to service the Project Freedom development.

Harrison has agreed and committed to provide to FSHC, the Court, and Court Master an agreement between the Township and MOTUS that conveys the property to Project Freedom and wherein MOTUS commits to bear full responsibility for extending sewer and water infrastructure lines within five (5) feet of Block 2, Lot 1, which shall be completed by MOTUS no later than June 1, 2023. The agreement shall detail the actions that shall be required to be taken in order to complete the extension of the lines, with written updates provided to the Township, FSHC, and Project Freedom every six (6) months as to the progress.

To help finance construction of the development, Project Freedom shall pursue 9% Low Income Housing Tax Credits from the New Jersey Housing Mortgage Finance Agency in the 2022 and, if necessary, 2023 application cycles.

The Township shall support and facilitate all applications by Project Freedom for tax credits, including adopting the conventional "Resolution of Need" necessary to apply for 9% tax credits and adopting a Payment in Lieu of Taxes at whatever percentage is encouraged by NJHMFA to maximize points under the then-applicable Qualified Allocation Plan.

The Township shall also provide a subsidy to Project Freedom, if Project Freedom represents it is necessary for a competitive 9% tax credit application, to assist with pre-development costs and to assist in securing financing. The amount of this subsidy has not yet been confirmed between the Township and Project Freedom, but it is anticipated that it could be in the same range as the \$650,000.00 being provided to Rukenstein for the Mullica West Senior Development and shall be confirmed as part of the Spending Plan prior to entry of final judgment in this matter.

The start of construction must occur on or before April 1, 2024. If the Township and/or Project Freedom do not secure sufficient outside funding support prior to April 1, 2024, the Township agrees and commits that it shall be obligated to bond for the cost of construction necessary to construct the project, deducting only firmly committed funding from outside sources at that time from the bond amount for the total cost necessary to complete the project.

The Township may utilize New Jersey Housing and Mortgage Financing Agency 4% tax credits as part of its obligation to commence construction of the project no later than April 1, 2024.

On or before March 1, 2022, Harrison shall provide a copy of the executed agreement referenced above with MOTUS that conforms with all of the terms of this Agreement, shall rezone the property to permit the 84-unit development and provide FSHC, the Court, and Court Master with an executed developer's agreement between Project Freedom and the Township that confirms with all of the terms of this Agreement, a proposed construction schedule, and pro forma.

The proposed construction schedule shall include ensuring that a site plan application is submitted and approved in time for Project Freedom to apply for 9% tax credits in the 2022 application cycle.

 The Township shall sponsor a 30-unit 100% affordable special needs development at Block 38, Lot 6, known as the Circle Haven Development.

The project shall serve adults with intellectual and developmental disabilities.

The site is currently municipally-owned, and it shall be conveyed to Acenda Integrated Health. The Township represents that there is sufficient land area on the site to accommodate the proposed development, and the site is in the sewer service area and is suitable for the development.

Acenda shall not pursue 9% Low Income Housing Tax Credits for this project. Instead, Acenda shall pursue 4% Low Income Housing Tax Credits from the New Jersey Housing Mortgage Finance Agency as well as other outside funding to help finance construction of the project. The Township shall be responsible for covering any gap in financing necessary to start construction.

The start of construction must occur on or before April 1, 2024. The Township agrees and commits that it shall be obligated to bond for the cost of construction necessary to construct the project, deducting only firmly committed funding from outside sources at that time from the bond amount for the total cost necessary to complete the project.

On or before March 1, 2022, Harrison shall rezone the property to permit the 30unit development and provide FSHC, the Court, and Court Master with an executed developer's agreement between Acenda and the Township that conforms with all of the terms of this Agreement, a proposed construction schedule, and pro forma.

- d. In accordance with <u>N.J.A.C.</u> 5:93-5.5, the Township recognizes that it must provide evidence that the municipality has adequate and stable funding for any non-inclusionary affordable housing developments and compliance mechanisms.
  - i. The municipality is required to provide a pro forma of both total development costs and sources of funds and documentation of the funding available to the municipality and/or project sponsor, and any applications still pending.
  - ii. In the case where an application for outside funding is still pending, the municipality shall provide a stable alternative source, which shall be in the form of a commitment to municipally bond for a shortfall, in the event that there is a funding shortfall.

iii. The Township shall provide the above prior to the entry of a final judgment of compliance and repose.

- e. In accordance with <u>N.J.A.C.</u> 5:93-5.5, for non-inclusionary developments and compliance mechanisms, a construction or implementation schedule, or timetable, shall be submitted for each step in the development process.
  - iv. The construction/implementation schedule shall include preparation of a site plan, granting of municipal approvals, applications for State and Federal permits, selection of a contractor, and the commencement and completion of construction. The schedule shall provide for construction to begin within two years of Court approval of this Agreement.
  - v. The Township shall indicate the entity responsible for undertaking and monitoring the construction and overall development activity, and it shall designate and enter into a developer's agreement with the entity responsible for constructing any non-inclusionary development.
  - vi. The Township shall provide the above prior to the entry of a final judgment of compliance and repose.
- 10. Harrison acknowledges and agrees that the sites of each development listed above are available, suitable, developable, and approvable for the construction of affordable housing, including the number of units contemplated by this Agreement.
  - 11. Harrison commits to work cooperatively, expeditiously, and with all continuity of purpose with the developers to ensure all necessary land use approvals and to issue all construction and building permits in a timely manner. The Township will comply with <u>N.J.A.C.</u> 5:93-10 and shall not impose development standards and/or requirements that are cost-generative features and that are not essential to protect the public welfare.
- 12. As an essential element of this Agreement, Harrison has represented that there is adequate sewer/water infrastructure and capacity for each of the affordable housing projects committed to in this Agreement. On or before March 1, 2022, Harrison shall provide to FSHC, the Court, and Court Master documentation from the relevant utilities authority and water franchisor confirming that there is adequate sewer/water infrastructure and capacity for each affordable housing project. Harrison shall prioritize and protect sewer/water capacity for each of its affordable housing projects, and it shall take no action to eliminate the capacity available for each project.

Development	Minimum Number of Very Low Income Units
Visalli Tract (Block 45, Lot 16)	14 °
Mullica West Senior Development (Block 52, Lots 8 & 9)	
Project Freedom/Richwood (Block 2, Lot 1)	11 (at least 9 very-low-income family rental units)
Circle Haven (Block 38, Lot 6)	4

13. The following minimum number of very-low-income units (as defined in 15.a. below) shall be produced by each proposed development/compliance mechanism:

- 14. The Township agrees that it shall meet its Third Round Prospective Need in accordance with the following standards:
  - a. Third Round bonuses will be applied in accordance with N.J.A.C. 5:93-5.15(d).
  - b. At least fifty percent (50%) of the units addressing the Third Round Prospective Need shall be affordable to very-low-income and low-income households with the remainder affordable to moderate-income households.
  - c. At least twenty-five percent (25%) of the Third Round Prospective Need shall be met through rental units, including at least half in non-age-restricted rental units available to families.
  - d. At least half of the units (50%) addressing the Third Round Prospective Need must be non-age-restricted affordable units available to families.
  - e. The Township agrees to comply with an age-restricted cap of twenty-five percent (25%) and to not request a waiver of that requirement. This shall be understood to mean that in no circumstance may the municipality claim credit toward its fair share obligation for age-restricted units that exceed twenty-five percent (25%) of all units developed or planned to meet its cumulative prior round and third round fair share obligation.
  - f. Thirteen percent (13%) of all affordable units referenced in this Agreement, excepting those units that were constructed or granted preliminary or final site plan approval prior to July 1, 2008, shall be very-low-income units for households earning thirty percent (30%) or less of the median income pursuant to the Fair Housing Act, <u>N.J.S.A.</u> 52:27D-301, <u>et seq.</u> ("FHA"), with half of the very low income units being available to families.
  - g. All new construction units shall be adaptable in conformance with P.L.2005, c.350/<u>N.J.S.A.</u> 52:27D-311a and -311b and all other applicable law.

15. In all developments that produce affordable housing, the Township agrees that the following terms shall apply:

- a. All of the affordable units shall fully comply with the Uniform Housing Affordability Controls, <u>N.J.A.C.</u> 5:80-26.1, <u>et seq.</u> ("UHAC"), including but not limited to the required bedroom and income distribution, with the sole exception that thirteen percent (13%) of the affordable units within each bedroom distribution shall be required to be for very low income households earning thirty percent (30%) or less of median income pursuant to the Fair Housing Act.
- b. All of the affordable units shall be subject to affordability controls of at least thirty (30) years from the date of initial occupancy and affordable deed restrictions as provided for by UHAC, with the sole exception that very low income shall be defined as at or below thirty percent (30%) of median income pursuant to the Fair Housing Act, and the affordability controls shall remain unless and until the Township, in its sole discretion, takes action to extend or release the unit from such controls after at least thirty (30) years. If the Township acts to release the unit from such controls, affordability controls shall remain in effect until the date on which a

rental unit shall become vacant due the voluntary departure of the income-eligible occupant household in accordance with <u>N.J.A.C.</u> 5:80-26.11(b).

c. In any inclusionary development, the affordable units shall be integrated to the extent feasible with the market-rate units. Where the affordable and market-rate units are of the same tenure, there shall be a strong presumption that it is feasible for the affordable and market-rate units to be fully integrated. In buildings with multiple dwelling units, the affordable units shall be generally distributed within each building with market units and the affordable units shall not be concentrated in separate building(s) or in separate area(s) or floor(s) from the market-rate units. The residents of the affordable units shall have full and equal access to all of the entryways, amenities, common areas, and recreation areas and facilities as the residents of the market-rate units.

d. Construction of the affordable units in inclusionary developments shall be phased in compliance with <u>N.J.A.C.</u> 5:93-5.6(d).

- e. The affordable units shall be affirmatively marketed in accordance with UHAC and applicable law. The affirmative marketing shall include the community and regional organizations identified in this agreement, and it shall also include posting of all affordable units on the New Jersey Housing Resource Center website in accordance with applicable law.
- 16. The Township and/or its Administrative Agent shall add the following entities to the list of community and regional organizations in its affirmative marketing plan, pursuant to <u>N.J.A.C.</u> 5:80-26.15(f)(5):
  - a. Fair Share Housing Center, Inc. (510 Park Boulevard, Cherry Hill, New Jersey 08002); Fair Share Housing Development (1 Ethel Lawrence Boulevard, Mount Laurel, New Jersey 08054); Gloucester County NAACP (P. O. Box 545, Williamstown, New Jersey 08094); Camden County NAACP (1123 1/2 Kaighn Avenue, Camden, New Jersey 08103); The Latino Action Network (P. O. Box 943, Freehold, New Jersey 07728); Willingboro NAACP (P. O. Box 207, Roebling, New Jersey 08554); and The Supportive Housing Association (15 Alden Street #14, Cranford, New Jersey 07016); and other appropriate non-profits and Civil Rights organizations that request to be notified of available units, and shall, as part of its regional affirmative marketing strategies during its implementation of any affirmative marketing plan, provide direct notice to those organizations of all available affordable housing units, along with copies of application forms. The Township also agrees to require any other entities, including developers, persons or companies retained to do affirmative marketing, to comply with these notice requirements.
  - b. As part of its regional affirmative marketing strategies during implementation of its fair share plan, the Township and/or its Administrative Agent shall also provide notice of all available affordable housing units to the above-referenced organizations and shall ensure all affordable units are posted on the New Jersey Housing Resource Center website in accordance with applicable law.

- 17. Income limits for all affordable units shall be updated by the Township annually within thirty (30) days of the publication of determinations of median income by the United States Department of Housing and Urban Development ("HUD") as follows:
  - a. Regional income limits shall be established for the Housing Region in which the Township is located (in this case, Housing Region 5) based on the median income by household size, which shall be established by a regional weighted average of the uncapped Section 8 income limits published by HUD. To compute this regional income limit, the HUD determination of median county income for a family of four is multiplied by the estimated number of households within the county according to the most recent decennial Census. The resulting product for each county within the housing region is summed. The sum is divided by the estimated total number of households from the most recent decennial Census in the Township's housing region. This quotient represents the regional weighted average of median income for a household of four. The income limit for a moderate-income unit for a household of four shall be 80 percent of the regional weighted average median income for a family of four. The income limit for a low-income unit for a household of four shall be 50 percent of the HUD determination of the regional weighted average median income for a family of four. The income limit for a very low income unit for a household of four shall be 30 percent of the regional weighted average median income for a family of four. These income limits shall be adjusted by household size based on multipliers used by HUD to adjust median income by household size. In no event shall the income limits be less than those for the previous year.
  - b. The income limits attached hereto as **Exhibit C** are the result of applying the percentages set forth in paragraph (a) above to HUD's determination of median income for FY 2021, and shall be utilized until the Township updates the income limits after HUD has published revised determinations of median income for the next fiscal year.
  - c. The Regional Asset Limit used in determining an applicant's eligibility for affordable housing pursuant to <u>N.J.A.C.</u> 5:80-26.16(b)3 shall be calculated by the Township annually by taking the percentage increase of the income limits calculated pursuant to paragraph (a) above over the previous year's income limits, and applying the same percentage increase to the Regional Asset Limit from the prior year. In no event shall the Regional Asset Limit be less than that for the previous year.
  - d. The parties agree to request the Court prior to or at the fairness hearing in this matter to enter an order implementing this paragraph of this Agreement, the terms of which shall also be reflected in the Township's affordable housing ordinance.
- 18. Upon full execution of this Agreement, Harrison shall notify the Court so that a Fairness Hearing can be scheduled to approve the Agreement. The parties shall request that the Fairness Hearing be scheduled on or before February 15, 2022.
- 19. Harrison shall place this Agreement on file in the Township's municipal building, post it on the municipal website, and file a copy with the Court at least thirty (30) days prior to the Fairness Hearing, at which the Township will seek judicial approval the terms of this Agreement pursuant to the legal standards set forth in <u>Morris Cty. Fair Hous. Council v.</u>

<u>Boonton Twp.</u>, 197 <u>N.J. Super</u>. 359 (Law Div. 1984), <u>aff'd o.b.</u>, 209 <u>N.J. Super</u>. 108 (App. Div. 1986), and <u>East/West Venture v. Borough of Fort Lee</u>, 286 <u>N.J. Super</u>. 311 (App. Div. 1996). Notice of the Fairness Hearing shall be published at least thirty (30) days in advance of the hearing. The Township's planner shall appear as a witness at the hearing.

- 20. Following the Fairness Hearing, the parties shall request that a Final Compliance Hearing be scheduled on or before April 15, 2022.
- 21. At least thirty (30) days before the Final Compliance Hearing, Harrison shall adopt an amendment to its Housing Element and Fair Share Plan, the necessary zoning ordinances, spending plan amendment, intent to fund shortfall resolution(s), and adopt all other resolutions and ordinances required to be adopted as part of this Amended Agreement. The HEFSP amendment shall include all documentation to demonstrate the creditworthiness of existing affordable units for which the municipality is seeking credit. At least fourteen (14) days prior to introduction, the Township shall submit a draft of the above-listed documents to the Court Master and FSHC for review. The adopted version of the above-listed documents as well as a compliant affordable housing ordinance, development fee ordinance, and affirmative marketing plan shall be provided to the Court, Court Master, and FSHC at least thirty (30) days before the Final Compliance Hearing.
- 22. The Township shall prepare and submit an Amended Spending Plan for review and approval by the Special Master, FSHC, and the Court. Upon approval, the Township and FSHC agree that the expenditures of funds contemplated in the Township's Spending Plan shall constitute the "commitment" for expenditure required pursuant to <u>N.J.S.A.</u> 52:27D-329.2 and -329.3, with the four-year time period contemplated therein commencing in accordance with the provisions of <u>In re Tp. Of Monroe</u>, 442 <u>N.J. Super.</u> 565 (Law Div. 2015) (<u>aff'd</u>, 442 <u>N.J. Super.</u> 563).
- 23. The Township shall comply with the following annual monitoring and reporting requirements:
  - a. Starting on January 1, 2023, and every anniversary thereafter, the Township shall provide an annual <u>Mount Laurel</u> Trust Fund accounting report to the New Jersey Department of Community Affairs, Council on Affordable Housing, Local Government Services, or other entity designated by the State of New Jersey, with a copy provided to FSHC and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services. The annual report shall detail all expenditures from and deposits into the Township's Affordable Housing Trust Fund.
  - b. Starting on January 1, 2023, and every anniversary thereafter, the Township shall provide an annual report on the status of all affordable housing activity within the municipality through posting on the municipal website with a copy of such posting provided to FSHC, using forms previously developed for this purpose by the Council on Affordable Housing or any other forms endorsed by the FSHC. In addition to the foregoing, the Township shall also post such activity on the CTM system and/or file a copy of its report with the Council on Affordable Housing or its successor agency at the State level. The annual report shall detail the status of all affordable units in the Township's HEFSP. The Township shall promptly respond to any requests from the Court or FSHC for additional information.

- 24. The Fair Housing Act includes two provisions regarding actions to be taken by the Township during the ten-year period of protection provided in this agreement. The Township agrees to comply with those provisions as follows:
  - a. For the midpoint realistic opportunity review required pursuant to <u>N.J.S.A.</u> 52:270-313, the Township was obligated to post, by July 1, 2020, on its municipal website, a status report as to its implementation of its HEFSP and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity and whether the mechanisms should be revised or supplemented.

Recognizing that July 1, 2020, has passed prior to the amended settlement in this matter, the Township shall, by July 1, 2023, post, on its municipal website, with a copy provided to Fair Share Housing Center, its midpoint realistic opportunity review report. The status report will provide an update of the Township's implementation of its HEFSP and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity and whether the mechanisms should be revised or supplemented.

- b. For the review of very-low-income housing requirements required by N.J.S.A. 52:27D-329.1, within 30 days of January 1, 2023, and every third year thereafter, the Township will post on its municipal website, with a copy provided to Fair Share Housing Center, a status report as to its satisfaction of its very-low-income requirements, including the family very-low-income requirements referenced herein. Such posting shall invite any interested party to submit comments to the Township and Fair Share Housing Center on the issue of whether the Township has complied with its very-low-income housing obligation under the terms of the settlement agreement with FSHC.
- 25. As part of the November 14, 2019 Settlement Agreement, the Township of Harrison agreed to pay FSHC's fees and costs up to that point in the amount of \$15,000.00.

In light of the additional time and resources expended since then by FSHC, including to negotiate and enter into this amended Settlement Agreement, the Township agrees to pay FSHC's additional attorney's fees and costs in the amount of \$25,000.00 within ten (10) days of the Court's approval of this Agreement following the Fairness Hearing for a total of \$40,000.00.

- 26. This Agreement may be enforced by the Township or FSHC through a motion to enforce litigant's rights or a separate action filed in Superior Court, Gloucester County. If it prevails on a motion to enforce, that party shall be entitled to reasonable fees and costs in accordance with <u>Rule</u> 1:10-3.
- 27. Harrison and FSHC shall have an obligation to fulfill the intent and purpose of this Agreement. If an appeal of the Court's approval or rejection of the Settlement Agreement is filed by a third party, the Parties agree to defend the Agreement on appeal, including in proceedings before the Superior Court, Appellate Division, and New Jersey Supreme Court, and to continue to implement the terms of the Settlement Agreement if the Agreement is approved by the trial court unless and until an appeal of the trial court's approval is successful, at which point the Parties reserve their right to return to the *status quo ante*. In this regard, the Township and FSHC acknowledge that the parties have

entered into this Agreement to settle the litigation and that each is free to take such position as it deems appropriate should the matter return to the *status quo ante*.

- 28. The parties agree that if a decision of a court of competent jurisdiction in Gloucester County, or a determination by an administrative agency responsible for implementing the Fair Housing Act, or an action by the New Jersey Legislature, would result in a calculation of a Third Round Prospective Need Obligation of the Township for the period 1999-2025 that would be lower by more than ten percent (10%) than the obligation established in this Agreement, and if that calculation is memorialized in an unappealable final judgment, the Township may seek to amend the judgment in this matter to reduce its fair share obligation accordingly. Notwithstanding any such reduction, the Township shall be obligated to adopt a Housing Element and Fair Share Plan that conforms to the terms of this Agreement and to implement all compliance mechanisms included in this Agreement. including by adopting or leaving in place any site specific zoning adopted or relied upon in connection with the fair share plan adopted pursuant to this Agreement; taking all steps necessary to support and fund the development of any 100% affordable developments referenced in this Agreement; and otherwise fulfilling fully the fair share obligations as established herein. The reduction of the Township's obligation below that established in this Agreement does not provide a basis for seeking leave to amend this Agreement or seeking leave to amend an order or judgment pursuant to Rule 4:50-1. If the Township prevails in reducing its prospective need for the Third Round, the Township may carry over any resulting extra credits to future rounds in conformance with the then-applicable law.
- 29. Unless otherwise specified, it is intended that the provisions of this Agreement are to be severable. The validity of any article, section, clause or provision of this Agreement shall not affect the validity of the remaining articles, sections, clauses or provisions hereof. If any section of this Agreement shall be adjudged by a court to be invalid, illegal, or unenforceable in any respect, such determination shall not affect the remaining sections.
- 30. This Agreement shall be governed by and construed by the laws of the State of New Jersey.
- 31. This Agreement may not be modified, amended or altered in any way except by a writing signed by both the Township and FSHC.
- 32. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same Agreement.
- 33. The Township and FSHC acknowledge that each has entered into this Agreement on its own volition without coercion or duress after consulting with its counsel, that each person to sign this Agreement is the proper person and possesses the authority to sign the Agreement, that this Agreement contains the entire understanding of the Township and FSHC and that there are no representations, warranties, covenants or undertakings other than those expressly set forth herein.
- 34. The Township and FSHC acknowledge that this Agreement was not drafted by the Township or FSHC, but was drafted, negotiated and reviewed by representatives of the Township and FSHC and, therefore, the presumption of resolving ambiguities against the drafter shall not apply. The Township and FSHC expressly represent that: (i) it has been represented by counsel in connection with negotiating the terms of this

Agreement; and (ii) it has conferred due authority for execution of this Agreement upon the persons executing.

35. Any and all Exhibits and Schedules annexed to this Agreement are hereby made a part of this Agreement by this reference thereto. Any and all Exhibits and Schedules now and/or in the future are hereby made or will be made a part of this Agreement with prior written approval of both the Township and FSHC.

36. This Agreement constitutes the entire Agreement between the Township and FSHC hereto and supersedes all prior oral and written agreements between the Township and FSHC with respect to the subject matter hereof except as otherwise provided herein.

37. No member, official or employee of the Township shall have any direct or indirect interest in this Agreement, nor participate in any decision relating to the Agreement which is prohibited by law, absent the need to invoke the rule of necessity.

38. Anything herein contained to the contrary notwithstanding, the effective date of this Agreement shall be the date upon which representatives of the Township and FSHC have executed and delivered this Agreement.

39. All notices required under this Agreement ("Notice[s]") shall be written and shall be served upon the Township and FSHC by certified mail, return receipt requested, or by a recognized overnight or by a personal carrier. In addition, where feasible (for example, transmittals of less than fifty pages) shall be served by facsimile or e-mail. All Notices shall be deemed received upon the date of delivery. Delivery shall be affected as follows, subject to change as to the person(s) to be notified and/or their respective addresses upon ten (10) days' notice as provided herein:

TO FSHC:

Adam M. Gordon, Esq. Fair Share Housing Center 510 Park Boulevard Cherry Hill, New Jersey 08002 Phone: (856) 424-1808 Telecopier: (856) 663-8182 Email: adamgordon@fairsharehousing.org

TO THE TOWNSHIP:

WITH A COPY TO THE **MUNICIPAL CLERK:** 

Kevin A. Van Hise, Esq. Mason. Griffin & Pierson, PC 101 Poor Farm Road Princeton, New Jersey 08540 Phone: (609) 436-1209 Telecopier: (609) 683-7978 Email: k.vanhise@mgplaw.com

Diane L. Malloy, RMC, CMR, Municipal Clerk Harrison Township 114 Bridgeton Pike Mullica Hill, New Jersey 08062 Phone: (856) 478-4111 Telecopier: (856) 478-2498

### Email: dmalloy@harrisontwp.us

**IN WITNESS WHEREOF**, the Parties hereto have caused this Settlement Agreement to be properly executed, their corporate seals affixed and attested and this Settlement Agreement to be effective as of the Effective Date.

Sincerely

Adam M. Gordon, Esq. Executive Director of Fair Share Housing Center

Witness: / MM

Dated:

On behalf of the Township of Harrison, with the authorization of the governing body:

Witness/ Attest:

Diane L. Malloy, Municipal Clerk

Dated:

TOWNSHIP OF HARRISON / Louis Manzo, Mavor

### <u>Exhibit A:</u> <u>November 14, 2019 Settlement Agreement</u> Between Harrison Township and Fair Share Housing Center



Peter J. O'Connor, Esq. Kevin D. Walsh, Esq. Adam M. Gordon, Esq. Laura Smith-Denker, Esq. David T. Rammler, Esq. Joshua D. Bauers, Esq.

November 14, 2019

Kevin A. Van Hise, Esq. Mason, Griffin & Pierson, PC 101 Poor Farm Road Princeton, NJ 08540

# Re: In the Matter of the Application of the Township of Harrison, County of Gloucester, Docket No. GLO-L-908-15

Dear Mr. Van Hise:

This letter memorializes the terms of an agreement reached between the Township of Harrison (the "Township" or "Harrison"), the declaratory judgment plaintiff, and Fair Share Housing Center (FSHC), a Supreme Court-designated interested party in this matter in accordance with <u>In re</u> <u>N.J.A.C. 5:96 and 5:97</u>, 221 <u>N.J.</u> 1, 30 (2015)(<u>Mount Laurel IV</u>) and, through this settlement, a defendant in this proceeding.

### Background

Harrison filed the above-captioned matter on July 8, 2015 seeking a declaration of its compliance with the <u>Mount Laurel</u> doctrine and Fair Housing Act of 1985, <u>N.J.S.A.</u> 52:27D-301 et seq. in accordance with <u>In re N.J.A.C. 5:96 and 5:97</u>, <u>supra</u>. Through the declaratory judgment process, the Township and FSHC agreed to settle the litigation and to present that settlement to the trial court with jurisdiction over this matter to review, recognizing that the settlement of <u>Mount Laurel</u> litigation is favored because it avoids delays and the expense of trial and results more quickly in the construction of homes for lower-income households.

### Settlement terms

The Township and FSHC hereby agree to the following terms:

- FSHC agrees that the Township, through the adoption of a Housing Element and Fair Share Plan conforming with the terms of this Agreement (hereafter "the Plan") and through the implementation of the Plan and this Agreement, satisfies its obligations under the <u>Mount Laurel</u> doctrine and Fair Housing Act of 1985, <u>N.J.S.A.</u> 52:27D-301 et seq., for the Prior Round (1987-1999) and Third Round (1999-2025).
- 2. At this time and at this particular point in the process resulting from the Supreme Court's <u>Mount Laurel IV</u> decision, when Third Round fair share obligations have yet to be definitively determined, it is appropriate for the parties to arrive at a settlement regarding a municipality's Third Round present and prospective need instead of doing so through plenary adjudication of the present and prospective need.
- 3. FSHC and Harrison hereby agree that Harrison's affordable housing obligations are as follows:

Rehabilitation Share (per Kinsey Report <sup>1</sup> )	0
Prior Round Obligation (pursuant to N.J.A.C. 5:93)	198
Third Round (1999-2025) Prospective Need (per	625
Kinsey Report, as adjusted through this Agreement)	

- 4. For purposes of this Agreement, the Third Round Prospective Need shall be deemed to include the Gap Period Present Need, which is a measure of households formed from 1999-2015 that need affordable housing, that was recognized by the Supreme Court in <u>In re Declaratory Judgment Actions Filed By Various Municipalities</u>, 227 N.J. 508 (2017).
- 5. The Township does not have a present need obligation.
- 6. As noted above, the Township has a Prior Round prospective need of 198 units, which is met through the following compliance mechanisms:

Prior Round Compliance Mechanism	Credits	Bonus	Total
Regional Contribution Agreements (funds			
transf.)	22		22
Family Rentals			
Walnut Glen / Spring Mill (Munic.			
Sponsored)	93	50	143
Richwood Village (Redevelopment Plan -			
inclusionary development)	6	0	6
For Sale Units			
Vasalli (Age-restricted)	24	0	24
Other Compliance Mechanisms			
Newpoint Group Home	3	0	3
Total	148	50	198
Surplus (Credits)			0

7. The Township has implemented or will implement the following mechanisms to address its Third Round prospective need of 625 units:

Township's Third Round Compliance Mechanisms	Credits	Bonus	Total
Prior Round Surplus	0		0
Family Rentals			
Richwood Village			
(Redevelopment Plan -			
inclusionary development)	184	70	254
Richwood Village			
(Redevelopment Plan - 100%)			
Affordable)	70	70	140

<sup>&</sup>lt;sup>1</sup> David N. Kinsey, PhD, PP, FAICP, NEW JERSEY LOW AND MODERATE INCOME HOUSING OBLIGATIONS FOR 1999-2025 CALCULATED USING THE NJ COAH PRIOR ROUND (1987-1999) METHODOLOGY, May 2016.

November 14, 2019 Page 3

Mullica West Apartments	168	0	168*
Mullica West Expansion	48	17	65
Total	470	157	627

\*18 of the units at Mullica West Apartments are restricted in a way that would allow someone earning greater than 80% of median income to live there. During the compliance phase in this matter, the Township will work with the owner of Mullica West Apartments to record a deed restriction limiting occupancy of these units to households at or below 80% of median income adjusted for household size.

The Township will provide a realistic opportunity for the development of affordable housing 8. on the Richwood Village site through the adoption of an amended redevelopment plan no later than February 4, 2020, which plan shall require that the 190 affordable units required herein are phased in accordance with N.J.A.C. 5:93-5.6(d) along with up to 1,255 market rate units to be developed as part of the redevelopment plan. Neither the affordable units to be developed in accordance with the 100% affordable development further discussed in paragraph 9 of this Agreement nor the market-rate units that may be developed on "Parcel J" of the Redevelopment Plan shall be considered as a part of this phasing schedule. At least 70 affordable units shall be family rental units and the Township shall provide a letter from the intervenor-developer providing a firm commitment for the development of those units as family rental units prior to the fairness hearing in this matter. Up to 36 of the affordable units may be provided as age-restricted units including assisted living units, provided that required Medicaid beds included in a market-rate assisted living complex shall qualify as surplus units beyond the 190 required units because assisted living units do not count as residential units for the purposes of the redevelopment plan; the Township reserves the right to apply any such surplus credits to future rounds in conformance with then-applicable law. The remaining 84 affordable units may be provided as family rental or for-sale units.

The Township shall maintain the existing inclusionary zoning on the Vasalli site through the term of this Agreement.

9. The Township will provide a realistic opportunity for the development of additional affordable housing that will be developed or created through means other than inclusionary zoning in the following ways:

In accordance with <u>N.J.A.C.</u> 5:93-5.5, the Township recognizes that it must provide evidence that the municipality has adequate and stable funding for any non-inclusionary affordable housing developments. The municipality is required to provide a pro forma of both total development costs and sources of funds and documentation of the funding available to the municipality and/or project sponsor, and any applications still pending. In the case where an application for outside funding is still pending, the municipality shall provide a stable alternative source, such as municipal bonding, in the event that the funding request is not approved. The Township will provide a pro forma and documentation for the Richwood Village 100% affordable site as part of its Housing Element and Fair Share Plan and pass a resolution of intent to bond in case of a shortfall in accordance with <u>N.J.A.C.</u> 5:93-5.5.

In accordance with <u>N.J.A.C.</u> 5:93-5.5, for non-inclusionary developments, a construction or implementation schedule, or timetable, shall be submitted for each step in the development process: including preparation of a site plan, granting of municipal approvals, applications for State and Federal permits, selection of a contractor and construction. The schedule shall provide for construction to begin within two years of the final judgment entered by the court after a compliance hearing. The municipality shall indicate the entity responsible for undertaking and monitoring the construction and overall development activity. The Township will provide this information for the Richwood Village 100% affordable site as part of its Housing Element and Fair Share Plan.

10. The Township agrees to require 13% of all affordable units referenced in this Agreement, excepting those units that were constructed or granted preliminary or final site plan approval prior to July 1, 2008, to be very low income units, with half of the very low income units being available to families. The municipality will comply with those requirements as follows:

25 of the 190 inclusionary affordable units in Richwood Village shall be very low income units including at least 20 family very low income units.

At least 9 of the 100% affordable Richwood Village units shall be very low income units.

5 of the Mullica West Expansion units are very low income units.

17 of the Mullica West Apartments units are project based voucher very low income units.

3 of the Vasalli units will be required to be very low income units.

- 11. The Township shall meet its Third Round Prospective Need in accordance with the following standards as agreed to by the Parties and reflected in the table in paragraph 6 above:
  - a. Third Round bonuses will be applied in accordance with N.J.A.C. 5:93-5.15(d).
  - b. At least 50 percent of the units addressing the Third Round Prospective Need shall be affordable to very-low-income and low-income households with the remainder affordable to moderate-income households.
  - c. At least twenty-five percent of the Third Round Prospective Need shall be met through rental units, including at least half in rental units available to families.
  - d. At least half of the units addressing the Third Round Prospective Need in total must be available to families.
  - e. The Township agrees to comply with an age-restricted cap of 25% and to not request a waiver of that requirement. This shall be understood to mean that in no circumstance may the municipality claim credit toward its fair share obligation for age-restricted units that exceed 25% of all units developed or planned to meet its cumulative prior round and third round fair share obligation.
- 12. The Township shall add to the list of community and regional organizations in its affirmative marketing plan, pursuant to <u>N.J.A.C.</u> 5:80-26.15(f)(5), Fair Share Housing

Center (510 Park Boulevard, Cherry Hill, NJ 08002), the New Jersey State Conference of the NAACP, Gloucester County NAACP, Senior Citizens United Community Services, STEPS, Supportive Housing Association, and the Latino Action Network (P.O. Box 943, Freehold, NJ 07728), and shall, as part of its regional affirmative marketing strategies during its implementation of the affirmative marketing plan, provide notice to those organizations of all available affordable housing units. The Township also agrees to require any other entities, including developers or persons or companies retained to do affirmative marketing, to comply with this paragraph.

- 13. All units shall include the required bedroom distribution, be governed by controls on affordability and affirmatively marketed in conformance with the Uniform Housing Affordability Controls, <u>N.J.A.C.</u> 5:80-26.1 et. seq. or any successor regulation, with the exception that in lieu of 10 percent of affordable units in rental projects being required to be at 35 percent of median income, 13 percent of affordable units in such projects shall be required to be at 30 percent of median income, and all other applicable law. The Township as part of its HEFSP shall adopt and/or update appropriate implementing ordinances in conformance with standard ordinances and guidelines developed by COAH to ensure that this provision is satisfied. Income limits for all units that are part of the Plan required by this Agreement and for which income limits are not already established through a federal program exempted from the Uniform Housing Affordability Controls pursuant to <u>N.J.A.C.</u> 5:80-26.1 shall be updated by the Township annually within 30 days of the publication of determinations of median income by HUD as follows:
  - a. Regional income limits shall be established for the region that the Township is located within (i.e. Region 5) based on the median income by household size. which shall be established by a regional weighted average of the uncapped Section 8 income limits published by HUD. To compute this regional income limit. the HUD determination of median county income for a family of four is multiplied by the estimated households within the county according to the most recent decennial Census. The resulting product for each county within the housing region is summed. The sum is divided by the estimated total households from the most recent decennial Census in the Township's housing region. This quotient represents the regional weighted average of median income for a household of four. The income limit for a moderate-income unit for a household of four shall be 80 percent of the regional weighted average median income for a family of four. The income limit for a low-income unit for a household of four shall be 50 percent of the HUD determination of the regional weighted average median income for a family of four. The income limit for a very low income unit for a household of four shall be 30 percent of the regional weighted average median income for a family of four. These income limits shall be adjusted by household size based on multipliers used by HUD to adjust median income by household size. In no event shall the income limits be less than those for the previous year.
  - b. The income limits attached hereto as Exhibit A are the result of applying the percentages set forth in paragraph (a) above to HUD's determination of median income for FY 2019, and shall be utilized until the Township updates the income limits after HUD has published revised determinations of median income for the next fiscal year.
  - c. The Regional Asset Limit used in determining an applicant's eligibility for affordable housing pursuant to <u>N.J.A.C.</u> 5:80-26.16(b)3 shall be calculated by the Township

annually by taking the percentage increase of the income limits calculated pursuant to paragraph (a) above over the previous year's income limits, and applying the same percentage increase to the Regional Asset Limit from the prior year. In no event shall the Regional Asset Limit be less than that for the previous year.

- d. The parties agree to request the Court prior to or at the fairness hearing in this matter to enter an order implementing this paragraph of this Agreement.
- 14. All new construction units shall be adaptable in conformance with P.L.2005, c.350/<u>N.J.S.A.</u> 52:27D-311a and -311b and all other applicable law.
- 15. As an essential term of this Agreement, within one hundred and twenty (120) days of Court's approval of this Agreement, the Township shall introduce and adopt an ordinance or ordinances providing for the amendment of the Township's Affordable Housing Ordinance and Zoning Ordinance to implement the terms of this Agreement and the zoning contemplated herein and adopt a Housing Element and Fair Share Plan and Spending Plan in conformance with the terms of this Agreement.
- 16. The parties agree that if a decision of a court of competent jurisdiction in Gloucester County, or a determination by an administrative agency responsible for implementing the Fair Housing Act, or an action by the New Jersey Legislature, would result in a calculation of an obligation for the Township for the period 1999-2025 that would be lower by more than ten (10%) percent than the total prospective Third Round need obligation established in this Agreement, and if that calculation is memorialized in an unappealable final judgment, the Township may seek to amend the judgment in this matter to reduce its fair share obligation accordingly. Notwithstanding any such reduction, the Township shall be obligated to adopt a Housing Element and Fair Share Plan that conforms to the terms of this Agreement and to implement all compliance mechanisms included in this Agreement, including by adopting or leaving in place any site specific zoning adopted or relied upon in connection with the Plan adopted pursuant to this Agreement; taking all steps necessary to support the development of any 100% affordable developments referenced herein: maintaining all mechanisms to address unmet need; and otherwise fulfilling fully the fair share obligations as established herein. The reduction of the Township's obligation below that established in this Agreement does not provide a basis for seeking leave to amend this Agreement or seeking leave to amend an order or judgment pursuant to R. 4:50-1. If the Township prevails in reducing its prospective need for the Third Round, the Township may carry over any resulting extra credits to future rounds in conformance with the thenapplicable law.
- 17. The Township shall prepare a Spending Plan within the period referenced above, subject to the review of FSHC and approval of the Court, and reserves the right to seek approval from the Court that the expenditures of funds contemplated under the Spending Plan constitute "commitment" for expenditure pursuant to <u>N.J.S.A.</u> 52:27D-329.2 and -329.3, with the four-year time period for expenditure designated pursuant to those provisions beginning to run with the entry of a final judgment approving this settlement in accordance with the provisions of <u>In re Tp. Of Monroe</u>, 442 <u>N.J. Super.</u> 565 (Law Div. 2015) (aff'd 442 <u>N.J. Super.</u> 563). On the first anniversary of the execution of this Agreement, which shall be established by the date on which it is executed by a representative of the Township, and on every anniversary of that date thereafter through the end of the period of protection from litigation referenced in this Agreement, the Township agrees to provide annual

reporting of trust fund activity to the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services, or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services. The reporting shall include an accounting of all housing trust fund activity, including the source and amount of funds collected and the amount and purpose for which any funds have been expended.

- 18. On the first anniversary of the execution of this Agreement, and every anniversary thereafter through the end of this Agreement, the Township agrees to provide annual reporting of the status of all affordable housing activity within the municipality through posting on the municipal website with a copy of such posting provided to Fair Share Housing Center, using forms previously developed for this purpose by the Council on Affordable Housing or any other forms endorsed by the Special Master and FSHC.
- 19. The Fair Housing Act includes two provisions regarding action to be taken by the Township during the ten-year period of protection provided in this Agreement. The Township agrees to comply with those provisions as follows:
  - a. For the midpoint realistic opportunity review due on July 1, 2020, as required pursuant to <u>N.J.S.A.</u> 52:27D-313, the Township will post on its municipal website, with a copy provided to Fair Share Housing Center, a status report as to its implementation of the Plan and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity and whether any mechanisms to meet unmet need should be revised or supplemented. Such posting shall invite any interested party to submit comments to the municipality, with a copy to Fair Share Housing Center, regarding whether any sites no longer present a realistic opportunity and should be revised or supplemented. Any interested party may by motion request a hearing before the court regarding these issues.
  - b. For the review of very low income housing requirements required by <u>N.J.S.A.</u> 52:27D-329.1, within 30 days of the third anniversary of this Agreement, and every third year thereafter, the Township will post on its municipal website, with a copy provided to Fair Share Housing Center, a status report as to its satisfaction of its very low income requirements, including the family very low income requirements referenced herein. Such posting shall invite any interested party to submit comments to the municipality and Fair Share Housing Center on the issue of whether the municipality has complied with its very low income housing obligation under the terms of this settlement.
- 20. FSHC is hereby deemed to have party status in this matter and to have intervened in this matter as a defendant without the need to file a motion to intervene or an answer or other pleading. The parties to this Agreement agree to request the Court to enter an order declaring FSHC is an intervenor, but the absence of such an order shall not impact FSHC's rights.
- 21. This Agreement must be approved by the Court following a fairness hearing as required by <u>Morris Cty. Fair Hous. Council v. Boonton Twp.</u>, 197 <u>N.J. Super.</u> 359, 367-69 (Law Div.

1984), <u>aff'd o.b.</u>, 209 <u>N.J. Super.</u> 108 (App. Div. 1986); <u>East/West Venture v. Borough of Fort Lee</u>, 286 <u>N.J. Super.</u> 311, 328-29 (App. Div. 1996). The Township shall present its planner as a witness at this hearing. FSHC agrees to support this Agreement at the fairness hearing. In the event the Court approves this proposed settlement, the parties contemplate the municipality will receive "the judicial equivalent of substantive certification and accompanying protection as provided under the FHA," as addressed in the Supreme Court's decision in <u>In re N.J.A.C. 5:96 & 5:97</u>, 221 <u>N.J.</u> 1, 36 (2015), which shall be determined by the trial judge. The "accompanying protection" shall remain in effect through July 7, 2025. If this Agreement is rejected by the Court at a fairness hearing it shall be null and void.

- 22. The Township agrees to pay, or cause to be paid, FSHC's attorneys fees and costs in the amount of \$15,000 within ten (10) days of the Court's approval of this Agreement pursuant to a duly-noticed fairness hearing.
- 23. If an appeal is filed of the Court's approval or rejection of this Agreement, the Parties agree to defend the Agreement on appeal, including in proceedings before the Superior Court, Appellate Division and New Jersey Supreme Court, and to continue to implement the terms of this Agreement if the Agreement is approved before the trial court unless and until an appeal of the trial court's approval is successful, at which point the Parties reserve their right to rescind any action taken in anticipation of the trial court's approval. All Parties shall have an obligation to fulfill the intent and purpose of this Agreement.
- 24. This Agreement may be enforced through a motion to enforce litigant's rights or a separate action filed in Superior Court, Gloucester County.
- 25. Unless otherwise specified, it is intended that the provisions of this Agreement are to be severable. The validity of any article, section, clause or provision of this Agreement shall not affect the validity of the remaining articles, sections, clauses or provisions hereof. If any section of this Agreement shall be adjudged by a court to be invalid, illegal, or unenforceable in any respect, such determination shall not affect the remaining sections.
- 26. This Agreement shall be governed by and construed by the laws of the State of New Jersey.
- 27. This Agreement may not be modified, amended or altered in any way except by a writing signed by each of the Parties.
- 28. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same Agreement.
- 29. The Parties acknowledge that each has entered into this Agreement on its own volition without coercion or duress after consulting with its counsel, that each party is the proper person and possess the authority to sign the Agreement, that this Agreement contains the entire understanding of the Parties and that there are no representations, warranties, covenants or undertakings other than those expressly set forth herein.
- 30. Each of the Parties hereto acknowledges that this Agreement was not drafted by any one of the Parties, but was drafted, negotiated and reviewed by all Parties and, therefore, the presumption of resolving ambiguities against the drafter shall not apply. Each of the Parties expressly represents to the other Parties that: (i) it has been represented by

counsel in connection with negotiating the terms of this Agreement; and (ii) it has conferred due authority for execution of this Agreement upon the persons executing it.

- 31. Any and all Exhibits and Schedules annexed to this Agreement are hereby made a part of this Agreement by this reference thereto. Any and all Exhibits and Schedules now and/or in the future are hereby made or will be made a part of this Agreement with prior written approval of both Parties.
- 32. This Agreement constitutes the entire Agreement between the Parties hereto and supersedes all prior oral and written agreements between the Parties with respect to the subject matter hereof except as otherwise provided herein.
- 33. No member, official or employee of the Township shall have any direct or indirect interest in this Agreement, nor participate in any decision relating to the Agreement which is prohibited by law, absent the need to invoke the rule of necessity.
- 34. Anything herein contained to the contrary notwithstanding, the effective date of this Agreement shall be the date upon which all of the Parties hereto have executed and delivered this Agreement.
- 35. All notices required under this Agreement ("Notice[s]") shall be written and shall be served upon the respective Parties by certified mail, return receipt requested, or by a recognized overnight or by a personal carrier. In addition, where feasible (for example, transmittals of less than fifty pages) shall be served by facsimile or e-mail. All Notices shall be deemed received upon the date of delivery. Delivery shall be affected as follows, subject to change as to the person(s) to be notified and/or their respective addresses upon ten (10) days notice as provided herein:

TO FSHC:

Adam M. Gordon, Esq. Fair Share Housing Center 510 Park Boulevard Cherry Hill, NJ 08002 Phone: (856) 665-5444 Telecopier: (856) 663-8182 E-mail: adamgordon@fairsharehousing.org

Kevin A. Van Hise, Esq. Mason, Griffin & Pierson, PC

101 Poor Farm Road Princeton, NJ 08540 Phone: (609) 436-1209 Facsimile: (609) 683-7978

### TO THE TOWNSHIP:

WITH A COPY TO THE MUNICIPAL CLERK:

Email: <u>k.vanhise@mgplaw.com</u> Diane L. Malloy, RMC, CMR, Municipal Clerk Township of Harrison 114 Bridgeton Pike Mullica Hill, NJ 08062 Phone: (856) 478-4111 Telecopier: (856) 478-2498 Email: dmalloy@harrisontwp.us

November 15, 2019 Page 10

Please sign below if these terms are acceptable.

Sincerely, 

Adam M. Gordon, Esq. Counsel for Intervenor/Interested Party Fair Share Housing Center

On behalf of the Township of Harrison, with the authorization of the governing body:

\$20 LOKIS MAN N Dated: NOV 18; 2019

2019 AFFORDABLE HOUSING REGIONAL INCOME LIMITS BY HOUSEHOLD SIZE Prepared by Affordable Housing Professionals of New Jersey (AHPNI) - May 2019

lacome limits not officially adopted by the State of New Jersey. Contact your municipality to see if applicable in your jurisdiction. Additional information about AHPNI income limits is posted on AHPNI, org

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		1 Person	1 Person *1.5 Person	2 Person	*3 Person	4 Person	*4.5 Person	5 Person	6 Person	7 Person	8+ Person	Max increase	crease	Regional Asset
Region 1	Modian	666 COM										Rents** Sales***	Safes***	Limit***
	Itemat	100'000	205(1/4	\$76,122	\$85,637	\$95,153	\$98,959	\$102,765	\$110.377	\$117 989	\$125 Em			
Bergen, Hudson,	Moderate	\$53,286	\$57,092	\$60,898	\$68,510	\$76,122	\$79.167	\$82,212	588 2M7	tor tot	200,0014			
X		\$33,303	\$35,682	\$38,061	\$42,819	\$47,576	\$49.479	\$51 287	200,002		TSH'NATE	2.6%	4.73%	\$183,994
	Very Low	\$19,982	\$21,409	\$22,837	\$25,691	\$28,546	\$79,688	520.020			TNS/ZOC		• • •	
Region 2	Median	\$70,537	\$75,576	\$80,614	\$90,691	\$100.767	\$104.798	\$108 820	CLL4CC4	755,557	4:27,680			
Essex. Morris.	Moderate	\$56,430	\$60,460	\$64,491	\$72,553	\$80.614	\$23,228	\$87 0£3	רגם בטא למדוק	255,4245	\$133,013			
Union and Warren	Low	\$35,269	\$37,788	\$40,307	\$45,345	\$50,384	\$57,399	554 41A	אור,כיניק להא אלל		\$106,410	2.6%	5.67%	\$193.321
	Very Low	\$21,161	\$22,673	\$24,184	\$27,207	530.730				0/ <del>1</del> /20¢	ין קווביססל			
Region 3	Median	\$82,810	\$88.725	\$94,640	\$106.470	¢119 200	CC7.000	. CHO'700	190,655	537,485	539,904			-
Hunterdon,	Moderate	\$66.248	570 98D	575 717	201 17C		250,6516	\$17/7.64	\$137,228	\$146,692	\$156,156			
pu	LOW	\$41 ADE			D/T <sup>(</sup> CO¢	554,640	\$98,426	\$102,211	\$109,782	\$117,354	\$124,925	200		
				0251/45	\$53,235	\$59,150	\$61,516	\$63,882	\$68,614	\$73,346	\$78.078	20%	9.64%	\$225,261
	Very Low	524,843	\$26,618	\$28,392	\$31,941	\$35,490	\$36,910	\$38,329	\$41.168	\$44 008	CAE QAT			
Region 4	Median	\$72,165	\$77,319	\$82,474	\$92,783	\$103,092	\$107.216	\$111 3AD	\$110 E27	100 2013	1240000			
Mercer,	Moderate	\$57,732	\$61,855	\$65,979	\$74,226	\$82.474	\$85 773			+co(121¢	780,0514			
Monmouth and	Low	\$36,082	<u>538,660</u>	757 175	246 207	561 EAS		2/0/204	545,6/0	\$102,268	\$108,865	2.6%	3 91%	č102 010
Ocean	Verv Low	\$71 FAG	\$72 10E				200'500	0/9/555	\$59,794	\$63,917	\$68,041			
Reeion 5	Madian			724,142	CSS, 126	\$30,928	\$32,165	\$33,402	\$35,876	\$38,350	\$40,825			
Ruther	Nadart-	0/0'soc	c/c//0¢	080'7/5	581,090	\$90,100	\$93,704	\$97,308	\$104,516	\$111,724	\$118.932			
 T	ואטעכומוכ	904/06¢	554,060	\$57,664	\$64,872	\$72,080	\$74,963	\$77,846	\$83,613	\$89.379	\$95.146			
	Low	531,535	533,788	\$36,040	\$40,545	\$45,050	\$46,852	\$48,654	\$52,258	\$55,862	\$59.466	2.6%	3.09%	\$166,981
	Very Low	\$18,921	\$20,273	\$21,624	\$24,327	\$27,030	\$28,111	\$29,197	531 355	\$22 E17	100 LOU			
	Median	\$53,714	\$57,550	\$61,387	\$69,061	\$76.734	\$79.803	\$87 R73	580 M1	COL 150	1000,000			
Atlantic, Cape	Moderate	\$42,971	\$46,040	\$49,110	\$55,248	\$61.387	\$63,843	\$66.798			202,204			<del>6, 11</del>
May, Cumberland, Low	Low	\$26,857	\$28.775	530,694	534 520	539 267	<u> </u>				TEN'TRA	2.6%	5.15%	\$143 712
and Salem	Verv Low	516 114	217 JEE	610 A1C				024,444	30745	\$47,575	\$50,644			
Moderate income is	hetween 20 n	nd 50 percent	- of the model	074'076	9T/'076	070'574	\$23,941	\$24,862	\$26,703	\$28,545	\$30,387		<u> </u>	
income to a second of the income tow income is 50 percent or less of median income. Very low income is 30 percent or less of median income.		ווים את אבי רבווו	י הן עוב ווובעות	in income. Lo	w income is.	su percent or	less of medic	in income. Ve	ary fow incom	e is 30 perce	nt or less of	median in	come.	
$^*$ These columns are for calculating the pricing for one, two and three hedroom cale and routed units	e for calculatin	is the pricing i	for one, two :	and three he	froom calo a	ind routed in				•				

columns are for calculating the pricing for one, two and three bedroom sale and rental units as per NJ.A.C. 5:80-26.4(a). U U U

\*\*This column is used for calculating the pricing for rent increases for units (as previously calculated under N.J.A.C. 5:97-9.3). The increase for 2015 was 2.3%, the increase for 2016 was 1.1%, the increase for 2017 was 1.7%, and the increase for 2018 was 2.2%. The increase for 2019 is 2.6% (Consumer price Index for All Urban Consumers (CPI-U): Regions by expenditure category and

commodity and service group). Landlords who did not increase rents in 2015, 2016, 2017, or 2018 may increase rent by up to the applicable combined percentage including 2019 or 9.0% whichever is less in accordance with N.J.A.C. 5:97-9.3(c). In no case can rent for any particular apartment be increased more than one time per year.

increase annually based on the percentage increase in the regional median income limit for each housing region. In no event shall the maximum resale price established by the administrative agent \*\*\* This column is used for calculating the pricing for resale increases for units (as previously calculated under N.J.A.C. 5:97-9:3). The price of owner-occupied low and moderate income units may be lower than the last recorded purchase price.

Low moome tax credit developments may increase based on the low income tax credit regulations.

\*\*\*\* The Regional Asset Limit is used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.16(b)3.

### <u>Exhibit B:</u> December 17, 2021 Letter from Visalli Tract



Clint B. Allen Member of New Jersey and callen@archerlaw.com 856-354-3017 Direct 856-795-0574 Direct Fax Archer & Greiner, P.C. One Centennial Square Haddonfield, NJ 08033-2374 856-795-2121 Main 856-795-0574 Fax www.archerlaw.com

December 17, 2021

### Via Email & Regular Mail

Mayor & Township Committee Harrison Township Municipal Building 114 Bridgeton Pike Mullica Hill, New Jersey 08062 Attn: Diane Malloy, RMC

### RE: Mullica Hill Subdivision LLC Land Use Approvals for 140 Swedesboro Road / Block 45, Lot 16 Township of Harrison, Gloucester County, New Jersey File No.: KIN.131.001

Dear Mayor & Township Committee:

On behalf of my client, Mullica Hill Subdivision LLC, I provide this correspondence in connection with the above-captioned matter.

Mullica Hill Subdivision LLC is the contract purchaser of the property located at 140 Swedesboro Road in the Township of Harrison that is more particularly known as Block 45, Lot 16 on the Official Harrison Township Tax Map (the "Property").

In the course of its due diligence on the Property, my client is aware that, by Resolution No. 9-2010, adopted February 24, 2010, the Harrison Township Zoning Board of Adjustment granted to Robert J. Pacilli Homes, LLC an Amended Preliminary and Final Major Subdivision Approval, and, on February 24, 2010, adopted Resolution No. 9-2010 to memorialize those Approvals to allow for an age-restricted development consisting of 181 single-family detached homes, 24 affordable housing units in 12 duplex (twin) structures, and four open space lots, along with a clubhouse, pool and other recreational amenities on the Property.

Those Approvals were the result of a settlement agreement dated May 5, 2009 by and between Robert J. Pacilli Homes, LLC and Tunlaw, Inc. and the Township of Harrison and the Harrison Township Zoning Board of Adjustment.

Donna Malloy, RMC December 17, 2021 Page 2

Since that time, Robert J. Pacilli Homes, LLC did not perfect the subdivision of the Property pursuant to Resolution 9-2010, did not proceed with development of the property pursuant to Resolution 9-2010, did not seek an extension of the approvals, and subsequently relinquished its interest in the Property.

In light of changed residential market trends and housing product demands, my client is not considering the development the Property in a manner consistent with the Approvals memorialized by Resolution 9-2010. Rather, my client intends to continue working with the Township of Harrison on a suitable development plan that will take advantage of the anticipated new Zoning Ordinance provisions for the Property.

My client looks forward to working with the Township of Harrison and its Joint Land Use Board in connection with the development of the Property.

Very truly yours,

### Clint B. Allen

### CLINT B. ALLEN

cc: Caroline King (via email) Brian Duffield, Esquire (via email) Kevin Van Hise, Esquire (via email)

222830867v2

### Exhibit C: FY2021 Regional Income Limits

Prepared by Affordable Housing Professionals of New Jersey (AHPNJ) - April 27, 2021

# 2021 AFFORDABLE HOUSING REGIONAL INCOME LIMITS BY HOUSEHOLD SIZE

Income limits not officially adopted by the State of New Jersey. Contact your municipality to see if applicable in your jurisdiction. Additional information about AHPNJ income limits is posted on AHPNJ.org

												-		9,0,0,0,0,0,0,0,0,0,0,0,0,0,0,0,0,0,0,0
		1 Person	*1.5 Person	2 Person	*3 Person	4 Percon	*4 5 Darcon	E Darcon	6 Dorrow		4	Max Increase	crease	<b>Regional Asset</b>
								I	o resou	/ Person	8+ Person	Rents** Sales***	Sales***	Limit***
Region 1	Median	\$72,846	\$78,050	\$83,253	\$93 <b>,</b> 659	\$104,066	\$108,229	\$112,391	\$120,717	\$129,042	\$137,367			
Bergen, Hudson.	Moderate	\$58,277	\$62,440	\$66,602	\$74,928	\$83,253	\$86,583	\$89,913	\$96,573	\$103,233	\$109,894			
Passaic and Sussex	Low	\$36,423	\$39,025	\$41,626	\$46,830	\$52,033	\$54,114	\$56,196	\$60,358	\$64,521	\$68.684	1.6%	8.46%	\$201,229
	Very Low	\$21,854	\$23,415	\$24,976	\$28,098	\$31,220	\$32,469	\$33,717	\$36,215	\$38,713	\$41.210			
Region 2	Median	\$75,331	\$80,711	\$86,092	\$96,854	\$107,615	\$111,920	\$116,224	\$124,834	\$133,443	\$142.052			
Essex. Morris.	Moderate	\$60,265	\$64,569	\$68,874	\$77,483	\$86,092	\$89,536	\$92,980	\$99,867	\$106,754	\$113.642			
Union and Warren		\$37,665	\$40,356	\$43,046	\$48,427	\$53,808	\$55,960	\$58,112	\$62,417	\$66,721	\$71.026	1.6%	2.00%	\$206,459
	Very Low	\$22,599	\$24,213	\$25,828	\$29,056	\$32,285	\$33,576	\$34,867	\$37,450	\$40,033	\$42.616			
Region 3	Median	\$86,240	\$92,400	\$98,560	\$110,880	\$123,200	\$128,128	\$133,056	\$142,912	\$152,768	\$162.624			
Hunterdon,	Moderate	\$68,992	\$73,920	<b>\$78,848</b>	\$88,704	\$98,560	\$102,502	\$106,445	\$114.330	\$122.214	\$130,099		-	
Middlesex and	Low	\$43,120	\$46,200	\$49,280	\$55,440	\$61,600	\$64,064	\$66,528	\$71.456	\$76.384	\$81 312	1.6%	3.10%	\$234,592
Somerset	Very Low	\$25,872	\$27,720	\$29,568	\$33,264	\$36,960	\$38,438	\$39,917	\$42.874	\$45,830	\$48,787			
Region 4	Median	\$76,469	\$81,931	\$87,393	\$98,317	\$109,242	\$113,611	\$117,981	\$126,720	\$135.460	\$144.199			
Mercer,	Moderate	\$61 <b>,1</b> 75	\$65,545	\$69,915	\$78,654	\$87,393	\$90,889	\$94,385	\$101,376	\$108.368	\$115.359		`	-
Monmouth and	Low	\$38,235	\$40,966	\$43,697	\$49 <b>,</b> 159	\$54 <b>,</b> 621	\$56,806	\$58,990	\$63,360	\$67,730	\$72.099	1.6%	0.00%	\$205,486
Ucean	Very Low	\$22,941	\$24,579	\$26,218	<b>\$29,495</b>	\$32,772	\$34,083	\$35,394	\$38,016	\$40.638	\$43.260			
Region 5	Median	\$67,620	\$72,450	\$77,280	\$86,940	\$96,600	\$100,464	\$104,328	\$112,056	\$119,784	\$127,512			
Burlington,	Moderate	\$54,096	\$57,960	\$61,824	\$69,552	\$77,280	\$80,371	\$83,462	\$89,645	\$95,827	\$102,010			
Camden and	Low	\$33,810	\$36,225	\$38,640	\$43,470	\$48,300	\$50,232	\$52,164	\$56,028	\$59,892	\$63,756	1.6%	0.00%	\$179,028
loucester	Very Low	\$20,286	\$21,735	\$23,184	\$26,082	\$28,980	\$30,139	\$31,298	\$33,617	\$35,935	\$38,254			
Region 6	Median	\$57,458	\$61,562	\$65,666	\$73,874	\$82,083	\$85,366	\$88,649	\$95,216	\$101,782	\$108.349			
Atlantic, Cape	Moderate	\$45,966	\$49,250	\$52,533	\$59,100	\$65,666	\$68,293	\$70,919	\$76,173	\$81,426	\$86.679			
May, Cumberland, Low	Low	\$28,729	\$30,781	\$32,833	\$36,937	\$41,041	\$42,683	\$44,325	\$47,608	\$50,891	\$54.175	1.6%	0.00%	\$153,730
and Salem	Very Low	\$17,237	\$18,469	\$19,700	\$22,162	\$24,625	\$25,610	\$26,595	\$28,565	\$30,535	\$32,505			Ţ
Moderate income is between 80 and 50 percent of the median income.	is between 80 .	and 50 percent	t of the medic		ow income is .	50 percent o	r less of med	Low income is 50 percent or less of median income. Very low income is 30 percent or less of median income.	ery low incor.	ne is 30 perce	ent or less of	median ir	ncome.	
* These columns are for coloridation of the second	ro for colouloti			and the second second		•								

\* These columns are for calculating the pricing for one, two and three bedroom sale and rental units as per NJ.A.C. 5:80-26.4(a).

expenditure category and commodity and service group). Landlords who did not increase rents in 2015, 2016, 2017, 2018, 2019 or 2020 because of the lack of authority to do so, may increase rent by up to the applicable combined percentage including 2021 or 9.0% whichever is less in accordance with N.J.A.C. 5:97-9.3(c). In no case can rent for any particular apartment be increased more \*\*This column is used for calculating the pricing for rent increases for units (as previously calculated under N.J.A.C. 5:97-9.3 (Consumer price Index for All Urban Consumers (CPI-U): Regions by than one time per year.

increase annually based on the percentage increase in the regional median income limit for each housing region. In no event shall the maximum resale price established by the administrative agent \*\*\* This column is used for calculating the pricing for resale increases for units (as previously calculated under N.J.A.C. 5:97-9.3). The price of owner-occupied low and moderate income units may be lower than the last recorded purchase price.

Low income tax credit developments may increase based on the low income tax credit regulations.

\*\*\*\* The Regional Asset Limit is used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.16(b)3.

Note: Since the Regional Income Limits for Regions 4, 5, and 6 in 2020 were higher than the 2021 calculations, the 2020 income limits will remain in force for 2021 (as previously required by N.J.A.C. 5:97-9.2(c)).

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### **TOWNSHIP OF HARRISON**

### RESOLUTION NO.

### RESOLUTION OF THE COMMITTEE OF THE TOWNSHIP OF HARRISON ADOPTING AN "AFFIRMATIVE MARKETING PLAN" FOR THE TOWNSHIP OF HARRISON

WHEREAS, in accordance with applicable Council on Affordable Housing ("COAH") regulations, the New Jersey Uniform Housing Affordability Controls ("UHAC")(<u>N.J.A.C.</u> 5:80-26., et seq.), and the terms of a Settlement Agreement between the Township of Harrison and Fair Share Housing Center ("FSHC"), which was entered into as part of the Township's Declaratory Judgment action entitled In the Matter of the Application of the Township of Harrison, County of <u>Gloucester</u>, Docket No. ESX-L-2778-18, which was filed in response to Supreme Court decision In re N.J.A.C. 5:96 and 5:97, 221 N.J. 1, 30 (2015)("Mount Laurel IV"), the Township of Harrison is required to adopt an Affirmative Marketing Plan to ensure that all affordable housing units created are affirmatively marketed to low and moderate income households, particularly those living and/or working within Housing Region 5, the COAH Housing Region encompassing the Township of Harrison.

**NOW, THEREFORE, BE IT RESOLVED,** that Township Committee of the Township of Harrison, County of Gloucester, State of New Jersey, do hereby adopt the following Affirmative Marketing Plan:

### Affirmative Marketing Plan

A. The Affirmative Marketing Plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to housing units which are being marketed by a developer or sponsor of affordable housing. The Affirmative Marketing Plan is also intended to target those potentially eligible persons who are least likely to apply for affordable units in that region. It is a continuing program that directs all marketing activities toward the COAH Housing Region in which the municipality is located and covers the entire period of the deed restriction for each restricted housing unit. The Township of Harrison is located in COAH Housing Region 5, consisting of Gloucester, Burlington, and Camden Counties.

- B. The Township of Harrison has a plan to address both its Prior Round Obligation (1987-1999) and its Third Round Obligation (1999-2025). This Affirmative Marketing Plan shall apply to all developments that contain or will contain very low, low and moderate income units, including those that are part of the Township's Housing Element and Fair Share Plan, and those that may be constructed in future developments not yet anticipated by the Housing Element and Fair Share Plan.
- C. The Affirmative Marketing Plan shall be implemented by the Administrative Agent under contract to the Township of Harrison, or the Administrative Agent of any specific developer approved by the Township.
- D. All of the costs of advertising and affirmatively marketing affordable housing units shall be borne by the developers/sellers/owners of affordable unit(s), and all such advertising and affirmative marketing shall be subject to approval and oversight by the designated Township Administrative Agent.
- E. The implementation of the Affirmative Marketing Plan for a development that includes affordable housing shall commence at least 120 days before the issuance of either a temporary or permanent certificate of occupancy. The implementation of the Affirmative Marketing Plan shall continue until all very low, low and moderate income housing units are initially occupied and for as long as the affordable units remain deed restricted such that qualifying new tenants and/or purchasers continues to be necessary.
- F. The Affirmative Marketing Plan is a continuing program that shall be followed throughout the entire period of affordability restrictions. In implementing the Affirmative Marketing Plan, the Administrative Agent, whether acting on behalf of the Township of Harrison or on behalf of a specific developer, shall meet the following requirements and shall undertake, at the minimum, all of the following strategies:
  - 1. The primary marketing shall take the form of at least one press release and a paid display advertisement in the below newspapers the first week of the marketing program and each month thereafter until all units are leased or sold. Additional advertising and publicity shall be on an "as needed" basis. The developer/owner shall disseminate all public service announcements and pay for display advertisements. The developer/owner shall provide proof of all publications to the Administrative Agent. All press releases and advertisements shall be approved in advance by the Administrative Agent.
  - 2. The advertisement shall, at a minimum, include a description of the:
    - a. Location of the units;
    - b. Directions to the units;
    - c. Range of prices for the units;
    - d. Size, as measured in bedrooms, of units;
    - e. Maximum income permitted to qualify for the units;
    - f. Location of applications;

- g. Business hours when interested households may obtain an application;
- h. Application fees.
- 3. All newspaper articles, announcements, and requests for applications for very low, low- and moderate-income units shall appear in the South Jersey Times, a daily newspaper, and may also use the Courier Post, a daily newspaper.
- 4. Publication of the advertisement or application on the New Jersey Housing Resource Center's website (www.njhrc.gov).
- 5. One or more of the regional cable television stations or regional radio stations shall be used. The developer must provide satisfactory proof of public dissemination on at least one station that covers entire region.
- 6. Applications, brochure(s), sign(s) and/or poster(s) used as part of the affirmative marketing program shall provide for posting in the following locations:
  - a. Harrison Municipal Building
  - b. Harrison Township Web Site
  - c. Harrison Library
  - d. Developer's Sales/Rental Offices
  - e. Gloucester County Administration Building
  - f. Burlington County Administration Building
  - g. Camden County Administration Building
  - h. Gloucester County Library (all branches)
  - i. Burlington County Library (all branches)
  - j. Camden County Library (all branches).
- 7. The Township's Administrative Agent, or the Administrative Agent of a specific developer, shall comply with all requirements set forth in N.J.S.A. 52:27D-321.3 et seq. with regard to the affirmative marketing of affordable housing units.
- G. Applications shall be mailed by the Township's Administrative Agent and Municipal Housing Liaison, or by the Administrative Agent of any specific developer, to prospective applicants upon request. Also, applications shall be available at the developer's sales/rental office and application forms shall be mailed to Fair Share Housing Center (510 Park Boulevard, Cherry Hill, NJ 08002); the Gloucester County NAACP (P. 0. Box 545, Williamstown, New Jersey 08094); Camden County NAACP (1123 1/2 Kaighn Avenue, Camden, New Jersey 08103); The Latino Action Network (P. 0. Box 943, Freehold, New Jersey 07728); Willingboro NAACP (P. 0. Box 207, Roebling, New Jersey 08554); and The Supportive Housing Association (15 Alden Street #14, Cranford, New Jersey 07016); and other appropriate non-profits and Civil Rights organizations.

- H. The Township's Administrative Agent shall develop, maintain and update a list of community contact person(s) and/or organizations(s) in Gloucester, Burlington, and Camden Counties that will aid in the affirmative marketing program with particular emphasis on contacts that will reach out to groups that are least likely to apply for housing within the region, including major regional employers.
- I. The Township's Administrative Agent shall develop, maintain and update a list of major employers in Gloucester, Burlington, and Camden Counties that will aid in the affirmative marketing program.
- J. A random selection method to select occupants of very low, low- and moderate-income housing will be used by the Township's Administrative Agent, or the Administrative Agent of any specific developer, in conformance with N.J.A.C. 5:80-26.16 (I). This Affirmative Marketing Plan provides a regional preference for very low, low and moderate income households that live and/or work in COAH Housing Region 5, which is comprised of Gloucester, Burlington, and Camden Counties. Pursuant to the New Jersey Fair Housing Act (C.52:27D-311), a preference for very low, low and moderate income veterans duly qualified under N.J.A.C. 54:4-8.10 may also be exercised, provided an agreement to this effect has been executed between the developer or landlord and the Township prior to the affirmative marketing of the units.
- K. The Township's Administrative Agent, or the Administrative Agent of any specific developer, shall administer the Affirmative Marketing Plan. The Administrative Agent has the responsibility to income qualify very low, low and moderate income households; to place income eligible households in very low, low and moderate income units upon initial occupancy; to provide for the initial occupancy of very low, low and moderate income units with income qualified households; to continue to qualify households for reoccupancy of units as they become vacant during the period of affordability controls; to assist with outreach to very low, low and moderate income households; and to enforce the terms of the deed restriction and mortgage loan as per N.J.A.C. 5:80-26-1, et seq.
- L. The Township's Administrative Agent, or the Administrative Agent of any specific developer, shall provide or direct qualified very low, low and moderate income applicants to counseling services on subjects such as budgeting, credit issues, mortgage qualifications, rental lease requirements and landlord/tenant law and shall develop, maintain and update a list of entities and lenders willing and able to perform such services.
- M. All developers/owners of very low, low and moderate income housing units shall be required to undertake and pay the costs of the marketing of the affordable units in their respective developments, subject to the direction and supervision of the Township's Administrative Agent.
- N. The Township's Administrative Agent shall provide the Affordable Housing Liaison with the information required to comply with monitoring and reporting requirements pursuant to N.J.A.C. 5:80-26-1, et seq.

**BE IT FURTHER RESOLVED** that the appropriate Township officials and professionals are authorized to take all actions required to implement the terms of this Resolution.

**BE IT FURTHER RESOLVED** that this Resolution shall take effect pursuant to law.

Mayor, Township of Harrison

I, \_\_\_\_\_\_, Township Clerk of the Township of Harrison, do hereby certify that the above is a true copy of a resolution adopted by the Township Committee at a meeting held on \_\_\_\_\_\_, 2022.

Township Clerk, Township of Harrison

# Chapter 67. Affordable Housing

# § 67-1. Affordable housing obligation: general program purposes, procedures.

- A. This section of the Township Code sets forth regulations regarding the low and moderate-income housing units in the Township consistent with the provisions known as the "Substantive Rules of the New Jersey Council on Affordable Housing", N.J.A.C. 5:93 et seq., the Uniform Housing Affordability Controls ("UHAC"), N.J.A.C. 5:80-26.1 et seq., except where modified by the requirements for very-low-income housing as established in P.L. 2008, c.46 (the "Roberts Bill", codified at N.J.S.A. 52:27D-329.1) as reflected in the terms of a settlement agreement between the Township and Fair Share Housing Center ("FSHC") such that the statutory requirement to provide very-low-income units equal to 13% of affordable units approved and constructed after July 17, 2008, to be affordable to households at 30% of the regional median income, overrides the UHAC requirement that 10% of all low- and moderate-income units must be affordable at 35% of the regional median income, and the Township's constitutional obligation to provide a fair share of affordable housing for low and moderate-income households.
- B. This chapter is intended to assure that very-low-, low- and moderate-income units ("affordable units") are created with controls on affordability over time and that very-low-, low- and moderate-income households shall occupy these units. This chapter shall apply to all inclusionary developments and 100% affordable developments (including those funded with low-income housing tax credit financing) except where inconsistent with applicable law.
- C. The Harrison Township Planning Board has adopted a Housing Element and Fair Share Plan pursuant to the Municipal Land Use Law at N.J.S.A. 40:55D-1, et seq. The Plan has also been endorsed by the Mayor and Council of the Township of Harrison. The Fair Share Plan describes the ways the Township shall address its fair share for low- and moderate-income housing as determined by the Superior Court and documented in the Housing Element.
- D. This chapter implements and incorporates the Fair Share Plan and addresses the requirements of N.J.A.C. 5:93, as may be amended and supplemented.
- E. The Township shall file monitoring and status reports with Fair Share Housing Center ("FSHC") and place the reports on its municipal website. Any plan evaluation report of the Housing Element and Fair Share Plan and monitoring evaluation report prepared by the Special Master in accordance with N.J.A.C. 5:91 shall be available to the public at the Harrison Municipal Building.
- F. On or about June 1 of each year through the end of the period of Third Round Judgment of Repose, the Township will provide annual reporting of the status of all affordable housing activity within the municipality through posting on the municipal website with a copy of such posting provided to all parties to the Township's Court-approved settlement agreements, using forms previously developed for this purpose by the Council on Affordable Housing or any other forms endorsed by the Special Master and FSHC.
- G. The Fair Housing Act includes two provisions regarding action to be taken by the Township during the ten-year period of protection provided in the Township's Court- approved agreement with FSHC. The Township agrees to comply with those provisions as follows:

- (1) By July 1, 2020, the Township must prepare a midpoint realistic opportunity review, as required pursuant to N.J.S.A. 52:27D-313, which the Township will post on its municipal website, with a copy provided to FSHC, a status report as to its implementation of its Plan and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity. Such posting shall invite any interested party to submit comments to the municipality, with a copy to FSHC, regarding whether any mechanisms to meet unmet need should be revised or supplemented. Any interested party may by motion request a hearing before the Court regarding these issues. In the event the Court determines that a site or mechanism no longer presents a realistic opportunity and should be replaced or supplemented, then the municipality shall have the opportunity to supplement or revise its plan to correct any deficiency.
- (2) Within 30 days of June 1, 2021 and June 1, 2024 the Township shall prepare a review of compliance with the very-low-income housing requirements required by N.J.S.A. 52:27D-329.1 and its Court-approved settlement agreement with FSHC. The Township will post on its municipal website, with a copy provided to FSHC, a status report as to its satisfaction of its very-low-income requirements, including the family very-low income requirements referenced herein and in the Township's settlement agreement with FSHC. Such posting shall invite any interested party to submit comments to the municipality and FSHC on the issue of whether the municipality has complied with its very-low-income housing obligation.

# § 67-2. Definitions.

As used herein the following terms shall have the following meanings:

### ACT

The Fair Housing Act of 1985, P.L. 1985, c. 222 (N.J.S.A. 52:27D-301 et seq.).

### ADAPTABLE

Constructed in compliance with the technical design standards of the Barrier Free Subcode, N.J.A.C. 5:23-7.

### **ADMINISTRATIVE AGENT**

The entity responsible for the administration of affordable units in accordance with this ordinance, N.J.A.C. 5:91, N.J.A.C. 5:93 and N.J.A.C. 5:80-26.1 et seq.

### **AFFIRMATIVE MARKETING**

A regional marketing strategy designed to attract buyers and/or renters of affordable units pursuant to N.J.A.C. 5:80-26.15.

### AFFORDABILITY AVERAGE

The average percentage of median income at which restricted units in an affordable housing development are affordable to low- and moderate-income households.

### AFFORDABLE

A sales price or rent within the means of a low- or moderate-income household as defined in N.J.A.C. 5:93-7.4; in the case of an ownership unit, that the sales price for the unit conforms to the standards set forth in N.J.A.C. 5:80-26.6, as may be amended and supplemented, and, in the case of a rental unit, that the rent for the unit conforms to the standards set forth in N.J.A.C. 5:80-26.12, as may be amended and supplemented.

### AFFORDABLE HOUSING DEVELOPMENT

A development included in the Housing Element and Fair Share Plan, and includes, but is not limited to, an inclusionary development, a municipal construction project or a 100% affordable development.

### AFFORDABLE HOUSING DEVELOPMENT

A housing development of which all or a portion of which consists of restricted units.

### AFFORDABLE HOUSING PROGRAM(S)

Any mechanism in a municipal Fair Share Plan prepared or implemented to address a municipality's fair share obligation.

### AFFORDABLE UNIT

A housing unit proposed or created pursuant to the Act, credited pursuant to N.J.A.C. 5:93, and/or funded through an affordable housing trust fund.

### AGE-RESTRICTED UNIT

A housing unit designed to meet the needs of, and exclusively for, the residents of an agerestricted segment of the population such that all the residents of the development where the unit is situated are 62 years or older; or at least 80% of the units are occupied by one person that is 55 years or older; or the development has been designated by the Secretary of the U.S. Department of Housing and Urban Development as "housing for older persons" as defined in Section 807(b)(2) of the Fair Housing Act, 42 U.S.C. § 3607.

### AGENCY

The New Jersey Housing and Mortgage Finance Agency established by P.L. 1983, c. 530 (N.J.S.A. 55:14K-1, et seq.).

### ALTERNATIVE LIVING ARRANGEMENT

A structure in which households live in distinct bedrooms, yet share kitchen and plumbing facilities, central heat and common areas. Alternative living arrangement includes, but is not limited to: transitional facilities for the homeless, Class A, B, C, D, and E boarding homes as regulated by the New Jersey Department of Community Affairs; residential health care facilities as regulated by the New Jersey Department of Health; group homes for the developmentally disabled and mentally ill as licensed and/or regulated by the New Jersey Departments.

### ASSISTED LIVING RESIDENCE

A facility licensed by the New Jersey Department of Health and Senior Services to provide apartment-style housing and congregate dining and to assure that assisted living services are available when needed for four or more adult persons unrelated to the proprietor and that offers units containing, at a minimum, one unfurnished room, a private bathroom, a kitchenette and a lockable door on the unit entrance.

### **CERTIFIED HOUSEHOLD**

A household that has been certified by an Administrative Agent as a low-income household or moderate-income household.

### COAH

The Council on Affordable Housing, which is in, but not of, the Department of Community Affairs of the State of New Jersey, that was established under the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301 et seq.).

### DCA

The State of New Jersey Department of Community Affairs.

### DEVELOPER

Any person, partnership, association, company or corporation that is the legal or beneficial owner or owners of a lot or any land proposed to be included in a proposed development, including the holder of an option to contract or purchase, or other person having an enforceable proprietary interest in such land.

### DEVELOPMENT

The division of a parcel of land into two or more parcels, the construction, reconstruction, conversion, structural alteration, relocation, or enlargement of any use or change in the use of any building or other structure, or of any mining, excavation or landfill, and any use or change in the use of any building or other structure, or land or extension of use of land, for which permission may be required pursuant to N.J.S.A. 40:55D-1 et seq.

### **DEVELOPMENT FEE**

Money paid by a developer for the improvement of property as permitted in N.J.A.C. 5:93-8.

### EQUALIZED ASSESSED VALUE

The assessed value of a property divided by the current average ratio of assessed to true value for the municipality in which the property is situated, as determined in accordance with Sections 1, 5, and 6 of P.L. 1973, c. 123 (N.J.S.A. 54:1-35a through 54:1-35c).

### FAIR SHARE PLAN

The plan that describes the mechanisms, strategies and the funding sources, if any, by which the Township proposes to address its affordable housing obligation as established in the Housing Element, including the draft ordinances necessary to implement that plan, and addresses the requirements of N.J.A.C. 5:93-5.

### HOUSING ELEMENT

The portion of the Township's Master Plan, required by the Municipal Land Use Law ("MLUL"), N.J.S.A. 40:55D-28b(3) and the Act, that includes the information required by N.J.A.C. 5:93-5.1 and establishes the Township's fair share obligation.

### INCLUSIONARY DEVELOPMENT

A development containing both affordable units and market rate units. This term includes, but is not necessarily limited to: new construction, the conversion of a nonresidential structure to residential and the creation of new affordable units through the reconstruction of a vacant residential structure.

### LOW-INCOME HOUSEHOLD

A household with a total gross annual household income equal to 50% or less of the median household income.

### LOW-INCOME UNIT

A restricted unit that is affordable to a low-income household.

### MARKET-RATE UNITS

Housing not restricted to low- and moderate-income households that may sell or rent at any price.

### **MEDIAN INCOME**

The median income by household size for the applicable county, as adopted annually by COAH or approved by the NJ Superior Court.

### MODERATE-INCOME HOUSEHOLD

A household with a total gross annual household income in excess of 50% but less than 80% of the median household income.

### MODERATE-INCOME UNIT

A restricted unit that is affordable to a moderate-income household.

### NONEXEMPT SALE

Any sale or transfer of ownership other than the transfer of ownership between husband and wife; the transfer of ownership between former spouses ordered as a result of a judicial decree of divorce or judicial separation, but not including sales to third parties; the transfer of ownership between family members as a result of inheritance; the transfer of ownership through an executor's deed to a class A beneficiary and the transfer of ownership by court order.

### RANDOM SELECTION PROCESS

A process by which currently income-eligible households are selected for placement in affordable housing units such that no preference is given to one applicant over another except for purposes of matching household income and size with an appropriately priced and sized affordable unit (e.g., by lottery).

### REGIONAL ASSET LIMIT

The maximum housing value in each housing region affordable to a four-person household with an income at 80% of the regional median as defined by adopted/approved regional income limits.

### REHABILITATION

The repair, renovation, alteration or reconstruction of any building or structure, pursuant to the Rehabilitation Subcode, N.J.A.C. 5:23-6.

### RENT

The gross monthly cost of a rental unit to the tenant, including the rent paid to the landlord, as well as an allowance for tenant-paid utilities computed in accordance with allowances published by DCA for its Section 8 program. In assisted living residences, rent does not include charges for food and services.

### **RESTRICTED UNIT**

A dwelling unit, whether a rental unit or ownership unit, that is subject to the affordability controls of N.J.A.C. 5:80-26.1, as may be amended and supplemented, but does not include a market-rate unit financed under UHORP or MONI.

### SPECIAL MASTER

An expert appointed by a judge to make sure that judicial orders are followed. A master's function is essentially investigative, compiling evidence or documents to inform some future action by the court.

### UHAC

Uniform Housing Affordability Controls set forth in N.J.A.C. 5:80-26.1 et seq.

### **VERY-LOW-INCOME HOUSEHOLD**

A household with a total gross annual household income equal to 30% or less of the median household income.

### **VERY-LOW-INCOME UNIT**

A restricted unit that is affordable to a very-low-income household.

## § 67-3. Administration of affordable units.

The following requirements shall apply to all new or planned developments that contain low- and moderate-income housing units.

A. Phasing. Final site plan or subdivision approval shall be contingent upon the affordable housing development meeting the following phasing schedule for low and moderate-income units whether developed in a single phase development, or in a multi-phase development:

Maximum Percentage of Low-Market-Rate Units Completed	Minimum Percentage of and Moderate- Income Units Completed
25%	0%
25% + 1 unit	10%
50%	50%
75%	75%

Maximum Percentage of Low-Market-Rate Units Completed	Minimum Percentage of and Moderate- Income Units Completed
90%	100%
100%	

- B. Design. In inclusionary developments, low- and moderate-income units shall be integrated with the market units.
- C. Utilities. Affordable units shall utilize the same type of heating source as market units within the affordable development.
- D. Low/moderate split and bedroom distribution of affordable housing units.
  - (1) The fair share obligation shall be divided equally between low- and moderate-income units, except that where there is an odd number of affordable housing units, the extra unit shall be a low-income unit.
  - (2) In each affordable development, at least 50% of the restricted units within each bedroom distribution shall be low-income units.
  - (3) Within rental developments, of the total number of affordable rental units, at least 13% of the restricted units within each bedroom distribution shall be affordable to very-low-income households.
  - (4) At least half of the affordable units in each bedroom distribution within each affordable housing development shall be affordable to low-income households.
  - (5) Affordable developments that are not age-restricted shall be structured in conjunction with realistic market demands such that:
    - (a) The combined number of efficiency and one-bedroom units shall be no greater than 20% of the total low- and moderate-income units;
    - (b) At least 30% of all low- and moderate-income units shall be two-bedroom units;
    - (c) At least 20% of all low- and moderate-income units shall be three-bedroom units; and
    - (d) The remaining units may be allocated among two- and three-bedroom units at the discretion of the developer.
  - (6) Affordable developments that are age-restricted shall be structured such that the number of bedrooms shall equal the number of age-restricted low- and moderate-income units within the inclusionary development. The standard may be met by having all one-bedroom units or by having a two-bedroom unit for each efficiency unit.
- E. Accessibility requirements.
  - (1) The first floor of all new restricted townhouse dwelling units and all restricted multistory dwelling units attached to at least one other dwelling unit shall be subject to the technical design standards of the Barrier Free Subcode, N.J.A.C. 5:23-7.
  - (2) All restricted townhouse dwelling units and all restricted multistory dwelling units attached to at least one other dwelling unit shall have the following features:
    - (a) An adaptable toilet and bathing facility on the first floor;
    - (b) An adaptable kitchen on the first floor;
    - (c) An interior accessible route of travel on the first floor;
      - [1] An interior accessible route of travel shall not be required between stories within an individual unit;

- (d) An adaptable room that can be used as a bedroom, with a door or the casing for the installation of a door, on the first floor; and
- (e) An accessible entranceway as set forth at P.L. 2005, c. 350 (N.J.S.A. 52:27D-311a et seq.) and the Barrier Free Subcode, N.J.A.C. 5:23-7, or evidence that the Township has collected funds from the developer sufficient to make 10% of the adaptable entrances in the development accessible:
  - [1] Where a unit has been constructed with an adaptable entrance, upon the request of a disabled person who is purchasing or will reside in the dwelling unit, an accessible entrance shall be installed.
  - [2] To this end, the builder of restricted units shall deposit funds within the Township of Harrison's affordable housing trust fund sufficient to install accessible entrances in 10% of the affordable units that have been constructed with adaptable entrances.
  - [3] The funds deposited under Subsection **E(2)(e)[2]** herein, shall be used by the Township for the sole purpose of making the adaptable entrance of any affordable unit accessible when requested to do so by a person with a disability who occupies or intends to occupy the unit and requires an accessible entrance.
  - [4] The developer of the restricted units shall submit a design plan and cost estimate for the conversion from adaptable to accessible entrances to the Construction Official of the Township of Harrison.
  - [5] Once the Construction Official has determined that the design plan to convert the unit entrances from adaptable to accessible meet the requirements of the Barrier Free Subcode, N.J.A.C. 5:23-7, and that the cost estimate of such conversion is reasonable, payment shall be made to the Township of Harrison's affordable housing trust fund in care of the Municipal Treasurer who shall ensure that the funds are deposited into the affordable housing trust fund and appropriately earmarked.
  - [6] Full compliance with the foregoing provisions shall not be required where an entity can demonstrate that it is site impracticable to meet the requirements. Determinations of site impracticability shall be in compliance with the Barrier Free Subcode, N.J.A.C. 5:23-7.
- F. Maximum rents and sales prices.
  - (1) In establishing rents and sales prices of affordable housing units, the administrative agent shall follow the procedures set forth in UHAC and by the Superior Court, utilizing the regional income limits established.
  - (2) The maximum rent for restricted rental units within each affordable development shall be affordable to households earning no more than 60% of median income, and the average rent for restricted low- and moderate- income units shall be affordable to households earning no more than 52% of median income.
  - (3) The developers and/or municipal sponsors of restricted rental units shall establish at least one rent for each bedroom type for both low-income and moderate-income units.
    - (a) At least 13% of all low- and moderate-income rental units shall be affordable to households earning no more than 30% of median income.
  - (4) The maximum sales price of restricted ownership units within each affordable development shall be affordable to households earning no more than 70% of median income, and each affordable development must achieve an affordability average of 55% for restricted ownership units; in achieving this affordability average, moderate-income ownership units must be available for at least three different prices for each bedroom type, and low-income ownership units must be available for at least two different prices for each bedroom type.

- (5) In determining the initial sales prices and rents for compliance with the affordability average requirements for restricted units other than assisted living facilities, the following standards shall be met:
  - (a) A studio or efficiency unit shall be affordable to a one-person household;
  - (b) A one-bedroom unit shall be affordable to a 1 1/2 person household;
  - (c) A two-bedroom unit shall be affordable to a three-person household;
  - (d) A three-bedroom unit shall be affordable to a 4 1/2 person household; and
  - (e) A four-bedroom unit shall be affordable to a six-person household.
- (6) In determining the initial rents for compliance with the affordability average requirements for restricted units in assisted living facilities, the following standards shall be met:
  - (a) A studio or efficiency unit shall be affordable to a one-person household;
  - (b) A one-bedroom unit shall be affordable to a 1 1/2 person household; and
  - (c) A two-bedroom unit shall be affordable to a two-person household or to two one-person households.
- (7) The initial purchase price for all restricted ownership units shall be calculated so that the monthly carrying cost of the unit, including principal and interest (based on a mortgage loan equal to 95% of the purchase price and the Federal Reserve H.15 rate of interest), taxes, homeowner and private mortgage insurance and condominium or homeowner association fees do not exceed 28% of the eligible monthly income of the appropriate size household as determined under N.J.A.C. 5:80-26.4, as may be amended and supplemented; provided, however, that the price shall be subject to the affordability average requirement of N.J.A.C. 5:80-26.3, as may be amended and supplemented.
- (8) The initial rent for a restricted rental unit shall be calculated so as not to exceed 30% of the eligible monthly income of the appropriate household size as determined under N.J.A.C. 5:80-26.4, as may be amended and supplemented; provided, however, that the rent shall be subject to the affordability average requirement of N.J.A.C. 5:80-26.3, as may be amended and supplemented.
- (9) The price of owner-occupied low- and moderate-income units may increase annually based on the percentage increase in the regional median income limit for each housing region. In no event shall the maximum resale price established by the administrative agent be lower than the last recorded purchase price. Income limits for all units for which income limits are not already established through a federal program exempted from the Uniform Housing Affordability Controls pursuant to N.J.A.C. 5:80-26.1 shall be updated by the Township annually within 30 days of the publication of determinations of median income by HUD as follows:
  - (a) Regional income limits shall be established for the Region 5 based on the median income by household size, which shall be established by a regional weighted average of the uncapped Section 8 income limits published by HUD. To compute this regional income limit, the HUD determination of median county income for a family of four is multiplied by the estimated households within the county according to the most recent decennial Census. The resulting product for each county within the housing region is summed. The sum is divided by the estimated total households from the most recent decennial Census in Region 5. This quotient represents the regional weighted average of median income for a household of four. The income limit for a moderate-income unit for a household of four shall be 80% of the regional weighted average median income for a family of four. The income limit for a low-income unit for a household of four shall be 50% of the HUD determination of the regional weighted average median income for a family of four. The income limit for a very-low-income unit for a household of four shall be 30% of the regional weighted average median income for a family of four. The income limit for a very-low-income unit for a household of four shall be 30% of the regional weighted average median income for a family of four. The income limit for a very-low-income unit for a household of four shall be 30% of the regional weighted average median income for a family of four. The income limit for a very-low-income unit for a household of four shall be 30% of the regional weighted average median income for a family of four. The income limit for a very-low-income unit for a household of four shall be 30% of the regional weighted average median income for a family of four. The income limit for a very-low-income unit for a household of four shall be 30% of the regional weighted average median income for a family of four. The income limit for a very-low-income unit for a household of four shall be 30% of the regional weighted a

the regional weighted average median income for a family of four. These income limits shall be adjusted by household size based on multipliers used by HUD to adjust median income by household size. In no event shall the income limits be less than those for the previous year.

- (b) The income limits calculated each year shall be the result of applying the percentages set forth in Subsection F(9)(a) above to HUD's determination of median income for the relevant fiscal year, and shall be utilized until the Township updates the income limits after HUD has published revised determinations of median income for the next fiscal year.
- (c) The Regional Asset Limit used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.16(b)3 shall be calculated by the Township annually by taking the percentage increase of the income limits calculated pursuant to Subsection F(9)(a) above over the previous year's income limits, and applying the same percentage increase to the Regional Asset Limit from the prior year. In no event shall the Regional Asset Limit be less than that for the previous year.
- (10) The rent levels of very-low-, low- and moderate-income units may be increased annually based on the percentage increase in the Housing Consumer Price Index for the Northeast Urban Area, upon its publication for the prior calendar year. This increase shall not exceed 9% in any one year. Rents for units constructed pursuant to low-income housing tax credit regulations shall be indexed pursuant to the regulations governing low-income housing tax credits.
- (11) tenant-paid utilities that are included in the utility allowance shall be so stated in the lease and shall be consistent with the utility allowance approved by DCA for its Section 8 program.
- G. Condominium and homeowners' association fees. For any affordable housing unit that is part of a condominium association and/or homeowner's association, the Master Deed shall reflect that the association fee assessed for each affordable housing unit shall be established at 100% of the market rate fee.
- H. Affordable unit controls and requirements. The requirements of this section apply to all developments that contain affordable housing units, including any currently unanticipated future developments that will provide low- and moderate-income housing units.
- I. Affirmative marketing.
  - (1) The Township shall adopt by resolution an affirmative marketing plan, subject to approval of the Superior Court, compliant with N.J.A.C. 5:80- 26.15, as may be amended and supplemented.
  - (2) The affirmative marketing plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to housing units which are being marketed by a developer, sponsor or owner of affordable housing. The affirmative marketing plan is also intended to target those potentially eligible persons who are least likely to apply for affordable units in that region. It is a continuing program that directs all marketing activities toward COAH Housing Region 5 and covers the period of deed restriction.
  - (3) The affirmative marketing plan shall provide a regional preference for all households that live and/or work in COAH Housing Region 5, comprised of Gloucester, Burlington, Camden and Gloucester.
  - (4) The Administrative Agent designated by the Township shall assure the affirmative marketing of all affordable units is consistent with the Affirmative Marketing Plan for the municipality.
  - (5) The Township shall add to the list of community and regional organizations in its affirmative marketing plan, pursuant to N.J.A.C. 5:80-26.15(f)(5), Fair Share Housing Center, the New

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Jersey State Conference of the NAACP, the Latino Action Network, Gloucester County NAACP, Gloucester County Urban League, and Gloucester County Housing Coalition, and shall, as part of its regional affirmative marketing strategies during its implementation of this plan, provide notice to those organizations of all available affordable housing units. The Township also agrees to require any other entities, including developers or persons or companies retained to do affirmative marketing, to comply with this subsection.

- (6) In implementing the affirmative marketing plan, the Administrative Agent shall provide a list of counseling services to low- and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements, and landlord/tenant law.
- (7) The affirmative marketing process for available affordable units shall begin at least four months prior to the expected date of occupancy.
- (8) The costs of advertising and affirmative marketing of the affordable units shall be the responsibility of the developer, sponsor or owner, unless otherwise determined or agreed to by the Township of Harrison.
- J. Occupancy standards.
  - (1) In referring certified households to specific restricted units, to the extent feasible, and without causing an undue delay in occupying the unit, the Administrative Agent shall strive to:
    - (a) Provide an occupant for each bedroom;
    - (b) Provide separate bedrooms for parents and children;
    - (c) Provide children of different sexes with separate bedrooms; and
    - (d) Prevent more than two persons from occupying a single bedroom.
  - (2) Additional provisions related to occupancy standards (if any) shall be provided in the municipal operating manual.
- K. Selection of occupants of affordable housing units.
  - (1) The Administrative Agent shall use a random selection process to select occupants of lowand moderate-income housing.
  - (2) A waiting list of all eligible candidates will be maintained in accordance with the provisions of N.J.A.C. 5:80-26 et seq.
- L. Control periods for restricted ownership units and enforcement mechanisms.
  - (1) Control periods for restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.5, and each restricted ownership unit shall remain subject to the controls on affordability for a period of at least 30 years, until the municipality takes action to release the controls on affordability.
  - (2) Rehabilitated owner-occupied housing units that are improved to code standards shall be subject to affordability controls for a period of 10 years.
  - (3) The affordability control period for a restricted ownership unit shall commence on the date the initial certified household takes title to the unit.
  - (4) The affordability controls set forth in this chapter shall remain in effect despite the entry and enforcement of any judgment of foreclosure with respect to restricted ownership units.
  - (5) A restricted ownership unit shall be required to obtain a Continuing Certificate of Occupancy or a certified statement from the Construction Official stating that the unit meets all code standards upon the first transfer of title that follows the expiration of the applicable minimum control period provided under N.J.A.C. 5:80-26.5(a), as may be amended and supplemented.

- M. Price restrictions for restricted ownership units, homeowner association fees and resale prices. Price restrictions for restricted ownership units shall be in accordance with N.J.A.C. 5:80- 26.1, as may be amended and supplemented, including:
  - (1) The initial purchase price for a restricted ownership unit shall be approved by the Administrative Agent.
  - (2) The Administrative Agent shall approve all resale prices, in writing and in advance of the resale, to assure compliance with the foregoing standards.
  - (3) The method used to determine the condominium association fee amounts and special assessments shall be indistinguishable between the low- and moderate-income unit owners and the market unit owners.
  - (4) The owners of restricted ownership units may apply to the Administrative Agent to increase the maximum sales price for the unit on the basis of capital improvements. Eligible capital improvements shall be those that render the unit suitable for a larger household or the addition of a bathroom.
- N. Buyer income eligibility.
  - (1) Buyer income eligibility for restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.1, as may be amended and supplemented, such that low-income ownership units shall be reserved for households with a gross household income less than or equal to 50% of median income and moderate-income ownership units shall be reserved for households with a gross household income less than 80% of median income.
  - (2) The Administrative Agent shall certify a household as eligible for a restricted ownership unit when the household is a low-income household or a moderate-income household, as applicable to the unit, and the estimated monthly housing cost for the particular unit (including principal, interest, taxes, homeowner and private mortgage insurance and condominium or homeowner association fees, as applicable) does not exceed 33% of the household's certified monthly income.
- O. Limitations on indebtedness secured by ownership unit; subordination.
  - (1) Prior to incurring any indebtedness to be secured by a restricted ownership unit, the Administrative Agent shall determine in writing that the proposed indebtedness complies with the provisions of this section.
  - (2) With the exception of original purchase money mortgages, during a control period neither an owner nor a lender shall at any time cause or permit the total indebtedness secured by a restricted ownership unit to exceed 95% of the maximum allowable resale price of that unit, as such price is determined by the administrative agent in accordance with N.J.A.C. 5:80-26.6(b).
- P. Control periods for restricted rental units.
  - (1) Control periods for restricted rental units shall be in accordance with N.J.A.C. 5:80-26.11, and each restricted rental unit shall remain subject to the controls on affordability for a period of at least 30 years, until the municipality takes action to release the controls on affordability.
    - (a) Restricted rental units created as part of developments receiving 9% Low Income Housing Tax Credits must comply with a control period of not less than a thirty-year compliance period plus a fifteen-year extended use period.
  - (2) Rehabilitated renter-occupied housing units that are improved to code standards shall be subject to affordability controls for a period of 10 years.
  - (3) Deeds of all real property that include restricted rental units shall contain deed restriction language. The deed restriction shall have priority over all mortgages on the property, and the deed restriction shall be filed by the developer or seller with the records office of the County of

Gloucester. A copy of the filed document shall be provided to the Administrative Agent within 30 days of the receipt of a certificate of occupancy.

- (4) A restricted rental unit shall remain subject to the affordability controls of this chapter, despite the occurrence of any of the following events:
  - (a) Sublease or assignment of the lease of the unit;
  - (b) Sale or other voluntary transfer of the ownership of the unit; or
  - (c) The entry and enforcement of any judgment of foreclosure.
- Q. Price restrictions for rental units; leases.
  - (1) A written lease shall be required for all restricted rental units, except for units in an assisted living residence, and tenants shall be responsible for security deposits and the full amount of the rent as stated on the lease. A copy of the current lease for each restricted rental unit shall be provided to the Administrative Agent.
  - (2) No additional fees or charges shall be added to the approved rent (except, in the case of units in an assisted living residence, to cover the customary charges for food and services) without the express written approval of the Administrative Agent.
  - (3) Application fees (including the charge for any credit check) shall not exceed 5% of the monthly rent of the applicable restricted unit and shall be payable to the Administrative Agent to be applied to the costs of administering the controls applicable to the unit as set forth in this chapter.
- R. Tenant income eligibility.
  - (1) Tenant income eligibility shall be in accordance with N.J.A.C. 5:80-26.13, as may be amended and supplemented, and shall be determined as follows:
    - (a) Very-low-income rental units shall be reserved for households with a gross household income less than or equal to 30% of median income.
    - (b) Low-income rental units shall be reserved for households with a gross household income less than or equal to 50% of median income.
    - (c) Moderate-income rental units shall be reserved for households with a gross household income less than 80% of median income.
  - (2) The Administrative Agent shall certify a household as eligible for a restricted rental unit when the household is a very-low-income, low-income household or a moderate-income household, as applicable to the unit, and the rent proposed for the unit does not exceed 35% (40% for age-restricted units) of the household's eligible monthly income as determined pursuant to N.J.A.C. 5:80-26.16, as may be amended and supplemented; provided, however, that this limit may be exceeded if one or more of the following circumstances exists:
    - (a) The household currently pays more than 35% (40% for households eligible for agerestricted units) of its gross household income for rent, and the proposed rent will reduce its housing costs;
    - (b) The household has consistently paid more than 35% (40% for households eligible for age-restricted units) of eligible monthly income for rent in the past and has proven its ability to pay;
    - (c) The household is currently in substandard or overcrowded living conditions;
    - (d) The household documents the existence of assets with which the household proposes to supplement the rent payments; or

- (e) The household documents proposed third-party assistance from an outside source such as a family member in a form acceptable to the Administrative Agent and the owner of the unit.
- (3) The applicant shall file documentation sufficient to establish the existence of the circumstances in Subsection **R(2)(a)** through **(e)** above with the Administrative Agent, who shall counsel the household on budgeting.
- S. Conversions. Each affordable housing unit created through the conversion of a nonresidential structure shall be considered a new housing unit and shall be subject to the affordability controls for a new housing unit.
- T. Alternative living arrangements.
  - (1) The administration of an alternative living arrangement shall be in compliance with N.J.A.C. 5:93-5.8 and UHAC, with the following exceptions:
    - (a) Affirmative marketing (N.J.A.C. 5:80-26.15), provided, however, that the units or bedrooms may be affirmatively marketed by the provider in accordance with an alternative plan approved by the Court;
    - (b) Affordability average and bedroom distribution (N.J.A.C. 5:80- 26.3).
  - (2) With the exception of units established with capital funding through a twenty-year operating contract with the Department of Human Services, Division of Developmental Disabilities, alternative living arrangements shall have at least thirty-year controls on affordability in accordance with UHAC, unless an alternative commitment is approved by the Court.
  - (3) The service provider for the alternative living arrangement shall act as the Administrative Agent for the purposes of administering the affirmative marketing and affordability requirements for the alternative living arrangement.

# § 67-4. Municipal Housing Liaison.

- A. The position of Municipal Housing Liaison for the Township of Harrison is hereby established. The Municipal Housing Liaison shall be appointed by duly adopted resolution of the Township Mayor and Council and be subject to the approval by the Superior Court.
- B. The Municipal Housing Liaison must be either a full-time or part-time employee of the Township of Harrison.
- C. The Municipal Housing Liaison must meet the requirements for qualifications, including initial and periodic training found in N.J.A.C. 5:93.
- D. The Municipal Housing Liaison shall be responsible for oversight and administration of the affordable housing program for the Township of Harrison, including the following responsibilities which may not be contracted out to the Administrative Agent:
  - (1) Serving as the municipality's primary point of contact for all inquiries from the state, affordable housing providers, Administrative Agents and interested households;
  - (2) The implementation of the Affirmative Marketing Plan and affordability controls.
  - (3) When applicable, supervising any contracting Administrative Agent.
  - (4) Monitoring the status of all restricted units in the Township of Harrison's Fair Share Plan;
  - (5) Compiling, verifying and submitting annual reports as required by the Superior Court;
  - (6) Coordinating meetings with affordable housing providers and Administrative Agents, as applicable; and

(7) Attending continuing education opportunities on affordability controls, compliance monitoring and affirmative marketing as offered or approved by the Superior Court.

# § 67-5. Administrative Agent.

- A. The Township shall designate by resolution of the Township Mayor and Council, subject to the approval of the Superior Court, one or more Administrative Agents to administer newly constructed affordable units in accordance with N.J.A.C. 5:93 and UHAC.
- B. An operating manual shall be provided by the Administrative Agent(s) to be adopted by resolution of the governing body and subject to approval of the Superior Court. The operating manuals shall be available for public inspection in the Office of the Municipal Clerk and in the office(s) of the Administrative Agent(s).
- C. The Administrative Agent shall perform the duties and responsibilities of an administrative agent as are set forth in UHAC and which are described in full detail in the operating manual, including those set forth in N.J.A.C. 5:80-26.14, 16 and 18 thereof, which includes:
  - (1) Attending continuing education opportunities on affordability controls, compliance monitoring, and affirmative marketing as offered or approved by the Superior Court;
  - (2) Affirmative marketing;
  - (3) Household certification;
  - (4) Affordability controls;
  - (5) Records retention;
  - (6) Resale and rerental;
  - (7) Processing requests from unit owners; and
  - (8) Enforcement, although the ultimate responsibility for retaining controls on the units rests with the municipality.
  - (9) The Administrative Agent shall, as delegated by the Township Mayor and Council, have the authority to take all actions necessary and appropriate to carry out its responsibilities, hereunder.

# § 67-6. Enforcement of affordable housing regulations.

- A. Upon the occurrence of a breach of any of the regulations governing the affordable unit by an owner, developer or tenant, the municipality shall have all remedies provided at law or equity, including but not limited to foreclosure, tenant eviction, municipal fines, a requirement for household recertification, acceleration of all sums due under a mortgage, recoupment of any funds from a sale in the violation of the regulations, injunctive relief to prevent further violation of the regulations, entry on the premises, and specific performance.
- B. After providing written notice of a violation to an owner, developer or tenant of a low- or moderateincome unit and advising the owner, developer or tenant of the penalties for such violations, the municipality may take the following action against the owner, developer or tenant for any violation that remains uncured for a period of 60 days after service of the written notice:
  - (1) The municipality may file a court action pursuant to N.J.S.A. 2A:58-11 alleging a violation, or violations, of the regulations governing the affordable housing unit. If the owner, developer or tenant is found by the court to have violated any provision of the regulations governing affordable housing units the owner, developer or tenant shall be subject to one or more of the following penalties, at the discretion of the court:

- (a) A fine of not more than \$500 or imprisonment for a period not to exceed 90 days, or both. Each and every day that the violation continues or exists shall be considered a separate and specific violation of these provisions and not as a continuing offense;
- (b) In the case of an owner who has rented his or her low- or moderate- income unit in violation of the regulations governing affordable housing units, payment into the Township of Harrison Affordable Housing Trust Fund of the gross amount of rent illegally collected;
- (c) In the case of an owner who has rented his or her low- or moderate- income unit in violation of the regulations governing affordable housing units, payment of an innocent tenant's reasonable relocation costs, as determined by the court.
- (2) The municipality may file a court action in the Superior Court seeking a judgment, which would result in the termination of the owner's equity or other interest in the unit, in the nature of a mortgage foreclosure. Any judgment shall be enforceable as if the same were a judgment of default of the First Purchase Money Mortgage and shall constitute a lien against the lowand moderate-income unit.
- C. Such judgment shall be enforceable, at the option of the municipality, by means of an execution sale by the Sheriff, at which time the low- and moderate-income unit of the violating owner shall be sold at a sale price which is not less than the amount necessary to fully satisfy and pay off any First Purchase Money Mortgage and prior liens and the costs of the enforcement proceedings incurred by the municipality, including attorney's fees. The violating owner shall have the right to possession terminated as well as the title conveyed pursuant to the Sheriff's sale.
- D. The proceeds of the Sheriff's sale shall first be applied to satisfy the First Purchase Money Mortgage lien and any prior liens upon the low- and moderate-income unit. The excess, if any, shall be applied to reimburse the municipality for any and all costs and expenses incurred in connection with either the court action resulting in the judgment of violation or the Sheriff's sale. In the event that the proceeds from the Sheriff's sale are insufficient to reimburse the municipality in full as aforesaid, the violating owner shall be personally responsible for and to the extent of such deficiency, in addition to any and all costs incurred by the municipality in connection with collecting such deficiency. In the event that a surplus remains after satisfying all of the above, such surplus, if any, shall be placed in escrow by the municipality for the owner and shall be held in such escrow for a maximum period of two years or until such earlier time as the owner shall make a claim with the municipality for such. Failure of the owner to claim such balance within the two-year period shall automatically result in a forfeiture of such balance to the municipality. Any interest accrued or earned on such balance while being held in escrow shall belong to and shall be paid to the municipality, whether such balance shall be paid to the owner or forfeited to the municipality.
- E. Foreclosure by the municipality due to violation of the regulations governing affordable housing units shall not extinguish the restrictions of the regulations governing affordable housing units as the same apply to the low- and moderate-income unit. Title shall be conveyed to the purchaser at the Sheriff's sale, subject to the restrictions and provisions of the regulations governing the affordable housing unit. The owner determined to be in violation of the provisions of this plan and from whom title and possession were taken by means of the Sheriff's sale shall not be entitled to any right of redemption.
- F. If there are no bidders at the Sheriff's sale, or if insufficient amounts are bid to satisfy the First Purchase Money Mortgage and any prior liens, the municipality may acquire title to the low- and moderate-income unit by satisfying the First Purchase Money Mortgage and any prior liens and crediting the violating owner with an amount equal to the difference between the First Purchase Money Mortgage and any prior liens and costs of the enforcement proceedings, including legal fees and the maximum resale price for which the low- and moderate-income unit could have been sold under the terms of the regulations governing affordable housing units. This excess shall be treated in the same manner as the excess which would have been realized from an actual sale as previously described.

- G. Failure of the low- and moderate-income unit to be either sold at the Sheriff's sale or acquired by the municipality shall obligate the owner to accept an offer to purchase from any qualified purchaser which may be referred to the owner by the municipality, with such offer to purchase being equal to the maximum resale price of the low- and moderate-income unit as permitted by the regulations governing affordable housing units.
- H. The owner shall remain fully obligated, responsible and liable for complying with the terms and restrictions of governing affordable housing units until such time as title is conveyed from the owner.

# § 67-7. Appeals.

Appeals from all decisions of an Administrative Agent designated pursuant to this chapter shall be filed in writing with the Township.