

Amendment to the December 3, 2020 Third Round Housing Element and Fair Share Plan

Township of Moorestown
Burlington County, New Jersey

December 3, 2020
Revised July 1, 2021

Clarke Caton Hintz

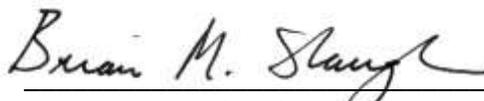


Housing Element and Fair Share Plan

Planning Board
Township of Moorestown
Burlington County, New Jersey

December 3, 2020
Revised July 1, 2021

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INTRODUCTION

This amendment to the December 3, 2020 adopted Revised Third Round Housing Element and Fair Share Plan has been prepared for Moorestown Township, Burlington County, to account for a slight modification to one of the Township's compliance mechanisms for satisfying its Third Round affordable housing obligation. The project, formerly referred to as the Nagle Tract and now known as the Borton Landing site, will remain the same in all respects except that the location of the project will be substituted with a new site proximate to the old location. This amendment also adds one for-sale unit for which affordability controls have recently been extended, and accounts for a change in the unit profile and tax-credit application plans for a second Third Round compliance mechanism, with a contingent scenario provided in case the initial tax-credit application is not successful. A second contingent scenario is provided in case the Borton Landing tax-credit application is also not successful. Finally, this amendment provides information on the Township's participation in a shared-services rental-rehabilitation program to assist in satisfying its rehabilitation obligation. In all scenarios the Township's compliance plan fully satisfies its Rehabilitation, Prior Round obligation and Third Round Realistic Development Potential. Except for the amendments as proposed in this document, the December 3, 2020 Housing Element and Fair Share Plan remains in effect as the housing policy of the municipality. The amendment also coincides with an amendment to the Land Use Plan of the Master Plan to revise the geographic locations of affordable housing sites to match those on the Affordable Housing Sites Map found on page 18.

REHABILITATION OBLIGATION

The Township continues to participate in the Burlington County Human Services Department, Division of Community Development's Home Improvement Loan Program. This program is funded by a federal allocation of Community Development Block Grant funds to urban counties and it requires the funds to be spent on low- and moderate-income households. The loan program makes 0% interest loans of up to \$20,000 to homeowners to correct substandard housing conditions. There are no repayments until title is transferred or the death of the borrower; the loan is recorded as a mortgage, and the borrower signs a promissory note. This procedure creates a perpetual lien on the property. For the rehabilitation obligation, an average of \$10,000 in hard costs must be expended in order for the Township to receive credit for the dwelling that is rehabilitated. Any loan proceeds are recycled into future loans to eligible homeowners. The perpetual lien has been accepted by Superior Court as an adequate restriction in accordance with *N.J.A.C. 5:93-5.2(g)*.

The Township has also allocated affordable housing trust funds to participate in a shared-services rehabilitation program administered by the Township's Administrative

Agent, Community Grants, Planning & Housing (CGP&H). The shared-services program is available specifically to landlords of renter-occupied units that will meet the requirements of *N.J.A.C. 5:97-6.2*. The program requires a 25% contribution from the landlord (which is waived for nonprofit landlords), imposes a 10-year deed restriction on the rehabilitated property, and requires repayment of the loan at the end of the deed restriction period, unless the landlord chooses to extend the deed restriction for an additional 10 years. See Appendix B for the agreement with CGP&H to administer this program and the program manual.

THIRD ROUND REALISTIC DEVELOPMENT POTENTIAL

Formulas Applicable to the Third Round

As with its satisfaction of the Prior Round obligation, the Township must also adhere to a minimum rental obligation, a maximum number of age-restricted units, and a maximum number of bonuses in the Third Round (based on Second Round rules). Further, the Township must adhere to a minimum number of very low-income units pursuant to the 2008 amended FHA, as well as to other requirements such as minimum number of family units, family rental units, and family very low-income units pursuant to the terms of the Settlement Agreement with Fair Share Housing Center.

As a result of the Township's Court-approved vacant land adjustment, these calculations are based on the Third Round Realistic Development Potential (RDP) obligation of 633 units and the actual number of housing units that have been or will be constructed. Table 1 contains the formulas used to determine the various components of Moorestown's Third Round affordable housing obligation, as indicated below.

Table 1. Formulas Applicable to the Third Round Obligation

Minimum Rental Obligation *N.J.A.C. 5:93-5.15(a)* = 159 units

.25 (RDP) = units

.25 (633) = 158.25 units, round up to 159

Maximum Rental Bonus = 159 units

No more than the minimum rental obligation = 159 units

Minimum Family Rental Units = 80 units

.50 (Third Round minimum rental obligation) =

.50 (159) = 79.5 units, round up to 80 units

Maximum Senior Units *N.J.A.C. 5:93-5.14(a)*¹ = 158 units

.25 (RDP) = units

.25 (633) = 158.25 units, round down to 158 units

Minimum Very Low-Income Units (P.L. 2008, Ch. 46) = 49 units

.13 (affordable units constructed or to be constructed after mid-2008 except for the units created through the accessory apartment and market-to-affordable programs) = .13 (373) = 48.9 units; round up to 49 units for maximum scenario

Minimum Very Low-Income Family Rental Units = 19 units

.50 (very low-income units) =

.50 (38) = 19 units

Minimum Total Family Units = 237 units

.50 (RDP – rental bonuses) =

.50 (633-159) = .50(474) = 237 units

Additionally, with respect to rental bonuses, the housing plan abides by the following limitations from the Second Round rules:

- A rental unit available to the general public receives one rental bonus; and
- An age-restricted rental unit receives a 0.33 rental bonus, but no more than 50% of the rental obligation shall receive a bonus for age-restricted rental units.

Satisfaction of the Third Round RDP

In all of the scenarios discussed below, Moorestown meets its required minimum rental unit obligation of 159 units with at least 443 existing and proposed rental units. Even not counting the extension of expiring controls, the Township has at least 342 existing and proposed rental units, inclusive of the MRD project. MRD is specified as a family rental project in both the Township’s Settlement Agreement with Fair Share Housing Center and the Township’s Conditional Judgment of Compliance and Repose. MRD participated in every public hearing on all iterations of settlement and the Housing Element and Fair Share Plan. Consequently, MRD’s project is required to produce family rental units. (The Diocese of Trenton site could be either rental or for-sale units, and is illustrated here as if the dwellings will be for-sale.) A total of 80 units are required to be family rental units, which will be satisfied with at least 259 family rental units from one Oaks Integrated Care supportive-housing unit, 66-68 E. Second Street, 124 E. Second Street, 428 Camden Avenue, 528 Bethel Avenue, Beech Street, Clover Apartments, Musser Court, half of Creed II, Harper Drive, Sbar Boulevard, Land Resource Solutions, MRD and the Borton Landing. For total family units both rental and for-sale, the housing plan meets the 237-unit requirement with at least 265 family units. The Township proposes a maximum of 158 senior units, its permissible limit, from Lenola School, Moorestown Court, Stokes Place, Linden Place, and the Centerton Road project.

Details of the following compliance mechanisms have changed since the Township adopted its 2020 Amended Housing Element and Fair Share Plan:

Extensions of Controls

The Township recently purchased the unit at 468 N. Church Street, one of the eight units at Cedar Court, an affordable family for-sale development included in its Prior Round components. Controls on the unit had expired in 2012, although the original income-qualified purchaser still owned the unit. New affordability controls of at least 30 years have been placed on the unit, and it has been sold to an income-qualified purchaser with the assistance of HMFA's Housing Affordability Service. Supporting documentation for this unit may be found in Appendix C. The Township is claiming one unit toward its satisfaction of the Third Round RDP.

Six other units at Cedar Court are still occupied by their original, income-qualified purchasers. To the extent the Township is able to reach agreements with these homeowners to extend affordability controls on their units for another 30 years, the Township reserves the right to claim those additional credits.

Municipally Sponsored Construction of 100% Affordable Development

Centerton Road – Community Investment Strategies

Located behind the development being constructed by Cameron General Contractors is the proposed 100% affordable housing development on Block 8801, Lot 4.03. Originally the Township intended for the development to be solely age-restricted. Following an RFQ/RFP process, Moorestown selected Community Investment Strategies (CIS) as the experienced entity to proceed with the project. After reviewing the program possibilities in conjunction with Township officials, CIS applied for a 75% senior and 25% special-needs mixed project in the September 2020 Low Income Housing Tax Credits round administered by the New Jersey Housing Mortgage and Finance Agency (HMFA), to construct 60 affordable age-restricted units and 21 special-needs units plus a manager's unit.

The 2020 application was not successful and CIS will pivot to apply for funding through a new program established by the state in September 2020. A new gap financing program from the New Jersey Economic Development Authority, called the Aspire program, makes funding available toward the construction of housing in certain targeted areas, and allows up to 50% of the proposed housing units in any funded project to be designated as affordable. An amendment to the Aspire program currently under consideration in the New Jersey State Senate would remove the 50% limit, allowing all units in a funded project to be affordable. In anticipation of the passage of that amendment, CIS intends to apply for 4% tax credits and funds through the Aspire program in 2021 if possible, otherwise in 2022, with a proposal for 81 age-restricted units. In the event that the project moves forward as 81 age-restricted units, the Township will satisfy its Third Round RDP of 633 units with 75 of the 81 CIS units,

which takes it to its allowed age-restricted maximum, and with reallocated rental bonuses, as shown in Table 2:

Table 2. Satisfaction of the Third Round RDP – Aspire Program

Third Round RDP – 633 Units/Credits	Units	Bonuses	Rental	Senior	Special Needs
Prior Round Surplus	1				
Special Needs Housing					
Community Options Group Homes	20	20	20		20
Oaks Integrated Care (2 of 10)	2	2	2		2
Subtotal	22	22	22		22
Extensions of Expiring Controls					
66-68 E. Second St.	3		3		
124 E. Second Street	1		1		
528 Bethel Avenue	1		1		
468 N. Church St. (Cedar Court)	1				
Beech Street	18		18		
Clover Apartments	5		5		
Lenola School	33		33	33	
Moorestown Court	8		8	8	
Musser Court	16		16		
Stokes Place	16		16	16	
Subtotal	102		101	57	
Municipally Sponsored 100% Affordable Housing (Existing)					
428 Camden Avenue	1	1	1		
Creed II	8	8	8		4
Linden Place	26		26	26	
Subtotal	35	9	35	26	4
Municipally Sponsored 100% Affordable Housing (Proposed)					
Harper Drive	75	75	75		
Centerton Road – age-restricted (75 of 81; age-restricted cap)	75		75	75	
Subtotal	150	75	150	75	

Inclusionary/Mixed-Income Development (Proposed)					
Sbar Boulevard	36	36	36		
MRD	35	13	35		
Diocese of Trenton	17				
Borton Landing Road (replaces Nagle Tract)	76		76		
Land Resource Solutions	4	4	4		
Subtotal	168	53	151		
Totals	478	159	459	158	26
Total Units and Credits	637				
Surplus Credit Above RDP	4				

The Township is in the process of adopting a resolution authorizing a Payment in Lieu of Taxes for the project, which may be found in Appendix D.

Should the Aspire application not be successful, CIS intends to submit an application for 9% tax credits in the next available Supportive Housing tax-credit cycle, for a project comprising 60 age-restricted affordable units and 21 special-needs units. Table 3 demonstrates how the Township will meet its 633-unit RDP under that scenario.

Table 3. Satisfaction of the Third Round RDP – 9% Tax Credits

Third Round RDP – 633 Units/Credits	Units	Bonuses	Rental	Senior	Special Needs
Prior Round Surplus	1				
Special Needs Housing					
Community Options Group Homes	20		20		20
Oaks Integrated Care (2 of 10)	2	2	2		2
Subtotal	22	2	22		22
Extensions of Expiring Controls					
66-68 E. Second St.	3		3		
124 E. Second Street	1		1		
528 Bethel Avenue	1		1		

Third Round RDP – 633 Units/Credits	Units	Bonuses	Rental	Senior	Special Needs
468 N. Church St. (Cedar Court)	1				
Beech Street	18		18		
Clover Apartments	5		5		
Lenola School	33		33	33	
Moorestown Court	8		8	8	
Musser Court	16		16		
Stokes Place	16		16	16	
Subtotal	102		101	57	
Municipally Sponsored 100% Affordable Housing (Existing)					
428 Camden Avenue	1	1	1		
Creed II	8	8	8		4
Linden Place	26		26	26	
Subtotal	35	9	35	26	4
Municipally Sponsored 100% Affordable Housing (Proposed)					
Harper Drive	75	75	75		
Centerton Road – special-needs (21 of 81)	21	21	21		21
Centerton Road – age-restricted (60 of 81)	60		60	60	
Subtotal	156	96	156	60	21
Inclusionary/Mixed-Income Development (Proposed)					
Sbar Boulevard	36	36	36		
MRD	35	12	35		
Diocese of Trenton	17				
Borton Landing Road (replaces Nagle Tract)	76		76		
Land Resource Solutions	4	4	4		
Subtotal	168	52	151		
Subtotals	484	159	465	143	47
Total Units and Credits	643				
Surplus Credit Above RDP	10				

Regardless of unit profile, the Township will be the financial backstop for the development of the Centerton Road 100% affordable housing development.

As required in *N.J.A.C. 5:93-5.3*, affordable housing sites shall be approvable, developable, and suitable, as defined in *N.J.A.C. 5:93-1.3*, for the production of low- and moderate-income housing. As detailed in the Township's 2020 Amended Plan, the site continues to be available, suitable, developable and approvable for the production of low- and moderate-income housing.

In addition to site suitability, the affordable housing project will meet all applicable requirements under UHAC, including the following.

- **Funding.** As noted above, funding will come from either a combination of 4% Low Income Housing Tax Credits and Aspire funding from the state Economic Development Authority, as well as a bundling of other funding sources, or 9% Low Income Housing Tax Credits. Should the Aspire application be successful, Community Investment Strategies will provide an updated financial pro forma for the development and the Township will seek approval for an amended Spending Plan as necessary to reflect any change in municipal contribution to the project.
- **Construction Schedule.** In accordance with *N.J.A.C. 5:93-5.5*, for non-inclusionary developments, a construction or implementation schedule, or timetable, must 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. Community Investment Strategies will be responsible for undertaking and monitoring the construction and overall development activity.

In both of these scenarios, the Township generates a surplus in excess of its Third Round obligation. It reserves the right to apply the surplus to any future changed circumstance that would result in an increase in the Township's RDP in the Third Round or towards subsequent rounds. Should a suitable, available, approvable and developable site become vacant that had not previously held VLA status at the time and thus did not contribute to the Township's current 633-unit RDP, the Township is entitled to apply the surplus towards addressing the increase in RDP, provided that within 45 days after becoming aware of the changed circumstance, on notice and opportunity to be heard to FSHC, the owner of the additional site or sites, and any other interested parties, the Township shall be required to identify in a filing with the Court the additional site or sites, and the RDP generated by those sites consistent with *N.J.A.C. 5:93-4.2*, to which it is applying any surplus. To the extent a change in circumstances results in an increase in RDP that is larger than the Township's then-existing surplus, the Township shall still have an obligation to address the portion of the RDP (Residual RDP) in excess of the surplus provided, however, that the Township

shall maintain the right to satisfy any Residual RDP in a manner and location it deems appropriate pursuant to *N.J.A.C. 5:93-4.2*. Alternatively, and subject to the approval of FSHC, the Township can apply the surplus to offset any deficiencies in unmet need mechanisms resulting from an objection to this plan.

Borton Landing Road (replaces Nagle Tract)

The Township purchased Block 7401, Lot 3, known as the Nagle tract, in 1988, originally for the construction of a 100% affordable housing project in the First Round. Moorestown subsequently did not require the site and it was landbanked for future affordable housing purposes. The strategy for the site that was included in the Settlement Agreement was to seek a developer of the property for an inclusionary housing project, consisting of 152 total family units at a 30% set-aside, or 45 affordable family rental units. Because the land is municipally owned, at the time the land would have been sold or transferred to a housing developer, the municipality intended to ensure in the sale price an adequate compensatory benefit for the increased set-aside, and contemplated possible other concessions that would be negotiated as needed. Under the original plan, the units were anticipated to be townhouse multi-family units and/or townhouse over flat building types. Moorestown proposed to undertake a request for qualifications and request for proposal (RFQ/RFP) process and select a developer for the site, and then sell or transfer the property within two years of receiving a Judgment of Repeal for its amended Third Round Housing Element and Fair Share Plan.

After the Settlement Agreement was signed, the Township made the decision to approach affordable housing developers and negotiated a Memorandum of Understanding with the Walters Group, an experienced developer of affordable housing in New Jersey, to develop the site as a mixed-income community, with 50% of the 152 units, or 76 units, deed-restricted for low- and moderate-income households. The Walters Group had intended to apply for tax credits from the New Jersey Housing and Mortgage Finance Agency's Mixed Income Set-Aside program, which is a different program than either the Pennrose or CIS projects, and which typically requires that no more than 50% of the units developed be affordable, with the remainder market-rate. The Township had intended to use the increase in the number of affordable units from the site to replace the potential units from its originally proposed Market-to-Affordable and Accessory Apartment programs.

In the event the project did not receive a tax-credit award, the Township had intended to either: a), use affordable housing trust funds, municipal subsidies and any available outside funding, such as 4% tax credits, to fund the 50% set-aside that a 9% mixed-income tax credit award would have enabled; or b), to revert to the original plan to have the site develop as an inclusionary housing project with a 30% set-aside, and

implement the Market-to-Affordable and Accessory Apartment programs on an accelerated schedule so that all contemplated units would be developed by 2025.

In early 2021, after the Township's plan was conditionally approved by the trial court, Lockheed Martin, a large defense contractor, which owns the lots surrounding the Nagle tract, contacted the Township concerning the property. The land surrounding the Nagle Tract on two sides is used by Lockheed Martin to test various radar and other military defense systems. On or about that time, the company determined that development of the project would be detrimental to their testing capabilities and citing national security concerns, offered to execute a property exchange. In return for the Township transferring title to Lot 3 to Lockheed Martin, the company would subdivide and transfer to the Township a nearby site of approximately 12.5 acres comprising the southwestern end of Block 7401, Lot 1, along with a small portion of Block 7401, Lot 2. Lot 1 is a 21.86-acre lot along Borton Landing Road, at the corner of Hartford Road. Lockheed Martin's proposal is to consolidate the subdivided portions of Lots 1 and 2 into a new Lot 1.02 which would be about 2,500 feet to the northwest of the Nagle Tract fronting on Borton Landing Road near its intersection with Salem Crossing Road. The Township and Lockheed Martin have finalized an agreement that will effectuate the property exchange. The agreement and authorizing resolution, the property exchange ordinance, the rezoning ordinance and the subdivision plan may be found in Appendix E.

Should the Walters application for mixed-income tax credits not be successful, the Township may elect to fund the financing gap necessary to produce the requisite affordable housing yield, or, the project may need to be developed as originally envisioned – an inclusionary project with a 30% set-aside, creating 45 affordable units. In that instance, in order to meet its Third Round RDP obligation, assuming the lower number of available units at the Centerton Road project, the Township will reactivate its Market-to-Affordable and Accessory Apartment programs. The Market-to-Affordable program was approved for 12 units and the Accessory Apartment program was approved for 15 units as part of the Township's Settlement Agreement with Fair Share Housing Center, via a Fairness Order dated August 28, 2018, and was included as a contingent program in the Township's adopted 2020 Third Round Housing Element and Share Plan. Table 4, below, shows how the Township will meet its 633-unit RDP in this scenario.

**Table 4. Satisfaction of the Third Round RDP – Aspire Program/
Borton Landing as Inclusionary**

Third Round RDP – 633 Units/Credits	Units	Bonuses	Rental	Senior	Special Needs
Prior Round Surplus	1				
Special Needs Housing					
Community Options Group Homes	20	20	20		20
Oaks Integrated Care (2 of 10)	2	2	2		2
Subtotal	22	22	22		22
Extensions of Expiring Controls					
66-68 E. Second St.	3		3		
124 E. Second Street	1		1		
528 Bethel Avenue	1		1		
468 N. Church Street (Cedar Court)	1				
Beech Street	18		18		
Clover Apartments	5		5		
Lenola School	33		33	33	
Moorestown Court	8		8	8	
Musser Court	16		16		
Stokes Place	16		16	16	
Subtotal	102		101	57	
Municipally Sponsored 100% Affordable Housing (Existing)					
428 Camden Avenue	1	1	1		
Creed II	8	8	8		4
Linden Place	26		26	26	
Subtotal	35	9	35	26	4
Municipally Sponsored 100% Affordable Housing (Proposed)					
Harper Drive	75	75	75		
Centerton Road – age-restricted (75 of 81; age-restricted cap)	75		75	75	
Subtotal	150	75	150	75	
Inclusionary/Mixed-Income Development (Proposed)					
Sbar Boulevard	36	36	36		

Third Round RDP – 633 Units/Credits	Units	Bonuses	Rental	Senior	Special Needs
MRD	35	13	35		
Diocese of Trenton	17				
Borton Landing Road (replaces Nagle Tract) at 30% set-aside	45		45		
Land Resource Solutions	4	4	4		
Subtotal	137	53	120		
Market-to-Affordable and Accessory Apartment Programs					
Market-to-Affordable	12				
Accessory Apartments	15		15		
Subtotal	27		15		
Totals	474	159	443	158	26
Total Units and Credits	633				

COAH’s Second Round rules at N.J.A.C. 5:93-5.5 “Municipally Sponsored Construction and Gut Rehabilitation,” are addressed as follows to show the realistic opportunity of the land that Lockheed Martin is proposing to transfer to the Township:

- Site Control (availability). Lockheed Martin owns the lots to be reconfigured, which have a clear title and no legal encumbrances that would preclude development of proposed Lot 1.02 as an affordable housing project. As described above, Lockheed Martin would reconfigure Lots 1 and 2 and subdivide and deed 12.5 acres to the Township as proposed Lot 1.02. The Township would in turn transfer title of Lot 1.02 to the Walters Group. Should the project revert to a 30% inclusionary project, the transfer to Walters would be at a price that would guarantee a sufficient compensatory benefit for the extra set-aside.
- Suitability. The lots are currently active farmland. Though they are used for radar field testing, there are no known health effects from such testing, and testing is undertaken above the height of any building that would be constructed on the site. The proposed Lot 1.02 has approximately 739 feet of frontage along Borton Landing Road. Access would be from driveways or residential access streets connected to Borton Landing Road.

Across Borton Landing Road are single-family homes fronting on Salem Crossing Road, which meets Borton Landing Road immediately south of the proposed lot, and an agricultural enterprise that has a farm and garden stand at the corner of Borton Landing and Hartford Roads. Diagonally southwest of the

lot, across Borton Landing Road and Salem Crossing Road, is the Moorestown Upper Elementary School.

- The site is located in a smart-growth planning area. The adopted 2001 State Plan designates the site in the Suburban Planning Area, PA 2. The lot is currently in the BP-2, Business Park 2 zone. The Township is in the process of rezoning the subdivided portion to its AMF-6 zone in order to enable development of the project, and of rezoning the Nagle tract to BP-2. The rezoning ordinance is included in Appendix E.
- Adequate Sewer and Water (developability). The site is located in a sewer service area and a public water area. The Township's 2016 water system map, prepared by the Alaimo Group engineering firm, shows a 12-inch main running the length of Borton Landing Road, with a public hydrant adjacent to the lot. The Township's June 2020 sewer system map, prepared by the engineering firm Environmental Resolutions, Inc., shows a 10-inch gravity sewer line serving the Upper Elementary School and the neighborhood to the west, which feeds into a pump station on Westfield Road. The Township sewer department has indicated that, in addition to extending lines to serve the proposed development, it may need to upgrade the pump station.
- Approvability. The site can be developed in accordance with the Residential Site Improvement Standards, *N.J.A.C. 5:21-1 et seq.*
- The development is not within jurisdiction of a regional planning agency or CAFRA.
- The site can comply with all applicable environmental regulations. The site contains no steep slopes, wetlands, stream corridors, threatened or endangered species or flood hazard areas that will prevent its development as proposed.
- The development of the tract will not affect any known historic or archaeological resources as indicated in the Historic Preservation Element of the Master Plan.

Whether the site is developed as an inclusionary development or a municipally sponsored project, the following additional regulations from *N.J.A.C. 5:93-5.6* will be met:

- The proposed density of the site of 12.16 units per acre is greater than the presumed densities of six to 10 units per acre identified for vacant land adjustment municipalities as well as *N.J.A.C. 5:93-5.6(b)(2)*.
- The development phasing schedule, which will be incorporated into any development agreement, will meet the ratio of market to affordable units for occupancy as established in the Second Round rules and UHAC.

In addition to these prior criteria, the Borton Landing project will meet the applicable requirements of UHAC:

- **Administrative Entity.** The Walters Group, a qualified affordable housing administrative agent, will administer and affirmatively market the units, 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. 5:93-1 et seq.* and UHAC per *N.J.A.C. 5:80-26.1*.
- **Very Low-, Low- and Moderate-Income Distribution.** At least half of the affordable units developed will be affordable to low-income households, with at least 13% affordable to very low-income households.
- **Affirmative Marketing.** The affordable units will be affirmatively marketed in accordance with COAH's rules at *N.J.A.C. 5:93-1 et seq.* and *N.J.A.C. 5:80-26.1*.
- **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 distribution of the number of bedrooms will follow UHAC regulations.
- **Funding.** It is expected that The Walters Group will apply for 9% Low Income Housing Tax Credits from the New Jersey Housing and Mortgage Finance Agency's Mixed-Income Set-Aside program in 2021. Should the project not receive a tax credit award and proceed as a mixed-income housing project, additional outside funding sources would be pursued as set forth above. Should the project be developed as an inclusionary housing project, the Township anticipates deeding over the property for a nominal cost because of the requirement for a 30% affordable housing set-aside. Any need for additional funding will be addressed in a municipal developer's agreement based on a mutually agreed upon developer pro forma.
- **Construction Schedule.** In accordance with *N.J.A.C. 5:93-5.5*, for non-inclusionary developments, a construction or implementation schedule, or timetable, must 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 Walters Group has provided a schedule, attached as part of Appendix E. The Walters Group will be responsible for undertaking and monitoring the construction and overall development activity. Should the project move forward as an inclusionary development, the Township will ensure that the site is developed on an accelerated schedule.

VERY LOW-INCOME UNITS

Table 5 below calculates the Township’s very low-income obligation as though each of the two sites in play will generate the higher number of affordable units contemplated in the scenarios above, and as though the Market-to-Affordable and Accessory Apartment programs will be reactivated. The table then calculates the number of very low-income units that would be provided if only the minimum total number of affordable units at each of the two sites were generated. Regardless of which scenario above is realized, by taking this conservative approach, the Township can demonstrate in all cases remain that it will be in compliance with its obligation to provide at least 13% of all units approved or constructed since 2008 to be affordable to households earning 30% or less of area median income, and at least half of those will be available to families.

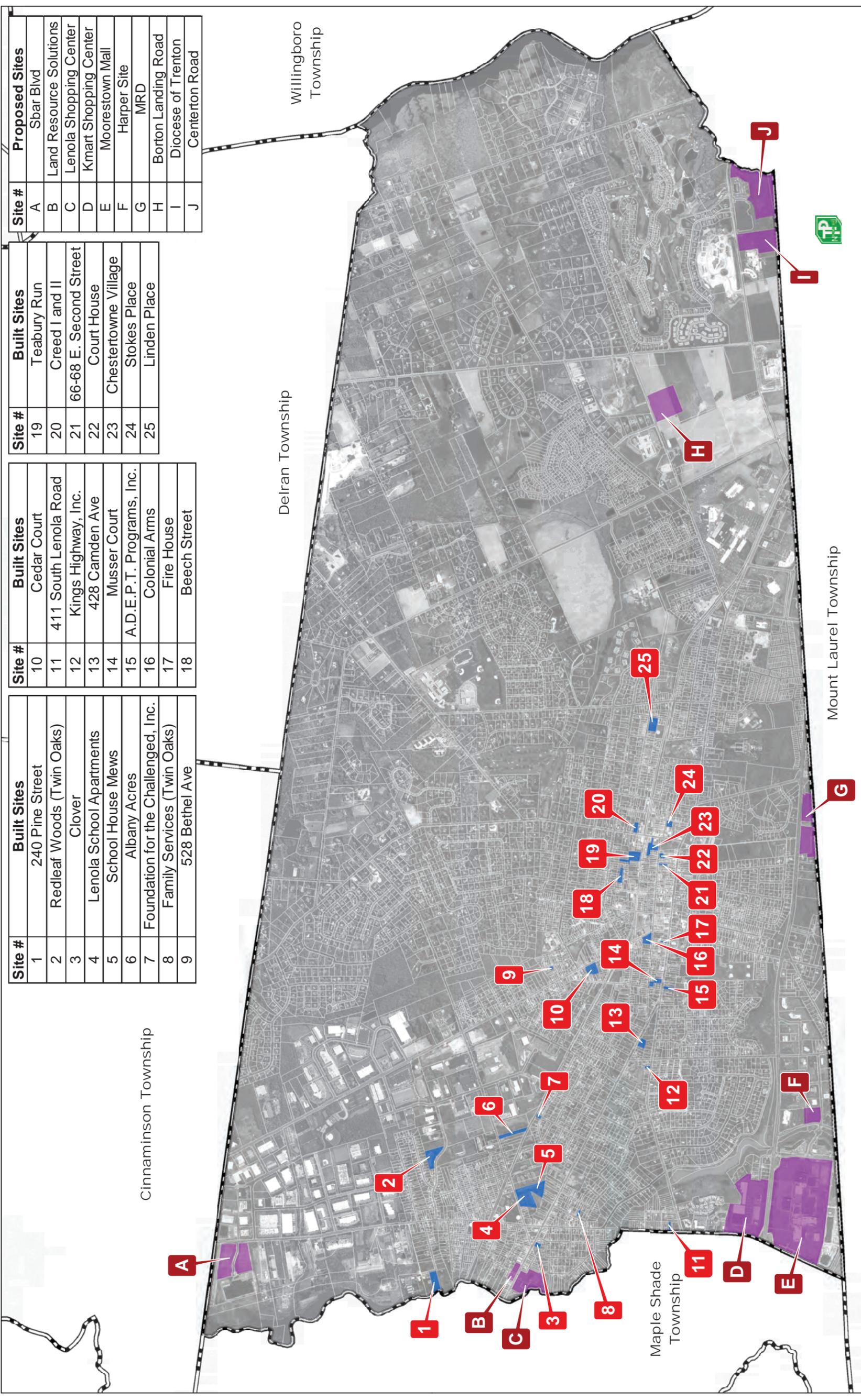
Table 5. Satisfaction of the Very Low-Income Obligation (Worst Case Scenario)

Compliance Mechanism	Maximum Units	Maximum Units Generating VLI Obligation	Provided Very Low-Income	Minimum Low-Income	Minimum Moderate Income
Oaks Integrated Care (2 of 11)	2	2	2		
Community Options Group Homes	20	20	20		
428 Camden Avenue	1			1	
Creed II	8		1	3	4
Linden Place	26			26	
Harper Drive	75	75	10	38	27
Centerton Road (81 maximum units, VLI units provided calculated based on 75 units)	81	81	10	28	37
Sbar Boulevard	36	36	5	13	18
MRD	35	35	5	13	17
Diocese of Trenton	17	17	2	7	8
Borton Landing Road (76 maximum units, VLI units provided calculated based on 45 units)	76	76	6	17	22
Land Resource Solutions	4	4	1	1	2
Market-to-Affordable	12	12			12
Accessory Apartments	15	15	2	6	7
Total	408	373	64	153	154
Third Round Very Low-Income Obligation @ 13% of 373		49	64		

Compliance Mechanism	Maximum Units	Maximum Units Generating VLI Obligation	Provided Very Low-Income	Minimum Low-Income	Minimum Moderate Income
Third Round Very Low-Income Family Obligation @ 50% of 49		25	31		

SUMMARY

The Township is contemplating a number of different scenarios for compliance with its Third Round RDP, depending on the success of various projects’ funding applications. Regardless of whether Aspire funds or tax credits are awarded to any project, the Township has developed contingent plans that will ensure its compliance with its Third Round RDP, and with all applicable formulas. An updated Spending Plan will be provided as necessary should the Township need to provide backstop funding for any project, as well as for implementation of its Market-to-Affordable and Accessory Apartment program, should those programs be required for compliance.



Site #	Built Sites
1	240 Pine Street
2	Redleaf Woods (Twin Oaks)
3	Clover
4	Lenola School Apartments
5	School House Mews
6	Albany Acres
7	Foundation for the Challenged, Inc.
8	Family Services (Twin Oaks)
9	528 Bethel Ave

Cinnaminson Township

Site #	Built Sites
10	Cedar Court
11	411 South Lenola Road
12	Kings Highway, Inc.
13	428 Camden Ave
14	Musser Court
15	A.D.E.P.T. Programs, Inc.
16	Colonial Arms
17	Fire House
18	Beech Street

Delran Township

Site #	Built Sites
19	Teabury Run
20	Creed I and II
21	66-68 E. Second Street
22	Court House
23	Chesterdowne Village
24	Stokes Place
25	Linden Place

Site #	Proposed Sites
A	Sbar Blvd
B	Land Resource Solutions
C	Lenola Shopping Center
D	Kmart Shopping Center
E	Moorestown Mall
F	Harper Site
G	MRD
H	Borton Landing Road
I	Diocese of Trenton
J	Centerton Road

Willingboro Township



Clarke Caton Hintz
Architecture
Planning
Landscape Architecture

Legend

- Affordable Housing Sites (Proposed)
- Affordable Housing Sites (Built)

Affordable Housing Sites

LOCATION: Moorestown Township, Burlington County, NJ

DATE: June 2021

Appendix A

**Resolution of Adoption by the Planning Board
Resolution of Endorsement by the Township Council
Resolution of Adoption of the Spending Plan by the Township Council**

RESOLUTION #2021-31

MOORESTOWN TOWNSHIP PLANNING BOARD
RESOLUTION ADOPTING AN AMENDED THIRD ROUND HOUSING ELEMENT
AND FAIR SHARE PLAN OF THE MASTER PLAN

WHEREAS, On March 10, 2015, the Supreme Court transferred responsibility to review and approve housing elements and fair share plans from the Council on Affordable Housing (COAH) to designated Mount Laurel trial judges within the Superior Court; and

WHEREAS, on July 8, 2015, the Township submitted a Declaratory Judgment Action to the New Jersey Superior Court; and

WHEREAS, on August 28, 2018, the Honorable Ronald E. Bookbinder, A.J.S.C., issued a Court Order approving a Settlement Agreement between the Township and Fair Share Housing Center that established the Township's fair share obligation and approved the Township's compliance mechanisms; and

WHEREAS, the Township's consultant Brian Slaugh, PP, AICP, of Clarke Caton Hintz, PC, prepared a Third Round Housing Element and Fair Share Plan; and

WHEREAS, on December 5, 2019 the Moorestown Township Planning Board adopted, and on December 16, 2019 the Moorestown Township Council endorsed, a Third Round Housing Plan Element and Fair Share Plan as being consistent with the goals and objectives of the Township of Moorestown Master Plan, as guiding the use of lands in the municipality in a manner which protects public health and safety and promotes the general welfare in accordance with N.J.S.A. 40:55D-28, and as achieving access to affordable housing to meet present and prospective housing needs in accordance with N.J.S.A. 52:27D-310; and

WHEREAS, due to a change in circumstances surrounding some of the previously approved mechanisms by which the Township of Moorestown intended to fulfill its obligation to provide its fair share of low- and moderate-income housing, on December 3, 2020, the Moorestown Township Planning Board adopted, and on December 14, 2020, the Moorestown Township Council endorsed an amended Housing Element and Fair Share Plan; and

WHEREAS, due to a further change in circumstances surrounding some of the previously approved mechanisms by which the Township of Moorestown intended to fulfill its obligation to provide its fair share of low- and moderate-income housing, the Planning Board of the Township of Moorestown wishes to adopt a third revision to its Housing Element and Fair Share Plan and its Land Use Plan; and

WHEREAS, upon notice duly provided pursuant to N.J.S.A. 40:55D-13, the Planning Board of the Township of Moorestown, County of Burlington, State of New Jersey held a public hearing

on a proposed amended Third Round Housing Plan Element and Fair Share Plan on July 1, 2021;
and

WHEREAS, upon the conclusion of the public hearing, the Board determined that the proposed revisions to the Third Round Housing Element and Fair Share Plan are consistent with the goals and objectives of the Township of Moorestown's Master Plan, will guide the use of lands in the municipality in a manner which protects public health and safety and promotes the general welfare in accordance with N.J.S.A. 40:55D-28, and are designed to achieve and the adoption and implementation of the proposed Third Round Housing Element and Fair Share Plan will achieve access to affordable housing to meet present and prospective housing needs in accordance with N.J.S.A. 52:27D-310;

NOW THEREFORE BE IT RESOLVED, by motion duly made by Chesner and seconded by Burns, that the Planning Board of the Township of Moorestown, County of Burlington, State of New Jersey, hereby adopts the amended Third Round Housing Element and Fair Share Plan; and

The above resolution was adopted by a 6 to 1 vote of the Moorestown Planning Board at a meeting held on July 1, 2021.

ROLL CALL VOTE: Burns, Balikov, Chesner, Merchel, Musgnug, Petriello

IN FAVOR:

OPPOSED:

RECUSED:

CERTIFICATION

I hereby certify that this is a true copy of the resolution memorializing the adoption of the amended Housing Plan Element and Fair Share Plan of the Township of Moorestown, County of Burlington on July 1, 2021.



NANCY W. JAMANOW, SECRETARY
Moorestown Township Planning Board

1CEA

TOWNSHIP OF MOORESTOWN

RESOLUTION NO. 195-2021

**ENDORING THE AMENDMENT TO THE MASTER PLAN
HOUSING ELEMENT AND FAIR SHARE PLAN ADOPTED BY THE
MOORESTOWN TOWNSHIP PLANNING BOARD TO ENABLE THE
TOWNSHIP TO FULFILL ITS AFFORDABLE HOUSING OBLIGATIONS**

WHEREAS, as a result of the New Jersey Supreme Court’s decision in In re Adoption of N.J.A.C. 5:96 and 5:97 by N.J. Council on Affordable Housing, 221 N.J. 1 (2015), the Court transferred responsibility to review and approve housing plans from the Council On Affordable Housing to designated Mount Laurel trial judges within the Superior Court of New Jersey; and

WHEREAS, to fulfill its commitment towards voluntary compliance with its constitutional obligation to provide a realistic opportunity for the development of affordable housing in the Township of Moorestown (“Township”), on or about July 8, 2015, the Township filed a Declaratory Judgment Complaint in Superior Court, Law Division entitled In the Matter of the Application of the Township of Moorestown, County of Burlington, Docket No. BUR-L-1604-15 (“DJ Action”) seeking, among other things, a judicial declaration that its Housing Element and Fair Share Plan (“Fair Share Plan”), satisfies the Township’s “fair share” of the regional need for low and moderate income housing pursuant to the “Mount Laurel doctrine;” and

WHEREAS, the Township entered into a Settlement Agreement with Fair Share Housing Center ("FSHC") on March 16, 2018 to resolve the DJ Action that determined the Township's affordable housing obligation and set forth the preliminary compliance plan for how the obligation would be addressed; and

WHEREAS, the Township's preliminary compliance plan for affordable housing was the subject of a fairness hearing before the Hon. Ronald Bookbinder, A.J.S.C. on August 8, 2018 at which time the municipality's plan was deemed fair to the very low, low and moderate income population in New Jersey and codified in an order issued on August 28, 2018 which required, among other obligations towards compliance, that the Township adopt a Housing Element and Fair Share Plan to serve as the foundation of all implementing ordinances that are consistent with the terms of the Settlement Agreement executed with FSHC; and

WHEREAS, the Planning Board adopted a Reexamination Report of the Master Plan, dated December 6, 2018, that reviews and analyzes the land use and development policy of the Township of Moorestown, including the need for the implementation of the Housing Element and Fair Share Plan of the municipality through ordinance amendment; and

WHEREAS, the Planning Board of the Township of Moorestown adopted a Housing Element and Fair Share Plan (“HEFSP”), as well as a modified Land Use Plan Element of the Master Plan on April 4, 2019, that addresses the municipality's affordable housing obligations in a manner which will promote the public health, safety, morals, and general welfare; and

WHEREAS, subsequent to the Planning Board's adoption of the HEFSP, the Settlement Agreement with FSHC was amended on June 6, 2019 and then again on September 9, 2019, to add two sites to the Township's Realistic Development Potential, and to replace a third site; and

WHEREAS, at its regularly scheduled December 3, 2020 meeting, the Planning Board adopted an amendment to the HEFSP to incorporate the changes set forth in the amendments to the Settlement Agreement, all of which is memorialized in the Planning Board Resolution No. PB-34-2020; and

WHEREAS, the Township Council, at its regularly scheduled December 14, 2020 meeting, reviewed the amendment to the HEFSP and Planning Board Resolution No. PB-34-2020, and, after providing an opportunity for comment and/or questions from members of the public, adopted Resolution 257-2020 endorsing the Amended HEFSP; and

WHEREAS, subsequent to the Planning Board's adoption of the Amended HEFSP and the Township Council's endorsing the Amended HEFSP, John Maczuga, P.P., A.I.C.P., the Special Master in the DJ Action, issued a report dated December 15, 2020 recommending various changes to the HEFSP, which changes are Ordered pursuant to the Conditional Judgment of Compliance and Repose entered February 23, 2021 by the Honorable Paula T. Dow, P.J.Ch.; and

WHEREAS, the Township was then notified by the Department of the Navy and Lockheed Martin that they both objected to the development of one of the affordable housing sites, commonly referred to as the Nagle Tract located at the intersection of Centerton Road and Hartford Road, since it was located directly across the street from the Navy's Combat Systems Engineering Development Site; simultaneously, Lockheed Martin, recognizing the impact on the Township of the inability to develop the Nagle Tract as described in the HEFSP, offered to convey a similarly sized parcel of property to the Township in exchange for the Nagle Tract to enable the Township to satisfy its obligation to provide affordable housing; and

WHEREAS, the Township's Affordable Housing Consultant, Brain Slaugh, PP, AICP, thereafter prepared a further amendment to the HEFSP to incorporate the changes requested by the Special Master, and to reflect the substitution of the Lockheed Martin Property in place of the Nagle Tract; and

WHEREAS, upon notice duly provided pursuant to N.J.S.A. 40:55D-13, the Planning Board held a public hearing on the amendment to the HEFSP during its July 1, 2021 regular meeting, following which the Planning Board found that the amendment to the HEFSP is consistent with the goals and objectives of the Township's Master Plan, and that the adoption and implementation of the amendment to the HEFSP is in the public interest, protects the public health and safety, promotes the general welfare, and provides a realistic opportunity for the development of affordable housing within the Township, all of which is memorialized in Resolution #2021-31; and

WHEREAS, COAH's prior round rules, specifically N.J.A.C. 5:91-2.2(a), requires that a municipal governing body endorse a plan adopted by the Municipal Planning Board; and

WHEREAS, Council has reviewed the amendment to the HEFSP and Resolution #2021-31, consulted with its professionals, heard any comments and/or questions from members of the public, and has determined that it is in the best interest of the Township to endorse the HEFSP.

NOW, THEREFORE, BE IT RESOLVED by the Township Council of the Township of Moorestown, as follows:

1. The Amended HEFSP, as adopted by the Planning Board on July 1, 2021 by Resolution #2021-31 attached hereto as Exhibit A, is hereby endorsed.
2. The Township's professionals are hereby authorized and directed to file with the Court the Amended HEFSP, the resolutions of the Planning Board and the Township Council adopting and endorsing, respectively, the HEFSP, and any additional documents the professionals deem necessary or desirable, or are otherwise required in order to obtain Court approval of the Amended HEFSP.
3. The Township reserves the right to amend the HEFSP, should that be necessary.

<u>VOTE:</u>	
GILLESPIE	YES
MAMMARELLA	YES
LAW	YES
VAN DYKEN	YES
ZIPIN	YES

Certified to be a true and correct copy of a Resolution adopted by the Township Council at its meeting on July 12, 2021.


Patricia L. Hunt, RMC
Township Clerk

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TOWNSHIP OF MOORESTOWN

RESOLUTION NO. 197-2021

ADOPTING AN AMENDED SPENDING PLAN

WHEREAS, pursuant to In re: N.J.A.C. 5:96 and 5:97, 221 N.J. 1 (2015) (Mount Laurel IV), on July 8, 2015, the Township of Moorestown (“Moorestown Township” or the “Township”) filed a Declaratory Judgment Complaint in Superior Court, Law Division entitled In the Matter of the Application of the Township of Moorestown, County of Burlington, Docket No. BUR-L-1604-15 (the “DJ Action”) seeking, among other things, a judicial declaration that its Housing Element and Fair Share Plan (the “HEFSP”), satisfies the Township’s “fair share” of the regional need for low and moderate income housing pursuant to the “Mount Laurel doctrine;” and

WHEREAS, to resolve the litigation, the Township entered into a Settlement Agreement, and Amended Settlement Agreements, with Fair Share Housing Center (FSHC) that provide various mechanisms to create a realistic opportunity for the development of affordable housing in the Township; and

WHEREAS, the Planning Board of the Township of Moorestown adopted HEFSP and a modified Land Use Plan Element of the Master Plan to address the Township’s affordable housing obligations, following which, the Township Council adopted Resolution 208-2019 which endorsed the HEFSP adopted by the Planning Board and approved the Spending Plan attached as an Appendix to the HEFSP; and

WHEREAS, subsequent to that action, the Planning Board has adopted amendments to the HEFSP which have resulted in changes to the Spending Plan; and

WHEREAS, John Maczuga, P.P., A.I.C.P., the Special Master in the DJ Action, issued a report dated December 15, 2020 that conditioned the issuance of a Judgment of Compliance on the Township’s satisfaction of conditions which were Ordered as part of the Conditional Judgment of Compliance and Repose entered February 23, 2021 by the Honorable Paula T. Dow, P.J.Ch., one of which was that the Township Council adopt a Resolution specifically adopting the Spending Plan which was an exhibit to the adopted and endorsed HEFSP; and

WHEREAS, a municipality with an Affordable Housing Trust Fund should receive approval of a Spending Plan prior to spending any of the funds in its Affordable Housing Trust Fund; and

WHEREAS, the Township of Moorestown has prepared a Spending Plan consistent with P.L. 208, c. 46, Council on Affordable Housing (“COAH”) regulations, and the Settlement Agreement entered into between the Township of Moorestown and FSHC; and

WHEREAS, the latest Spending Plan is attached hereto as Exhibit A; and

WHEREAS, the Township Council believes it is in the best interests of the Township to adopt the latest Spending Plan.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWNSHIP COUNCIL FOR THE TOWNSHIP OF MOORESTOWN, COUNTY OF BURLINGTON, IN THE STATE OF NEW JERSEY AS FOLLOWS:

1. That it approves and adopts the latest Spending Plan attached hereto as Exhibit A.
2. The Township staff and professionals are hereby authorized to take any and all actions reasonable and necessary to fulfill the Township's obligations as set forth in the latest Spending Plan.
3. The Township reserves the right to amend the Spending Plan, should it be deemed necessary to do so.

<u>VOTE:</u>	
GILLESPIE	YES
MAMMARELLA	YES
LAW	YES
VAN DYKEN	YES
ZIPIN	YES

Certified to be a true and correct copy of a Resolution adopted by the Township Council at its meeting on July 12, 2021.



Patricia L. Hunt, RMC
Township Clerk

Spending Plan of the Housing Element and Fair Share Plan Township of Moorestown, Burlington County With Revenues as of September 30, 2020

INTRODUCTION

The Township of Moorestown prepared a Housing Element and Fair Share Plan that addresses its regional fair share of the affordable housing need. In creating this document, the laws and regulations of the Municipal Land Use Law (*N.J.S.A. 40:55D-28b(3)*), the Fair Housing Act (*N.J.S.A. 52:27D-301*) and the remaining valid regulations of the New Jersey Council on Affordable Housing (COAH) as found in *N.J.A.C. 5:93-1* were used. A development fee ordinance creating a dedicated revenue source for affordable housing was most recently adopted by the municipality in 2009 and approved by COAH on March 26, 2009. The ordinance continued Moorestown's affordable housing trust fund with updated language. The ordinance is codified as Article VI in Chapter 158, the subdivision and site plan regulations.

Moorestown Township first received COAH approval to maintain an affordable housing trust fund on May 3, 1995 following its petition to the state for Second Round certification on March 6, 1995. The Township petitioned COAH for Third Round certification in October 2005 and December 2008 in response to rules later invalidated by the New Jersey Supreme Court. Most recently, the Township filed a declaratory judgment action in New Jersey Superior Court on July 8, 2015.

As of September 30, 2020, the Township of Moorestown has collected \$10,542,886.62, expended \$9,774,521.49, including most recently a \$323,000 down payment on the purchase of the Harper Drive property, and has a trust fund balance of \$768,367.13. Accumulated interest income as of September 30, 2020 is \$557,018.86 and is included in the gross revenue figure. All development fees, payments in lieu of constructing affordable units on site, funds from the sale of units with extinguished controls, and interest generated by the fees have and continue to be deposited in a separate interest-bearing affordable housing trust fund in TD Bank, N.A. for the purposes of affordable housing. These funds are required to be spent in accordance with *N.J.A.C. 5:93-8.16* as described in the sections that follow.

Moorestown Township has prepared this amended spending plan in response to the March 16, 2018 Settlement Agreement with Fair Share Housing Center ("FSHC"), as amended on June 10, 2019 and again on September 9, 2019, which was approved by the Court at a March 11, 2020 fairness hearing. In accordance with the Settlement Agreement, the disbursement of funds as outlined in this document will constitute a "commitment" for expenditure pursuant to *N.J.S.A. 52:27D-329.2* and *-329.3*, within the four-year time period for spending in the law. This time period starts from the entry of a final Judgment of Repose approving this



settlement in accordance with the provisions of In Re Tp. of Monroe, 442 N.J. Super. 565 (Law Div. 2015).

REVENUES FOR THE THIRD ROUND

To calculate a projection of revenue anticipated during the remainder of the Third Round, the Township of Moorestown considered development fees, other funding sources, and interest.

The Township reviewed residential and non-residential projects that have had development fees imposed upon them at the time of preliminary or final development approvals, all residential and non-residential projects currently before the planning and zoning boards for development approvals that may apply for building permits and certificates of occupancy; and future residential and non-residential development that is likely to occur based on historical rates of development over the past five years. The Township's existing revenues have been generated from residential and non-residential development impact fees as well as early payments-in-lieu-of-construction (PILOC) pertaining to the Moorestown Hunt and Laurel Creek developments. The Township anticipates collecting additional PILOC funds from Cameron General Contractors for its Centerton Road Project, as a future revenue source. Although the Township has collected other sources of affordable housing funds in the past, the Township does not anticipate these to continue in the future.

Finally, interest was calculated on the projected revenue in the municipal affordable housing trust fund based on the trend of interest revenue over the last five years and the current rate of interest earned by the trust fund.

Table SP-1 on the following page indicates anticipated revenue.

Table SP-I. Projected Revenues - Housing Trust Fund – Q4 2020 through 2025

Year							
Source of Funds	Q4 2020	2021	2022	2023	2024	2025 (Q1&Q2)	Total
Approved Development	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Development Pending Approval	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Projected Development	\$79,250	\$317,000	\$317,000	\$317,000	\$317,000	\$158,500	\$1,505,750
PILOC – Cameron General Contractors	\$0	\$2,000,000	\$0	\$0	\$0	\$0	\$2,000,000
Interest	\$475	\$13,900	\$1,900	\$1,900	\$1,900	\$950	\$21,025
Total	\$79,725	\$2,330,900	\$318,900	\$318,900	\$318,900	\$159,450	\$3,526,775

The Township of Moorestown projects a total of \$3,526,775 to be collected between October 1, 2020 and June 30, 2025, including interest, to be used for affordable housing purposes, in addition to the current balance in the account, for total available funds of approximately \$4,295,142.

ADMINISTRATIVE MECHANISM TO COLLECT AND DISTRIBUTE FUNDS

The following procedural sequence for the collection and distribution of development fee revenues shall be followed by the Township of Moorestown.

Collection of Development Fee Revenues

As stipulated in Article VI, Mandatory Development Fees of the Land Subdivision Ordinance (Chapter 158-40 to 158-47 of the codified ordinances of the municipality) all collection of development fee revenues has been and will continue to be consistent with *N.J.A.C. 5:93 et seq.* and P.L.2008, c.46, sections 8 (*N.J.S. 52:27D-329.2*) and 32-38 (*N.J.S. 40:55D-8.1 through -8.7*).

Distribution of Development Fee Revenues

Requests for distribution of funds will first be made to the Department of Community Development for eligible activities. The Director of Community Development will evaluate the request and provide a synopsis and recommendation to the Township Manager. The request for funds will detail the amount requested, the beneficiary of the distribution, the use of funds and the time line for distribution. In this request for funds and determination of eligible activities the municipal staff may be assisted by the Township Attorney. Upon examination and approval, the Township Manager will transmit the requested amount to the Chief Financial Officer (CFO) of the municipality. If sufficient funds are available, the requested amount will be brought before the Township Council for approval and the amount encumbered in the affordable housing trust fund by the CFO. Township Council approval may take one of any number of forms, including resolution authorizing the expenditure of funds, inclusion of the amount on a bill list for approval, or any other mechanism allowed by statute or rule for the dispersal of funds. Once approved, the payment will be made by the CFO to the designated individual or organization and the proper notation made in the affordable housing trust fund.

DESCRIPTION OF ANTICIPATED USE OF AFFORDABLE HOUSING FUNDS

Moorestown Township may use the funds in the trust fund for any of the below listed items, pursuant to *N.J.A.C. 5:93-8.16*:

- Rehabilitation of units;
- 100% affordable housing;
- Accessory apartment program;
- Market to affordable program;
- Extensions of controls;
- Creation of group homes;
- Repayment of municipal bonds issued to finance low- and moderate-income housing activity;
- Affordability assistance; and
- Administration, as discussed below.

Affordability Assistance

Pursuant to *N.J.A.C. 5:93-8.16(c)*, municipalities are required to spend a minimum of 30% of development fee revenue to render existing affordable units more affordable, and one-third of that amount must be dedicated to very low-income households (i.e., households earning less than 30% of the regional median income) or creating very low-income units. As the Township has previously expended more than \$1.2 million on affordability assistance, it has only a minimal affordability assistance obligation, which it will more than fulfill through its partnership with Community Options to develop new group home bedrooms.

Table SP-2. Projected Minimum Affordability Assistance Requirement

Actual development fees through September 30, 2020		\$9,766,454.42
Actual interest earned through September 30, 2020	+	\$557,018.86
Development fees projected, October 1, 2020-June 30, 2025	+	\$1,505,750.00
Interest projected, October 1, 2020-June 30, 2025	+	\$21,025.00
Less RCA expenditures, 1998-1999	-	\$4,342,362.00
Less rehabilitation expenditures thru September 30, 2020	-	\$2,288,555.00
Less housing activity through September 30, 2020	-	\$625,867.82
Less anticipated rehabilitation expenditure, October 1, 2020-June 30, 2025	-	\$50,000.00
Total	=	\$4,543,463.46
30 percent requirement	x 0.30 =	\$1,363,039.04
Less affordability assistance expenditures through September 30, 2020	-	\$1,270,000.00
Projected minimum affordability assistance requirement	=	\$93,039.04
Projected minimum very low-income affordability assistance requirement	÷ 3 =	\$31,013.01

Administrative Expenses

In accordance with *N.J.A.C. 5:93-8.16(e)*, no more than 20% of the revenues collected each year will be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to prepare or implement a rehabilitation program, a new construction program, a housing element and fair share plan, and/or an affirmative marketing program. Table SP-3 shows the calculation of projected allowed administrative expenditures.

Table SP-3. Projected Allowed Administrative Expense.

Actual development fees through September 30, 2020		\$9,766,454.42
Actual interest earned through September 30, 2020	+	\$557,018.86
Development fees projected, October 1, 2020-June 30, 2025	+	\$1,505,750.00
Interest projected, October 1, 2020-June 30, 2025	+	\$21,025.00
Total	=	\$11,850,248.28
20 percent maximum permitted administrative expenses	x 0.20 =	\$2,370,049.66
Less administrative expenditures through September 30, 2020	-	\$1,247,736.66
Projected allowed administrative expenditures	=	\$1,122,313.00

Moorestown will not expend for administrative purposes in excess of the formula in Table SP-3 above.

THIRD ROUND EXPENDITURES

The Township has a Rehabilitation obligation of 19 units and has allocated \$50,000 for rehabilitation expenditures for renter-occupied units. The Township anticipates, however, that the bulk of interest by low- and moderate-income households will be from owner occupants, and so will continue its participation in the Burlington County Home Improvement Program, which makes rehabilitation funds available only to owner-occupants. The Township plans to spend \$1 million in a partnership with Community Options to fund the creation of 20 group home bedrooms serving very low-income individuals with special needs, thus satisfying its affordability assistance requirement, including its very low-income affordability assistance requirement. The program will require the purchase and conversion of four or five single-family homes. The Township will also provide a contribution of \$3.375 million toward the 100% affordable development at Centerton Road.

Table SP-4 details projected expenditures from the Township's Affordable Housing Trust Fund during the Third Round.

Table SP-4. Projected Expenditures - Housing Trust Fund – Q4 2020 through 2025 Q2

Year							
Source of Funds	Q4 2020	2021	2022	2023	2024	2025 (Q1&Q2)	Total
Rehabilitation	\$0	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$50,000
Community Options	\$250,000	\$250,000	\$250,000	\$250,000	\$0	\$0	\$1,000,000
Centerton Road	\$0	\$3,375,000	\$0	\$0	\$0	\$0	\$3,375,000
Administrative	\$59,073	\$236,275	\$236,275	\$236,275	\$236,275	\$118,140	\$1,122,313
Total	\$309,073	\$3,871,275	\$496,275	\$496,275	\$246,275	\$128,140	\$5,547,313

As noted in the amended Housing Element and Fair Share Plan, should the developer of the Nagle Tract not secure tax credits for a mixed-income development, that project will revert to an inclusionary development. In that instance, the Township reserves the right to petition the Court to amend this Spending Plan to add funds for a Market-to-Affordable program and an Accessory Apartment program, as described in the Amended Housing Element and Fair Share Plan, to make up any shortfall.

SHORTFALL OR EXCESS OF FUNDS

On December 30, 2008, the governing body of Moorestown Township adopted a resolution agreeing to fund any shortfall of funds required for implementing its adopted Housing Element and Fair Share Plan. As part of the 2019 plan, the Township Council adopted on December 16, 2019, Resolution 216-2019 establishing an intent to fund any shortfall of funds required for implementing its adopted Housing Element and Fair Share Plan. In the event of excess funds, any remaining funds above the amount necessary to satisfy the municipal affordable housing obligation will be used to produce additional affordable housing through these programs or pursuant to a Court-approved amendment to this Spending Plan.

BARRIER FREE ESCROW

Collection and distribution of barrier free funds shall be consistent with Chapter 97-5 of the Code of the Township of Moorestown to the extent that such funds are paid pursuant to law to ensure the adaptability of low- and moderate-income units for barrier free accessibility in accordance with N.J.A.C. 5:97-3.14.

SUMMARY

The Township of Moorestown intends to spend affordable housing trust fund revenues pursuant to the regulations governing such funds and consistent with the amended Third Round Housing Element and Fair Share Plan.

Moorestown has an affordable housing trust fund balance of \$768,367.13 as of September 30, 2020 and anticipates an additional \$3,526,775 in revenues during remainder of the Third Round for a total of approximately \$4,295,142. A summary of the Township's spending plan is found in Table SP-4. The municipality will dedicate all of its trust fund revenue towards the aforementioned affordable housing programs as well as administrative costs, and will seek outside funds or bond for the anticipated shortfall, as necessary.

Table SP-5. Summary of the Spending Plan

Balance as of September 30, 2020		\$768,367
PROJECTED REVENUE OCTOBER 11, 2020 – JUNE 30, 2025		
Development Fees	+	\$1,505,750
PILOC – Cameron General Contractors	+	\$2,000,000
Interest	+	\$21,025
Total	=	\$4,295,142
PROJECTED EXPENDITURES OCTOBER 1, 2020 – JUNE 30, 2025		
Rehabilitation (2 rental units)	-	\$50,000
Group homes – Community Options	-	\$1,000,000
100% Affordable – Centerton Road	-	\$3,375,000
Administration (not to exceed)	-	\$1,122,313
Total Projected Expenditures	=	\$5,547,313
Remaining Balance	=	(\$1,252,171)

Appendix B

Rental Rehabilitation Program Documents:

Resolution Authorizing Appointment of CGP&H

Agreement with CGP&H

Rental Rehabilitation Manual

TOWNSHIP OF MOORESTOWN

RESOLUTION NO. 57-2021

APPOINTING CGP&H AS AFFORDABLE HOUSING ADMINISTRATIVE AGENT AND AUTHORIZING AWARD OF CONTRACT

WHEREAS, the Township requires the services of an Affordable Housing Administrative Agent for the year 2021; and

WHEREAS, the Township Council has found that CGP&H has satisfactorily provided said services and recommends that the firm be awarded a professional services contract for the year 2021; and

WHEREAS, a Determination of Value Form, certifying that the costs associated with said services will exceed \$17,500, has been filed with the Township Clerk and the Chief Financial Officer hereby certifies funds in the estimated maximum amount of \$60,000 (Appropriation No. T-16-86-856-000-806); and

WHEREAS, an executed Business Entity Disclosure Certification, which certifies that CGP&H has not made any reportable contributions to a political or candidate committee in the Township of Moorestown in the previous one year, and that the contract will prohibit the contractor from making any reportable contributions through the term of the contract, has been received by the Township Clerk; and

WHEREAS, an executed Political Contribution Disclosure Form was filed with the Municipal Clerk at least ten (10) days prior to award of the contract; and

WHEREAS, the Township of Moorestown has met the provisions of the NJ Local Unit Pay-to-Play Law to award a contract under the Fair and Open Contracts provisions of the Law and Chapter 10 of the Code of the Township of Moorestown.

NOW, THEREFORE, BE IT RESOLVED that:

- 1. CGP&H, 1249 South River Road, Suite 301, Cranbury, New Jersey 08512, is hereby appointed Affordable Housing Administrative Agent pursuant to the provisions of N.J.S.A. 19:44A-20.5 (non-fair and open) and Chapter 10 of the Code of the Township of Moorestown. Said appointment shall expire upon reorganization of the Township Council in 2022.
2. A proposal summarizing the services to be performed and the fees to be charged (range \$85-\$130/hr) are hereby approved and execution of a contract is authorized.
3. The Mayor and the Township Clerk are hereby authorized to sign an agreement, in substantially the form attached hereto, between the Township and CGP&H as Affordable Housing Administrative Agent. Said contract shall commence upon full execution of the contract, which contract shall be filed with the Township Clerk and made available for public inspection.
4. The Business Entity Disclosure Certification, Political Contribution Disclosure and Determination of Value Form shall be placed on file with this resolution.
5. The Township Clerk is hereby directed to publish a "Notice of Award" of said contract in the official newspaper in accordance with the Local Public Contracts Law.

Table with 2 columns: Name and VOTE. Rows include GILLESPIE, MAMMARELLA, LAW, VAN DYKEN, and ZIPIN, all with YES votes.

plh

Certified to be a true and correct copy of a Resolution adopted by the Township Council at its meeting on January 25, 2021.

Signature of Patricia L. Hunt, RMC

**CONTRACT FOR PROFESSIONAL SERVICES
AFFORDABLE HOUSING ADMINISTRATIVE AGENT FOR THE
TOWNSHIP OF MOORESTOWN**

THIS AGREEMENT made and executed in the Township of Moorestown, in the County of Burlington, State of New Jersey, as of the 25th day of January, 2021 by and between **CGP&H**, 1249 South River Road, Suite 301, Cranbury, New Jersey 08512 (“Affordable Housing Administrative Agent” or “Administrative Agent”) and **THE TOWNSHIP OF MOORESTOWN** in the County of Burlington, a municipal corporation of the State of New Jersey, with offices located at 111 West Second Street, Moorestown, New Jersey 08057 (“Township”).

WITNESSETH THAT:

WHEREAS, the Township Council of the Township of Moorestown in the County of Burlington (“Council”) has appointed CGP&H as Affordable Housing Administrative Agent; now therefore,

IN CONSIDERATION, of the mutual promises and covenants contained herein Administrative Agent and Township hereby agree, covenant and promise as follows:

1. **GENERAL SERVICES:** The Council hereby engages CGP&H, and CGP&H agrees to be engaged as Affordable Housing Administrative Agent, to perform such services pertaining thereto and as more particularly set forth in the CGP&H’s Proposal dated January 20, 2021, made a part hereof, and only as authorized from time-to-time by the Office of the Township Manager, his designee or a majority vote of the Township Council.

2. **RESPONSIBILITY:** CGP&H shall have the responsibility to discharge the duties of Administrative Agent and to assign functions to professionals and staff associated with CGP&H in the best interest of maximizing use of appropriate expertise, efficiency and economy on behalf of the Township.

3. **COMPENSATION:** CGP&H shall be paid in accordance with the Fee Schedule set forth (beginning on page 9) in its Proposal dated January 20, 2021. It is understood that the Township provides no other benefits (i.e., health or pension) as compensation for Administrative Agent’s services to the Township. Administrative Agent shall not bill for secretarial or administrative support staff (including, but not limited to word processors, librarians, information technology professionals). Administrative support shall be considered part of Administrative Agent’s overhead and cost for same shall be built into its rate structure.

Township agrees to pay for out-of-pocket expenses incurred by Administrative Agent, such as annual mailings to homeowners, regional mailings, courier service, recording fees, overnight mail costs, where said fees were necessary.

4. **BILLING:** Township requires Administrative Agent to submit detailed monthly invoices. Invoices shall only include work undertaken with the Manager's, or Manager's designee's, prior authorization or knowledge and must include the following information: 1) matter name; 2) date of service; 3) agents's name/initials (with a code for initials on all invoices if initials are used); 4) agent's hourly rate; 5) total charge for each task or billing entry; 6) a detailed description of the services provided or tasks performed and the name or initials of the Township Manager or his designee associated with or authorizing the task (with supporting material available upon request); 7) the amount of time spent on each particular service or task; and 8) an itemized list of any actual expenses or disbursements. The description of the services rendered shall be enough for the Township Manager and Township Council to determine whether the service or task and fee charged are reasonable. Block billing (grouping together multiple activities or tasks under one entry) is prohibited. Matters deemed to be excludable from requests for governmental records and deemed eligible for redaction shall be clearly indicated on all invoices to assist with Township responses to requests submitted for government records pursuant to the Open Public Records Act.

5. **INDEPENDENT CONTRACTOR:** It is recognized that the Administrative Agent, while operating under this contract, will be performing a variety of services in various capacities. It is specifically agreed by and between the parties that all compensation pursuant to this contract is based on the status of the Administrative Agent as an independent contractor and no portion of the sums herein specified shall be deemed payable for services rendered as an employee of the Township of Moorestown.

6. **TERMINATION:** The terms of this Agreement shall commence upon full execution of the agreement and shall remain in full force and effect until the next annual reorganization meeting of the Township Council of the Township of Moorestown in January 2022. This term is conditioned upon the appropriation of sufficient funds upon expiration of the temporary budget period. Either party may terminate this Agreement on ninety (90) days written notice thereof. The signing of such notice by Randall Gottesman, PP, President of CGP&H or his successor as Administrative Agent, shall constitute his resignation as Administrative Agent, in the event of such termination, prior to January, 2022. Upon termination of services as

Administrative Agent, Administrative Agent shall surrender all programs, data, documents, charts, work sheets, and records, etc. created or received, on behalf of the Township, in connection with any work for which he has been compensated by the Township, or true and accurate copies of same together with all Township property and a status report on every pending or uncompleted task or project, to the Township Manager or to such other person, Township Official, Employee, agency or organization as directed by the Township Manager (or authorized representative) without additional cost to the Township. All partially completed work and services of Administrative Agent shall be compensated by Township in accordance with the Administrative Agent's Fee Schedule in its proposal dated October 16, 2019 and made a part hereof.

7. AFFIRMATIVE ACTION: MANDATORY EQUAL EMPLOYMENT OPPORTUNITY LANGUAGE (N.J.S.A. 10:5-31 et seq., N.J.A.C. 17:27) for GOODS, PROFESSIONAL SERVICES AND GENERAL SERVICE CONTRACTS:

During the performance of this contract, the Contractor agrees as follows:

The Contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Except with respect to affectional or sexual orientation and gender identity or expression, the contractor will take affirmative action to ensure that such applicants are recruited and employed, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Such action shall include, but not limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Public Agency Compliance Officer setting forth provisions of this nondiscrimination clause.

The Contractor or subcontractor, where applicable will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color,

national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex.

The Contractor or subcontractor, where applicable, will send to each labor union or representative or workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer advising the labor union or workers' representative of the contractor's commitments under this act and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The Contractor or subcontractor where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to N.J.S.A. 10:5-31 et seq. as amended and supplemented from time to time and the Americans with Disabilities Act.

The Contractor or subcontractor agrees to make good faith efforts to employ minority and women workers consistent with the applicable county employment goals established in accordance with N.J.A.C. 17:27-5.2, or a binding determination of the applicable county employment goals determined by the Division, pursuant to N.J.A.C. 17:27-5.2.

The Contractor or subcontractor agrees to inform in writing its appropriate recruitment agencies including, but not limited to, employment agencies, placement bureaus, colleges, universities, labor unions, that it does not discriminate on the basis of age, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.

The Contractor or subcontractor agrees to revise any of its testing procedures, if necessary, to assure that all personal testing conforms to the principles of job-related testing, as established by the statutes and court decisions of the State of New Jersey and as established by applicable Federal law and applicable Federal court decisions.

In conforming with the applicable employment goals, the Contractor or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading and layoff to ensure that all such actions are taken without regard to age, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, consistent with the statutes and court decisions of the State of New Jersey, and applicable Federal law and applicable Federal court decisions.

Contractor shall submit to the public agency, after notification of award but prior to execution of a goods and services contract, one of the following three documents:

Letter of Federal Affirmative Action Plan Approval

Certificate of Employee Information Report

Employee Information Report Form AA302

The Contractor and its subcontractor shall furnish such reports or other documents to the Division of Contract Compliance & EEO as may be requested by the Division from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be requested by the Division of Contract Compliance & EEO for conducting a compliance investigation pursuant to Subchapter 10 of the Administrative Code at N.J.A.C.17:27.

Contract Compliance Guidelines Revision Date: 09/2007

8. **NEW JERSEY BUSINESS REGISTRATION ACT.** N.J.S.A. 52:32-44 imposes the following requirements on contractors and all subcontractors that knowingly provide goods or perform services for a contractor fulfilling this contract: 1) the contractor shall provide written notice to its subcontractors to submit proof of business registration to the contractor; 2) prior to receipt of final payment from a contracting agency, a contractor must submit to the contracting agency an accurate list of all subcontractors or attest that none was used; 3) during the term of this contract, the contractor and its affiliates shall collect and remit, and shall notify all subcontractors and their affiliates that they must collect and remit to the Director, New Jersey Division of Taxation, the use tax due pursuant to the Sales and Use Tax Act, (N.J.S.A. 54:32B-1 et seq.) on all sales of tangible personal property delivered into this State.

A contractor, subcontractor or supplier who fails to provide proof of business registration or provides false business registration information shall be liable to a penalty of \$25 for each day of violation, not to exceed \$50,000 for each business registration not properly provided or maintained under a contract with a contracting agency. Information on the law and its requirements is available by calling (609) 292-9292.

9. **INSURANCE.** It shall be the responsibility of the contractor to maintain the following insurance coverage, in the amounts specified, for the length of the contract with a company that is licensed to do business in the State of New Jersey.

The following minimum coverages are required:

Commercial General Liability	\$2,000,000
Automobile Liability	\$ 500,000
Workers' Compensation	Statutory
Professional Liability (E&O, Malpractice)	\$2,000,000

No deductible will be permitted on the liability insurance.

The Contractor shall not commence work under this contract until it has obtained the insurance required under this section.

COMMERCIAL GENERAL LIABILITY INSURANCE. During the life of this contract, the Contractor shall procure and maintain Commercial General Liability Insurance on an "Occurrence Basis" with limits of liability not less than those listed above. The Township of Moorestown shall be named as an Additional Insured.

MOTOR VEHICLE LIABILITY INSURANCE. During the life of this contract, the Contractor shall procure and maintain Motor Vehicle Liability Insurance, including applicable no-fault coverage, with limits of liability as listed above per accident combined single limit Bodily Injury and Property Damage. Coverage shall include all owned vehicles, all non-owned vehicles, and all hired vehicles.

WORKERS' COMPENSATION. During the life of this contract, the Contractor shall procure and maintain Workers' Compensation insurance including Employer's Liability Coverage in accordance with the statutes of the State of New Jersey.

NOTICE OF CANCELLATION. Commercial General Liability Insurance, Motor Vehicle Liability Insurance, and Workers' Compensation Insurance, as described above shall include an endorsement stating the following: "Sixty (60) days advanced written notice of cancellation, non-renewal, reduction and/or material change shall be sent to: Township Clerk, Township of Moorestown, 111 West Second Street, Moorestown, NJ 08057."

PROOF OF INSURANCE COVERAGE. The Contractor shall provide the municipality at the time the contracts are returned for execution, a Certificate of Insurance (with minimum coverages as outlined above) for Commercial General Liability, Motor Vehicle Liability, Workers' Compensation and Professional Liability. The Township of Moorestown shall be specifically named as an Additional Insured under the Commercial General Liability insurance.

CONTINUATION OF COVERAGE: If any of the above coverage's expire during the term of this contract, the Contractor shall deliver renewal Certificates and/or policies to the municipality at least ten (10) days prior to the expiration date.

10. **INDEMNITY/HOLD HARMLESS:** Contractor agrees to defend, pay on behalf of, indemnify, and hold harmless the Township of Moorestown, its elected and appointed officials, its agents, employees and volunteers and others working on behalf of the Township of

Moorestown against any and all claims, demands, suits, or loss, including all costs connected therewith, and for any damages which may be asserted, claimed or recovered against or from the Township of Moorestown, its elected and appointed officials, its agents, employees, volunteers or others working on behalf of the Township of Moorestown, by reason of personal injury, including bodily injury or death and/or property damage, including loss of use thereof, which arises out of or is in any way connected for associated with this contract.”

11. **DISCLOSURE OF INVESTMENT ACTIVITIES IN IRAN:** N.J.S.A. 52:32-55 prohibits State and local public contracts with persons or entities engaging in certain investment activities in energy or finance sectors of Iran. Bidders must indicate if they comply with the law by certifying the form provided herein. Pursuant to N.J.S.A. 40A:11-2.1 the owner is required to notify the New Jersey Attorney General if it determines a false certification has been submitted. Failure to submit the form in the proposal submission shall be deemed a fatal defect that shall render the proposal unresponsive and cannot be cured by the governing body.

12. **PROMPT PAYMENT ACT:** The Township will issue timely payment to Contractor in accordance with the requirements of “The Prompt Payment Act”, N.J.S.A. 2A:30A-1, et. seq. If the contractor has performed in accordance with the contract and the work has been approved and certified by the Township, the Township shall pay the bill not more than 30 calendar days after the billing date, provided that the billing shall be deemed “approved” and “certified” 20 calendar days after the owner receives it, unless the Township provides, before the end of the 20-day period, a written statement of the amount withheld and the reason for withholding payment. Disputes regarding whether the Township has made payments in accordance with the Prompt Payment Act may be submitted to mediation in accordance with N.J.S.A. 40A:11-50.

13. **TERM OF CONTRACT.** The term of this contract shall commence upon full execution and shall remain in full force and effect until the next annual reorganization meeting of the Township Council of the Township of Moorestown in January, 2022. This term is conditioned upon the appropriation of sufficient funds upon expiration of the temporary budget period.

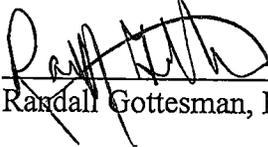
IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the date and year first above written.

WITNESS:



CGP&H

By:



Randall Gottesman, PP, President

WITNESS:



Patricia L. Hunt, RMC
Township Clerk

TOWNSHIP OF MOORESTOWN

By:



Nicole Gillespie, Mayor

Rental Rehabilitation Program

Policies and Procedures Manual

Burlington County Shared Services Rental Rehab Program

Municipalities Participating in this Shared Services Program:

Revised June 1, 2020

- **Florence Township**
- **Edgewater Park Township**
- **Cinnaminson Township**
- **Medford**
- **Moorestown**

Prepared by:



CGPH

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1249 South River Road, Suite 301

Cranbury, NJ 08512

609/664-2769 www.cgph.net

Rental Rehabilitation Program (RRP)

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Home Improvement Program

Policies & Procedures Manual

I. INTRODUCTION

The purpose of this document is to establish policies, guidelines and procedures which will govern the new Shared Services (multi-jurisdictional) Rental Rehabilitation Program (RRP or Program). The RRP was created by CGP&H, LLC and sponsored by the Burlington County Bridge Commission to provide a vehicle to reduce administrative and advertising costs for each participating municipality by sharing costs among all participating jurisdictions. The RRP is designed to assist rental properties to be occupied by low and moderate-income households to correct existing interior and exterior health, safety and code violations in conformity with the standards of the New Jersey State Housing Code, N.J.A.C. 5:28 and the Rehabilitation Subcode, N.J.A.C. 5:23-6. The RRP is guided by N.J.A.C. 5:93-5.2 with the exceptions noted herein and is subject to all laws, regulations, ordinances, and codes of the New Jersey Department of Community Affairs (DCA) and the applicable participating municipality¹. The participating municipalities have contracted with Community Grants, Planning & Housing LLC (CGP&H), a private consulting firm specializing in the implementation of publicly-funded housing rehabilitation programs, to manage and administer the RRP. Program funding will be provided by each participating municipality for their specific units and share of the RRP, typically by their respective municipal housing trust funds.

The RRP is designed primarily for substandard occupied units occupied by low and moderate income households. A vacant unit may be brought up to code standard only if the owner of the unit agrees to establish a rent affordable to a low income household and deed restrict the housing unit as a low income unit over a period of at least 30 years. The Program is available to a housing unit occupied by a resident low or moderate income owner when the resident owner lives in a building that includes one or more substandard rental unit(s) occupied by low or moderate income households.

¹ The RRP is guided by N.J.A.C. 5:93 except for the length of affordability controls for renter-occupied (10 years, not six (6) years) and except for the required average hard cost expenditure (\$10,000, not \$8,000).

A. Fair Housing and Equal Housing Opportunities

It is unlawful to discriminate against any person making application to participate in the rehabilitation program or rent a unit with regard to race, creed, color, national origin, ancestry, age, marital status, affectional or sexual orientation, familial status, disability, nationality, sex, gender identity or expression or source of lawful income used for mortgage or rental payments.

For more information on discrimination or if anyone feels they are a victim of discrimination, please contact the New Jersey Division on Civil Rights at 1-866-405-3050 or

<http://www.state.nj.us/lps/dcr/index.html>.

Fair Housing and Equal Housing Opportunities regulations apply under this Program.



II. ELIGIBLE PARTICIPANTS

A. Program area

The Rental Rehabilitation Program is a multi-jurisdictional program designed to generate administrative cost efficiencies. It is aimed at rehabilitating rental housing units occupied or to be occupied by low and moderate-income households as their primary residence throughout each participating municipality.

B. Categories of Participant

Only landlords of renter-occupied housing units are eligible to receive funding for rehabilitation if the units are determined to be or will be occupied by income eligible households, and the units are determined to be substandard. This includes owner-occupied units in/on properties containing rental units. However, owner-occupants of rental properties do not have to be income eligible households. If a structure contains two or more units and an Owner, who is not eligible, occupies one unit, funding may be provided for the rehabilitation of the rest of the units that do qualify, and a pro-rata share of common items. Rents must be affordable to income eligible households.

C. Income Limits

Household income is defined as the combined annual income of all family members over 18 years of age including wages, Social Security, disability insurance, unemployment insurance, pensions, dividend/interest income, alimony, etc. Each unit's total household income must fall within or below the State's moderate-income limits based on family size. For each participating municipality, the Superior Court has approved income, sales and rental increases which used similar methodologies that were employed by COAH.

The most recent income limits and applicable methodology are in Appendix A, and the plan for properly amending median incomes and rental increases every year going forward unless another entity with relevant jurisdiction is approved by the Court is also included in Appendix A at the end of this manual. The Program Administrator will ensure that the annual chart in Appendix A is updated whenever updates become available.

If at any time, COAH (or a successor administrative agency duly empowered by an amendment to the Fair Housing Act or by a court of competent jurisdiction) begins to issue updated annual income limits and rules for increasing sales prices and rent levels each year, said updated income limits and rules for increasing sales prices and rent levels each year may be used instead of the methodology set forth herein.

D. Application Selection

The Program will process new applicants added to the waiting list/applicant pool on a first-come, first served basis, to qualified applicants. The RRP will establish the waiting list from the Program marketing efforts identified in Section IX of this manual.

Emergency Processing Order

Properties with safety and/or health hazards, confirmed/certified as an emergency by the participating municipality's Construction Official or Health Department can by-pass the first-come, first served process. However, they must meet all the other Program requirements including bringing the unit up to code.

The Program Administrator shall determine that an emergency exists based on the following:

- A. The repair problem is an immediate and serious threat to the health and safety of the building's residents, and
- B. The problem has been inspected and the threat verified by the appropriate local building inspector and/or health official

Please note that the loan agreement will state that if the Owner/Landlord takes the emergency funds to abate the safety/health hazards and then subsequently decides to voluntarily remove themselves from participation in the RRP to complete the non-emergency substandard code violation components of their project, essentially negating any opportunity for the participating municipality to gain credit for a fully rehabilitated home for the unit, those public funds used for the emergency shall be immediately due and payable back to the participating municipality. To address this potential, any Landlord receiving emergency funds will also be required to execute a statement indicating that the participating municipality will place a lien on the rental rehab

properties for the participating municipality to recapture the emergency funds, to be repaid with interest, based on the monthly average mortgage loan commitment rates at the time of closing in the event of noncompliance.

A deed restriction for all rehabilitated rental units will run with the land to ensure compliance, which will be filed with the County Clerk following satisfactory completion of all work on the project.

III. ELIGIBLE ACTIVITIES

A. Eligible Improvements

The purpose of the Program is to bring substandard housing up to code. To qualify for participation in the Program, the condition of each residential property must be certifiable as being "substandard" as defined in N.J.A.C. 5:93-1.3.

In other words, at least one of the following major systems must need replacement or substantial repair:

- Roof
- Plumbing, including sanitary plumbing
- Heating
- Electrical
- Load bearing structural systems
- Weatherization (building insulation for attic, exterior walls and crawl space, siding to improve energy efficiency, replacement storm windows and storm doors and replacement windows and doors)

The related work may also include, but not be limited to the following:

- Interior trim work,
- Interior and/or exterior doors
- Interior and/or exterior hardware
- Window treatment
- Interior stair repair

- Exterior step repair or replacement
- Porch repair
- Wall surface repair
- Painting
- Exterior rain carrying system repair

B. Ineligible Improvements

Work not eligible for Program funding includes but is not limited to luxury improvements (improvements which are upgrades and/or strictly cosmetic), carpets, additions, conversions (basement, garage, porch, attic, etc.), repairs to structures separate from the living units (detached garage, shed, barn, etc.), furnishings, pools and landscaping. If determined unsafe, stoves may be replaced. The replacement or repair of other appliances is prohibited. The cost of removing any illegally converted living space (e.g., illegal bedrooms in the basement) is not eligible for assistance.

Rehabilitation work performed by property owners shall not be funded under this Program.

C. Rehabilitation Standards

Funds are to be used for work and repairs required to make the unit(s) standard and abate all interior and exterior violations of the New Jersey State Housing Code, N.J.A.C. 5:28 and the Rehabilitation Subcode, N.J.A.C. 5:23-6, (of which the more restrictive requirements will apply), and remove health and/or safety hazards; and any other work or repairs, including finishing and painting, which are directly related to the above listed objectives. For projects that require construction permits, the rehabilitated unit(s) shall be considered complete at the date of final approval pursuant to the Uniform Construction Code.

Municipal rehabilitation investment for hard costs shall average at least \$10,000 per unit, and include the rehabilitation of at least one major system, as previously defined under eligible improvements.

D. Certifications of Substandard/Standard

CGP&H's Program Inspector will inspect the property to determine which systems, if any, are substandard in accordance with sub-section A above and issue a Certification of Substandard. Upon Program construction completion, all code deficiencies noted in the inspection report must be corrected and rehabilitated units must be in compliance with the standards proscribed in sub-section C above upon issuance of a municipal certificate of completion/approval.

IV. FUNDING TERMS RENTAL PROPERTIES

Funding may be provided on the following terms:

A. Rental Units

Table 1: Terms & Conditions

Rental Property Terms and Conditions of Loan	
Minimum Loan Amount	The participating municipality may rehabilitate substandard units that require less than \$10,000 of work, provided the municipal rehabilitation activity shall average at least \$10,000 per unit.
Maximum Loan Amount	\$15,000 from applicable Municipality per rental unit
Interest Rate	0% (No monthly payments)
Payment Terms	Owner pays 25% of rehab cost at execution of construction agreement. The 75% balance (the Township loan amount) is to be paid back to the participating municipality at the end of the deed restriction period unless the Owner extends the controls on the restricted units for an additional 10-year period. The 25% Owner contribution is waived for non-profit owned rentals.
Deed Restriction Terms applied at time of loan closing/construction agreement	Ten-Years for low or moderate income eligible occupied units. Thirty-Years for vacant rental units to be restricted to low income rent. Rental restrictions transfer with property during the applicable deed restriction period. See restrictions below.
Mechanism for Securing Loan	Mortgage, Mortgage Note and Deed Restriction recorded against property

The affordability controls against the property will be recorded in a Deed Restriction. The property Owner agrees to abide by the rental affordability controls for the life of the Deed Restriction. Additionally, the following conditions apply:

The assisted housing unit(s) must be occupied by and affordable to a household that is certified as an income eligible household per the latest Income Limits by Region, initially approved by the Superior Court. A copy of the current income figures and the income limit methodology is included in Appendix A of this document.

The attached income limits and methodology will be utilized until another entity with relevant jurisdiction is identified to perform this function as noted in Section II.C.

Every rental unit will be designated by unit as either low or moderate income in the Deed Restriction, to prevent “flipping” units back and forth between market, low and moderate-income occupants.

The maximum permitted rent is determined by the participating municipality's Administrative Agent and is pursuant to UHAC and subject to annual adjustment.

Vacant units that participate in the Program shall be designated as low income units with a maximum low income rent established pursuant to the UHAC regulations as discussed at pages 23 and 24 of this manual. Occupied housing units shall be designated as low or moderate income units based on the income of the tenant and the rent will be established based on the procedures discussed at pages 23 and 24. Thus, a housing unit occupied by a tenant earning no more than 50 percent of median income shall be designated as a low income unit and a housing unit occupied by a tenant earning between 50 percent and 80 percent of median income shall be designated as a moderate income unit.

The Owner will execute a Mortgage, Mortgage Note and Deed Restriction, the latter of which will guarantee the continued availability of the unit to income eligible households for the terms of the applicable ten-year or thirty-year lien affordability period.

Throughout the deed restriction period, the affordability terms do not expire even if the Owner sells the property, transfers title to the property, dies, or rents to other than low or moderate-income renters, before the terms of the lien expire.

For information regarding annual rental increases: Please refer to Section VIII C of this manual.

C. Special Needs Waivers for Higher Cost Rehabilitation Projects

In cases of documented rehabilitation needs greater than the Program cap:

- The Program will get confirmation that the Owner can contribute the additional funding to meet the funding gap.
- If needed, the Program Administrator may attempt to facilitate a partnership with other possible funding sources to meet the gap.
- The Program Administrator may also make a request to the participating municipality for an exception to the funding cap on a project by project basis. Each application will be treated separately by each participating municipality based on local trust funds available and other local factors to be considered at that time. If additional funding is approved, a Special Needs Funding Limit Waiver may be issued.

D. Use of Recaptured Program Funds

All recaptured funds will be deposited into the participating municipality Affordable Housing Trust Fund account in accordance with N.J.A.C. 5:93-8.15.

V. IMPLEMENTATION PROCESS

A. Application/Interview

For each prospective Landlord (this Program is currently limited to rental units) the applicant process can begin with a Landlord contacting CGP&H. CGP&H will then recommend an in-person meeting after addressing all questions and providing an overview via telephone or email. This initiative will be taken to fully and carefully explain all rules, requirements and Program benefits, since unlike single family owner-occupied rehabilitation, there are many additional requirements and obligations. CGP&H key staff (company president, vice president or designated professional) will meet with interested Landlords to review all Program details and address all questions.

Each prospective Landlord applicant is to complete the application and return it to an assigned Case Manager, along with the required verification documents. Upon receipt of the completed application package, a case file will be opened for the applicant and a case file number will be assigned. The Case Manager will be available to assist applicants during this and all other phases of the process. Additionally, as needed, a Case Manager will be available for face to face prescheduled appointments. Once a case is assigned a number, the cases are processed in the order of receipt of completed applications.

B. Eligibility Certification

If the rental unit is currently occupied, in order for that unit to be eligible for assistance, households must be determined to be income eligible. All adult members of households, 18 years of age and older, must be fully certified as income-eligible before any assistance will be provided by the Program. The RRP will income qualify the occupants of each unit that the Landlord wants to include in the Program. Applicants will be evaluated for eligibility in accordance with the UHAC at N.J.A.C. 5:80-16.1 et seq., except for the asset test which does not apply to the rehab Program.

The following is a list of various types of wages, payments, rebates and credits. Those that are considered as part of the household's income are listed under Income. Those that are not considered as part of the household's income are listed under Not Income.

C. What is Considered Income

The following income sources are considered income and will be included in the income eligibility determination:

- Wages, salaries, tips, commissions
- Alimony
- Regularly scheduled overtime
- Pensions
- Social security
- Unemployment compensation TANF (Temporary Assistance For Needy Families)
- Verified regular child support
- Disability
- Net income from business or real estate
- Interest income from assets such as savings, certificates of deposit, money market accounts, mutual funds, stocks, bonds
- Imputed interest (using a current average annual rate of two percent) from non-income producing assets, such as equity in real estate. Rent from real estate is considered income, after deduction of any mortgage payments, real estate taxes, property owner's insurance.
- Rent from real estate is considered income
- Any other forms of regular income reported to the Internal Revenue Service

D. What is Not Considered Income

The following income sources are not considered income and will not be included in the income eligibility determination:

- Rebates or credits received under low-income energy assistance programs
- Food stamps
- Payments received for foster care
- Relocation assistance benefits
- Income of live-in attendants
- Scholarships
- Student loans
- Personal property such as automobiles
- Lump-sum additions to assets such as inheritances, lottery winnings, gifts, insurance settlements
- Part-time income of dependents enrolled as full-time students
- Court ordered payments for alimony or child support paid to another household shall be deducted from gross annual income

E. How to Verify Income

To calculate income, the current gross income of the occupant household of unit to be assisted is used to project that income over the next 12 months. Income verification documentation should include, but is not limited to the following for every member of a household who is 18 years of age or older:

1. Four current consecutive pay stubs, including bonuses, overtime or tips, or a letter from the employer stating the present annual income figure or if self-employed, a current Certified Profit & Loss Statement and Balance Sheet.
2. A signed copy of regular IRS Form 1040 (Tax computation form), 1040A or 1040EZ (as applicable) and state income tax returns filed for the last three years prior to the date of interview or notarized tax waiver letter for respective tax year(s)- A Form 1040 Tax Summary for the past three tax years can be requested from the Internal Revenue Service Center by calling 1-800-829-1040 or visiting irs.gov to either obtain an online printout or to request a copy by mail, the latter which takes five to ten calendar days.
3. If applicable, a letter or appropriate reporting form verifying monthly benefits such as:
 - Social Security or SSI – Current award letter or computer printout letter
 - Unemployment – verification of Unemployment Benefits
 - Welfare -TANF current award letter
 - Disability - Worker's compensation letter or
 - Pension income (monthly or annually) – a pension letter
4. A letter or appropriate reporting form verifying any other sources of income claimed by the applicant, such as alimony or child support – copy of court order or recent original letters from the court (includes separation agreement or divorce papers) or education scholarship/stipends – current award letter;
5. Reports from at least the last two consecutive months that verify income from assets to be submitted by banks or other financial institutions managing savings and checking accounts (bank statements and passbooks), trust funds, money market accounts, certificate of deposit, stocks or bonds (In brokerage accounts – most recent statements and/or in certificate form – photocopy of certificates), whole life insurance. Examples include copies of all interest and dividend statements for savings accounts, interest and non-interest-bearing checking accounts, and investments;
6. Evidence or reports of income from directly held assets, such as real estate or businesses owned by any household member 18 years and older.

7. Interest in a corporation or partnership – Federal tax returns for each of the preceding three tax years.
8. Current reports of assets – Market Value Appraisal or Realtor Comparative Market Analysis and Bank/Mortgage Co. Statement indicating Current Mortgage Balance. For rental property attach copies of all leases.

F. Additional Income Verification Procedures

Student Income

Only full-time income of full-time students is included in the income calculation. A full-time student is a member of the household reported to the IRS as a dependent who is enrolled in a degree seeking program for 12 or more credit hours per semester; and part-time income is income earned on less than a 35-hour workweek.

Income from Real Estate

If real estate owned by an occupant household for affordable housing is a rental property, the rent is considered income. After deduction of any mortgage payments, real estate taxes, property owner insurance and reasonable property management expenses as reported to the Internal Revenue Service, the remaining amount shall be counted as income.

If an occupant household owns real estate with mortgage debt, which is not to be used as rental housing, the Program Case Manager should determine the imputed interest from the value of the property. The Program Case Manager should deduct outstanding mortgage debt from the documented market value established by a market value appraisal. Based on current money market rates, interest will be imputed on the determined value of the real estate.

G. Other Eligibility Requirements

Landlords are to submit the following in the application package for the property requesting assistance via Program funds:

- Copy of current Owner's insurance declarations page (not the entire policy or receipt)
- Proof of flood insurance, if property is located in a flood zone
- Copy of recorded deed to the property to be assisted
- If you are a widow or widower, copy of Death Certificate should be included
- Copy of your most current property tax assessment
- Receipt for property taxes
- Proof that all mortgage payments are current
- Copy of all other liens recorded against the property
- Copy of lease for each rental unit to be assisted via the Program

All Applicants - Tenants/Landlords Must Also Submit:

- Signed Eligibility Release form
- Personal identification (a copy of any of the following: Driver's License, Passport, Birth Certificate, social security card, Adoption Papers, Alien Registration Card, etc.)

H. Requirements of Utilities & Taxes Paid Current

The property tax and municipal utility accounts must be paid current for the property to be assisted via the Program funds.

I. Sufficient Equity

Additionally, to be determined eligible, there must be sufficient equity in the property to cover the program lien plus the total of other liens. In other words, the market value of the property must be greater than the total of the liens combined. The participating municipality may consider a Special Needs Waiver approved by the participating municipality on a case-by-case basis for limited equity, but not for negative equity.

J. Dwelling Conditions

All areas of the dwelling must be readily accessible, uncluttered, and clean. This is in anticipation of the program inspector and contractors' needs of proper and sanitary access for inspections and construction work progress.

If there are any repairs or renovations currently being undertaken on the home by others or the Owner, or done within the last few years that require or required municipal permits, the work must be completed and the permits closed out prior to the Owner applying to the Program.

K. Eligibility Scenarios of Multi-Family Structures

Several possibilities exist concerning the determination of eligibility in a multi-family structure.

Scenario 1: If there is more than one rental unit in a building and each household is determined income eligible, then all the units are eligible for rehabilitation/home improvement.

Scenario 2: If a home improvement must be undertaken which affects all the units in the house/building (e.g., replacement of a roof), but not all the units are eligible, or Tenant is uncooperative, the RRP will only cover a prorated percentage of rehab cost for the units to be assisted. For example, in a two-family home with units of approximately equal size, only 50% of the cost of roof replacement will be covered. Another example, for a four-family home with all units of equal size of which three units are to participate in the Program, 75% of the cost of roof replacement would be covered. Where units differ by more than 10% in size, the proration should be based on percentage of square footage within each unit compared to the total interior square

footage of all other units in the structure. Shared common areas should not be counted in the denominator for the pro rata calculation.

If any of the conditions in Scenario 2 above apply to an Applicant's case, CGP&H sends a letter that explicitly identifies which of the units are eligible for rehabilitation and divides the hard costs of the rehabilitation project between the Program and the Owner on a pro rata basis. The Owner's monetary contribution is to be paid prior to the start of construction at the preconstruction conference in the form of a money order or certified check made payable to the Contractor but held by the Program. This is in addition to the 25% required match from investor properties explained in Section IV *Funding Terms* sub-section C. The payment is held by the Program until the work is satisfactorily completed, at which time the Program will release the payment to the Contractor.

L. Eligibility Certification

After the Program Administrator has determined that the household(s) is(are) income eligible and meets all other eligible requirements, the Program Manager will complete and sign the Eligibility Certification(s). The certifications are always valid for six months starting from date of eligibility certification. A Construction Agreement must be signed within this time period. If not, the Program Administrator must reevaluate each household's eligibility.

After the household is certified as income eligible, the Owner/Program Agreement will be executed between the Owner and the Program.

M. Housing Inspection/Substandard Certification/Work Write Up/Cost Estimate

The Program Inspector will perform a comprehensive inspection to determine what work items are necessary to bring the home up to code, as identified in Section III C. Photos will be taken at the comprehensive inspection to document existing conditions. As a result of the comprehensive inspection, the Program Inspector will prepare a work write-up and cost estimate. All repairs needed to bring the structure and all participating units up to code will be identified. This work write-up will include a breakdown of each work item by category and by location in the house. The work write-up will contain information as to the scope of work and specifics on materials such as type, quantity and cost. A total cost estimate will be calculated for each housing unit. The RRP's policy is to create Work Write-Ups and Cost Estimates that fall within the RRP funding caps. In unusual hardship cases and when the cost to correct all code violations exceeds the program funding limit, the RRP will seek the Owner's monetary contribution. If the Owner is unable to contribute funds or obtain funds from another funding source, the RRP will request additional funds from the participating municipality. If the unit cannot be brought up to code with the combination of funds available, the unit may not proceed.

For houses built prior to 1978, refer to Section VII Lead Based Paint (LBP).

N. Contractor Selection

The Owner, with the approval of the Program Inspector, will select the Contractor using the following procedures. The Case Manager will provide the Owner with a copy of the work write up and the Program Contractor list. The Owner will complete the Work Write-Up Review Form indicating review and approval of the work write-up and advising of any Contractors currently on the Program Contractor list that the Owner does not wish to have notified of the availability of the bid package. If the Owner wishes to solicit a bid from a Contractor not currently on the Program Contractor list, the Owner will provide the Contractor's name, address and telephone number on the Work Write-Up Review Form. Any Contractors that have not been previously qualified are eligible to participate but must submit their qualifications as well as their bid in the bid package.

The Case Manager will notify at least three (3) currently active Contractors that a bid package for the property is available. Each Contractor must contact the Case Manager to obtain a full bid package and the Contractor must submit a bid to the Case Manager by the submission deadline (usually within three (3) weeks of the date of the bid notification letter). All submitted bids will be opened at the Program Administrator's office and recorded by the Program Administrator at a meeting open to the homeowner, the contractors and municipal staff if they choose to attend.

The submitted bids will be reviewed by the Owner and the Program Inspector. Generally, the lowest responsible bid from a qualified Contractor will be chosen. If the Owner selects a higher bid, he/she must pay the difference between the chosen and the lowest responsible bid. Contractors will be notified of the results of the bidding within one (1) week of the date the Owner makes his/her Contractor selection.

O. Pre-Construction Conference/Contract Signing

Upon issuance of Contractor award, the Program Inspector will conduct a pre-construction conference with the Owner and Contractor. Prior to the pre-construction conference the Owner will be provided with copies of the loan documents, the Construction Agreement and the Deed Restriction (COAH Form Appendix E-3). The Contractor will be provided with a copy of the Construction Agreement for review. At the time of the pre-construction conference, the scope of work will once again be reviewed. The Owner and Contractor responsibilities will also be reviewed, as well as the Program's construction procedures and Program limitations. The Owner and Contractor will each sign the Construction Agreement and receive copies. The Owner will also sign and receive copies of the Mortgage, Mortgage Note and, the Deed Restriction. The Mortgage Note will reflect the amount of the RRP loan.

The Owner's contribution (if applicable) must be provided at the time of the pre-construction conference in the form of a certified check or money order made payable to the Contractor. The check will be held by the Program and will be applied towards the Contractor's first progress payment.

The Contractor will be provided with information regarding the Lead-Based Paint Poisoning Prevention Act (4a.USC 483 1 (b)). The Owner will be advised of the hazards of lead-based paint in houses built prior to 1978 and provided with the EPA booklet *Protect Your Family from Lead in Your Home* to give to the tenants. Both Contractor and Owner will each sign the respective Certifications. Additionally, for houses built prior to 1978, Section VII Lead Based Paint (LBP) applies.

Following the pre-construction meeting, the Case Manager will provide the Municipal Housing Liaison and/or other municipally designated officials of the participating municipality with a copy of the Construction Agreement which includes identifying the Owner, the property, the Contractor, and the scope of work to be shared with the Construction office to ensure the Contractor makes application for the applicable permits. For each job, the participating municipality's Construction office will notify the Case Manager which permits are required to compare to the permit documentation later provided by the Contractor.

It is the Contractor's responsibility to ensure all required permits are applied for prior to the start of construction and, if applicable, at the time of any change orders.

The construction permitting process is handled by the participating municipality's Construction office.

P. Initiate Participating Municipality Voucher

The Program will follow the participating municipality's payment vouchering system. The participating municipality will establish a rehabilitation construction loan account to address the administrative complexities of this program and the need to provide timely payments to small contractors. Ultimately upon construction completion, the payments will equal the full voucher amount plus or minus any change orders.

Q. Progress Inspections

The Program Inspector will make the necessary inspections of the progress of property improvements. Inspections are necessary to ensure that the ongoing improvements coincide with the scope of work outlined in the work write-up. It is the Contractor's responsibility to notify the Program Inspector when a minimum of 40% of the total contract work is completed. The Program

Inspector will schedule the inspection with the Owner, at which time the Program Inspector will also obtain verbal confirmation from the Owner that the work is ready for inspection.

If work passes the satisfactory progress inspection, the Case Manager will follow the procedures spelled out in Section V subsection *T. Payment Structure and Process* to process a Contractor's progress payment request.

The Program Inspector will notify the Contractor and the Owner in writing of any work deficiencies discovered during the progress inspection. Work deficiencies must be corrected prior to the Contractor's request for the next inspection.

For properties built prior to 1978, a work item marked *EPA RRP Rule* cannot be paid for until the Contractor provides a post renovation report to the Program. Refer to Section VII Lead Based Paint (LBP) for the EPA regulation.

R. Change Orders

If it is determined during rehabilitation that a change from the original work write-up is required, a Program Change Order Authorization form must be completed and approved by the Owner, the Contractor, and the Program. The Case Manager will forward the executed change order to the participating municipality. Change orders are approved via resolution or as normally required by each participating municipality.

The Contractor will be notified by the Case Manager of the results, and no change order work should be undertaken by the Contractor until he/she has received a copy of the fully executed Change Order Authorization or the Contractor risks non-payment for the change order work.

The timing of emergency change orders, such as discovery during roof rip off, and municipal resolution, if needed, will be worked out with each participating municipality.

S. Final Inspection

Prior to requesting a final inspection, it is the Contractor's responsibility to:

- Properly close out all the permits and to provide proof of closed out permits to the Case Manager via the municipal Certificate of Approval;
- Deliver to the Owner a complete release of all liens arising out of the Construction Agreement, a receipt in full covering all labor, materials and equipment for which a lien could be filed or a bond satisfactory to the Owner, indemnifying Owner against any lien; and

- Provide the Owner with all applicable warranties for items installed and work completed during the course of the rehabilitation.

Once the Contractor has provided the Case Manager with all required job closeout forms, the Contractor will be responsible to request the Program's final inspection. The Program Inspector will schedule the final inspection with the Owner, at which time the Program Inspector will also obtain verbal confirmation from the Owner that the rehabilitation work has been completed and is ready for inspection. The Program Inspector will then conduct a final inspection to certify that the required property improvements are complete. The Owner will be present during the final inspection and the Contractor will be present if there are issues to resolve.

Work line items will be inspected and considered for payment. If the work passes satisfactory final inspection, the Case Manager will follow the procedures spelled out in Section V subsection *T. Payment Structure and Process* to process the Contractor's final payment request.

For houses built prior to 1978, a work item marked *EPA RRP Rule* cannot be paid for until the Contractor provides a post renovation report to the Program. Refer to Section VII Lead Based Paint (LBP) for the EPA regulation.

If the Program Inspector identifies any work deficiencies during the final inspection, the Program Inspector will notify the Contractor and the Owner of the deficiencies in writing and the value of said deficiencies will be deducted from the final payment request. Work deficiencies discovered during the final inspection will require the Program Inspector to conduct a subsequent inspection upon Contractor's correction of deficiencies. The Rehabilitation Program reserves the right to hold the Contractor responsible to pay the cost of any additional inspections beyond the final inspection at a rate of \$350 per inspection for prematurely requesting the final inspection with the work not 100% completely done in a workman-like manner. Additional inspections are those in excess of the one progress inspection and the final inspection which are needed to inspect corrected deficiencies. The Contractor must issue the failed final inspection penalty payment directly to CGP&H via a check prior to the program inspector scheduling and repeating the final inspection process. CGP&H will notify the participating municipality each time a penalty is levied.

The Program lien period will commence upon satisfactory completion of the final inspection. Photographs will be taken of the rehabilitated housing unit by the Program Inspector at the time of the satisfactory final inspection.

T. Payment Structure and Process

The participating municipality will issue all payments, which will be made according to the following schedule:

One progress payment (representing a minimum of 40% of total contract work completed) will be paid. Upon completion of one hundred percent (100%) of the rehabilitation work, the contractor is eligible for final payment of the contract price.

Upon a satisfactory program inspection, and confirmation from the Case Manager that all Contractor's documents have been submitted according to program procedures, the Case Manager will submit to the Municipal Housing Liaison:

- Program's Request for Payment form with Owner's and Program's written approval
- The participating municipality voucher signed by the contractor and adjusted to match the current payment amount
- Copy of change order, if one occurred
- Copy of Contractor's business registration and W-9 (only needed for Contractor's first program job)

The participating municipality retains the right to make payments to the contractor without homeowner approval should the homeowner become unavailable to sign the Program contractor payment form due to illness or absence. In such instance, the Program shall make reasonable attempts to contact the homeowner. If such efforts are not successful within a two-week period from the final inspection date, the Program shall advise the participating municipality, provide documentation of efforts to obtain homeowner approval, and may authorize contractor payment without homeowner sign-off, to not hold up payment rightfully due to the Contractor.

The Case Manager is to submit the contractor payment request to the Municipal Housing Liaison for receipt no later than ten (10) days prior to the participating municipality's bill night. If acceptable, the payment request will be placed on that upcoming Bill Night agenda. The participating municipality will forward to the Case Manager a copy of the executed payment to the Contractor for case file records.

Upon job completion, the combined participating municipality payments will total the Construction Agreement, including all applicable change order(s) if any, and minus Owner contribution, if any. The combined participating municipality payments will also match the final participating municipality Voucher amount. Progress and final payments will be made payable to the Contractor.

U. Standard Certification

A Certificate of Approval issued by the municipal construction official at the time the Contractor closes out the rehabilitation construction permits, will confirm the scope of rehabilitation work has been completed and that the housing unit is now up to code standard. The Contractor is to provide

the Certificate of Approval to the Case Manager when requesting the final inspection. The Case Manager will ensure that a copy of the Certificate of Approval is placed in the case file.

V. Record Mortgage Documentation

At construction completion, the Case Manager will forward the executed mortgage and Deed Restriction to the participating municipality for County recording. The participating municipality will immediately file the mortgage with the County Clerk.

W. File Closing

The Case Manager will close the Owner's file after the final payment is made and the mortgage, and Deed Restriction are returned from the County with recorded date, book and page. A program letter will be sent to the Owner, thanking him/her for participating in the Program.

X. Requests for Subordination or Program Loan Payoff

The participating municipality may agree to subordination of its Program lien if the mortgage company supplies an appraisal showing that the new loan plus the balance(s) on all unpaid loans (including the value of the rehabilitation assistance) does not exceed ninety-five (95%) of the appraised value of the unit. If the Owner is simply refinancing their primary mortgage to a lower interest rate and not "cashing out" any equity, the participating municipality will subordinate up to 100% of the appraised value.

The fee to process subordination requests will be paid by the Owner directly to CGP&H at a rate of \$175 per request.

VI. CONTRACTOR REQUIREMENTS AND RECRUITMENT

A. Marketing

The Program will coordinate with the participating municipality to display a Contractor outreach poster in the participating municipal building and the local construction office, to advertise the availability of construction work. If determined needed, additional outreach will be conducted via postcard mailing and emails to the home improvement contractors registered with Consumers Affairs, and additionally, if needed, in the local newspapers and through the posting of community notices. As necessary, the Program will advertise the availability of construction work by posting information at local building supply dealers. All interested Contractors will have the opportunity to apply for inclusion on the Program Contractor list, which will be made available for the Owner's use in selecting rehabilitation Contractors. The Contractor outreach material will also be posted on CGP&H's website.

B. Contractor Qualifications

To qualify, Contractors must meet the following minimum requirements:

- Contractors must carry at least \$1,000,000 in general liability insurance. The Contractor shall carry full workmen's compensation coverage including Employer's Liability limits of at least \$500,000 and statutory state coverage for all of his/her employees and those of his/her subcontractors engaged in program rehab work. The Contractor must provide the Case Manager with a certificate of insurance naming the Program as Certificate Holder, and naming the participating municipality and CGP&H as additional insureds at time of program job award; and
- At least three favorable references on the successful completion of similar work; and
- A reference of permit compliance from a municipal inspector (building inspector, code official, etc.); and
- The Contractor's State Business Registration Certificate; and
- Current Consumer Affairs Home Improvement Contractor license; and
- Applicable lead certifications for Contractors working on houses built prior to 1978. As identified in the scope of work, the Contractor must comply with the EPA Renovation, Repair and Painting (RRP) Rule regarding certification; and
- If claiming prior experience with local, state or federally funding housing rehabilitation programs, a record of satisfactory performance in a neighborhood rehabilitation program or other federal/state programs; and
- Appropriate licenses; e.g. plumbing, electrical.

Contractors must also complete a Contractor Qualification Form. The Contractor's qualifications will be reviewed and the references cited will be checked by the Program Inspector before the Contractor is awarded a job.

VII. LEAD BASED PAINT (LBP):

For houses built prior to 1978, Contractors must comply with the Environmental Protection Agency Renovation, Repair and Painting Rules (40 CFR Part 745) when any work item is marked with (EPA-RRP Rule) in the work specifications. For multi-family housing (3 or more dwelling units) that were built prior to 1978, the Department of Community Affairs (DCA) N.J.A.C. 5:10 regulations require dwellings be maintained in a lead-safe manner. The program shall presume lead-based paint exists. All program work marked lead safe work practices & lead clearance

(LSWP&LC) shall be completed by EPA Certified Renovators and lead clearance shall be completed per N.J.A.C. 5:17. The Landlord has the option to pursue a Lead-Free building certification via a personally paid for lead inspection by a New Jersey certified inspector/risk assessor.

VIII. RENTAL PROCEDURES:

Rental units are subject to UHAC at N.J.A.C. 5-80-26.1 et. seq. once the rental units are rehabilitated. In addition to the mortgage and mortgage note, the controls on affordability shall be in the form of a deed restriction with each affordable unit specified as either low or moderate-income rental unit.

The Program shall be administered in accordance with the following as it pertains to rentals:

- If a unit is vacant, upon initial rental subsequent to rehabilitation, or if a renter-occupied unit is re-rented prior to the end of controls on affordability, the deed restriction shall require the unit be rented to an income eligible household at an affordable rent at an amount not to exceed the maximum permitted rent and affirmatively marketed pursuant to UHAC, subject to the specific maximum income requirements for each deed restricted unit low or moderate income units). Units unoccupied at time of application will have a thirty year control period and be restricted as low income rental units.
- If a unit is renter-occupied, upon completion of the rehabilitation, the maximum rate of rent shall be the lesser of the current rent or the maximum permitted rent pursuant to UHAC, based on existing tenant's income.
- Rental Increases: See section VIII C, below.

The participating municipality's Administrative Agent will administer the rental affordability controls during the deed restricted affordability period for each rental property assisted. Landlords are responsible to pay income certification fees for re-rentals.

A. Determining Initial Affordable Rents

Housing units that are vacant when entering the program shall be designated low income units with 30 year controls on affordability. The rent for these units shall be based on the UHAC procedures for a low income unit.

Occupied housing units shall be determined to be low or moderate income units based on the income of the tenant. A housing unit occupied by a low income unit shall be determined to be a low income unit and a housing unit occupied by a household with income between 50 and 80 percent of median income shall be considered a moderate income unit.

The rent of an occupied unit shall be the lesser of the existing rent or the rent permitted for a low or moderate income based on the UHAC procedures.

B. Pricing by Household Size

Initial rents are based on the number of legal bedrooms in each unit. Initial rents must adhere to the following rules.

Table 2: Investor-Owned Terms & Conditions

Size of Unit	Household Size Used to Determine Max Rent
Studio/Efficiency	1
1 Bedroom	1.5
2 Bedrooms	3
3 Bedrooms	4.5
4 Bedrooms	6

- A studio shall be affordable to a one-person household;
- A one-bedroom unit shall be affordable to a one- and one-half person household;
- A two-bedroom unit shall be affordable to a three-person household;
- A three-bedroom unit shall be affordable to a four- and one-half person household; and
- A four-bedroom unit shall be affordable to a six-person household.

The above rules are only to be used for setting initial rents.

C. Determining Rent Increases

Rents for rehabilitated units may increase annually based on the standards in Appendix A, entitled Court-Approved Calculation of Annual Increases to Income Limits, Resale Prices, and Rents, and only upon written notification from the Administrative Agent. In addition, CGP&H, or the participating municipality's own Administrative Agent must be used by the Landlord to ensure that all appropriate affirmative marketing and all other affordable housing compliance procedures are followed and will continually oversee compliance for these affordable rental units throughout their restrictive term.

These increases must be filed with and approved by the Administrative Agent. Property managers or landlords who have charged less than the permissible increase may use the maximum allowable rent with the next Tenant with permission of the Administrative Agent. Rents may not be increased more than once a year, may not be increased by more than one DCA or

Court-approved increment at a time, and may not be increased at the time of new occupancy if this occurs less than one year from the last rental. No additional fees may be added to the approved rent without the express written approval of the Administrative Agent.

IX. MARKETING STRATEGY

In lieu of a separate submission of the Program's marketing plan for DCA and/or the Court's approval, this section will satisfy the obligation of N.J.A.C. 5:93-5.2(d). In coordination with the participating municipality, the Program Administrator will employ a variety of proven strategies to advertise the Program within the participating municipality to establish demand for the Program, and ideally, develop an applicant pool/waiting list. The marketing strategy/plan possibilities include but are not limited to:

- Creation and distribution of Program Owner outreach material as applicable
- Place Program outreach material on the participating municipality's website
- Place Program outreach material on CGP&H's website
- Direct mailing to Landlords
- Appending announcements and/or flyers to other participating municipality's mailings as they become available (tax, etc.) whenever available and appropriate
- Periodic newspaper advertisements (cost shared by participating municipalities), at least annually unless other marketing strategies are sufficient
- Municipal E-newsletter and paper newsletter (if available)
- Periodic Press releases
- The order of method used will be analyzed to implement the most effective combination of strategies. Extensive marketing efforts are essential for all successful housing rehabilitation programs to meet their productivity objectives.

Available rental units assisted via the RRP will be affirmatively marketed in accordance with the participating municipality's Affordable Housing Affirmative Marketing Plan.

X. MAINTENANCE OF RECORDS AND CLIENT FILES

A. Programmatic Recording

The Program files will include:

- The policies and procedures manual, which will also be updated when applicable.
- An applicant pool will be maintained by the Program staff to track intake of the people interested in the Program and the corresponding outgoing application invites.
- A rehabilitation log will be maintained by the program staff that depicts the status of all applications in progress.

B. Participant Record keeping

The Program will be responsible for ensuring that individual files for each unit are established and maintained. If CGP&H is not also the Administrative Agent for the participating municipality, completed files will be sent over to the participating municipality's Administrative Agent participating municipality upon completion. Each completed file will contain a minimum of the following:

- Checklist
- Application form
- Tenant Application form (Rental Units Only) including rental lease
- Proof of ownership
- Income verification (for all households)
- Proof of currency of property tax and, when applicable, municipal utilities accounts
- Proof of owner extended coverage/hazard insurance (Declaration Page)
- Proof that the municipal lien plus the total of other liens does not exceed the market value of the unit.
- Certification of Eligible Household or Notice of Ineligible Household (whichever is applicable)
- Owner/Program Agreement
- Certificate of Substandard
- Work Specifications/Cost Estimate aka Work Write-Up
- Bid Notice
- Contractor bids

- Bid Tabulation
- Construction Agreement
- Mortgage, Mortgage Note and Deed Restriction
- Notice of Right of Rescission
- Owner Confirmation of Receipt of EPA Lead Information Pamphlet
- Contractor Confirmation of Receipt of Lead Paint Notice
- Copies of all required permits
- Change orders, if any
- Work progress and final inspection reports
- Copies of Contractor payment documentation
- Photographs (Before and After)
- Close-out documents
- Certification of Approval

C. Reporting

For each unit, the following information must be retained to be reported annually:

- Street Address
- Block/Lot/Unit Number
- Owner/Renter
- Income: Low/Mod
- Final Inspection Date
- Funds expended on Hard Costs
- Funds Recaptured
- Major Systems Repaired
- Unit Below Code & Raised to Code
- Effective date of affordability controls
- Length of Affordability Controls (yrs)
- Date Affordability Controls removed
- Reason for removal of Affordability Controls

The Program Administrator is responsible for entering each completed unit's data into the State's online CTM system.

D. Financial Recordkeeping

Financial recordkeeping through the State's online CTM system, if the option is currently available, is the responsibility of the Municipal Housing Liaison.

XI. APPEALS PROCESS

The Program staff is skilled in effectively achieving resolution of homeowner/contractor disputes, in a fair and documented manner.

If a homeowner refuses to pay the contractor and work has been done to work specification and to the satisfaction of the Program, it may authorize payment to the contractor directly. However, the Program will make a reasonable attempt to resolve the differences before taking this step.

However, on the rare occasion if a homeowner or contractor decides to dispute a Program staff decision, the Municipal Administrator will act as a mediator to resolve the differences. Homeowners or contractors involved in a dispute will be instructed to submit their concerns in writing. The homeowner or contractor may request a hearing conducted by the Municipality's Governing Body if the homeowner or contractor challenges the Municipal Administrator's decision. The Municipality's decisions are final.

Additionally, the Municipality may decide on cases that are not clearly determined via the Policy and Procedures Manual, requiring either a change to the Manual, a waiver approval or waiver denial. During this process, when discussing case specifics with and among Governing Body members, the confidentiality of the individual Owner will be protected by use of case numbers rather than names.

XII. CONCLUSION

If the procedures described in this manual are followed, each participating municipality's Rental Rehabilitation Program should operate smoothly and effectively. Where it is found that a new procedure will eliminate a recurring problem, that procedure may be incorporated into the Program operation following outreach and concurrence from the participating jurisdictions.

This manual may be periodically revised to reflect changes in local, state and federal policies and regulations relative to the Home Improvement Program.

XIII. LIST OF PROGRAM FORMS

- Application Transmittal Letter
- Program Information Handout
- Application for Assistance- Homeowner/Landlord
- Application for Assistance- Tenant
- Eligibility Release Form
- Checklist
- Special Needs Waiver (Eligibility Requirements)
- Special Needs Waiver (Exceed Program Limit)
- Certification of Eligible Household
- Eligibility Determination Form
- Notification of Eligibility
- Notification of Ineligibility
- Owner/Program Agreement
- Certificate of Substandard
- Certificate of Substandard – Emergency Situation
- Letter: forward work write-up and Contractor list to Owner
- Work write-up review form
- Request for Rehabilitation Bid
- Affidavit of Contractor
- Subcontractor Bid Sheet
- Bid Tabulation/Contractor Selection
- Construction Agreement
- Mortgage
- Mortgage Note
- Notice of Right of Rescission
- COAH Deed Restriction (when applicable)
- Owner Confirmation of Receipt of EPA Lead Information Pamphlet
- Contractor Confirmation of Receipt of Lead Paint Notice
- Notice to Proceed
- Contractor's Request for Final Inspection
- Change Order Authorization
- Certificate and Release
- Closeout Statement

APPENDIX A: Calculating Annual Increase Procedures

Calculating Annual Increases to Income Limits, Resale Prices, and Rents

Income limits for all units that are part of the participating municipality's Housing Element and Fair Share Plan and 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 participating municipality 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 participating municipality is located within, 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 participating municipality'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 B 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 participating municipality 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 participating municipality 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.

In establishing sale prices and rents of affordable housing units, the administrative agent shall follow the procedures set forth in UHAC, utilizing the regional income limits established pursuant to the process defined above:

- a. The resale prices 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 determined pursuant to the process outlined above. In no event shall the maximum resale price established by the administrative agent be lower than the last recorded purchase price.
- b. 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 nine percent 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.

Prepared by Affordable Housing Professionals of New Jersey (AHPNJ) - April 24, 2020
2020 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

	1 Person	*1.5 Person	2 Person	*3 Person	4 Person	*4.5 Person	5 Person	6 Person	7 Person	8+ Person	Max Increase Rents** Sales***	Regional Asset Limit****
Region 1												
Median	\$67,166	\$71,964	\$76,761	\$86,357	\$95,952	\$99,790	\$103,628	\$111,304	\$118,980	\$126,656		
Moderate	\$53,733	\$57,571	\$61,409	\$69,085	\$76,761	\$79,832	\$82,902	\$89,043	\$95,184	\$101,325	1.9%	\$185,539
Low	\$33,583	\$35,982	\$38,381	\$43,178	\$47,976	\$49,895	\$51,814	\$55,652	\$59,490	\$63,328	0.84%	
Passaic and Sussex	\$20,150	\$21,589	\$23,028	\$25,907	\$28,786	\$29,937	\$31,088	\$33,391	\$35,694	\$37,997		
Region 2												
Median	\$73,857	\$79,132	\$84,408	\$94,959	\$105,510	\$109,730	\$113,951	\$122,391	\$130,832	\$139,273		
Moderate	\$59,085	\$63,306	\$67,526	\$75,967	\$84,408	\$87,784	\$91,160	\$97,913	\$104,666	\$111,418	1.9%	\$202,419
Low	\$36,928	\$39,566	\$42,204	\$47,479	\$52,755	\$54,865	\$56,975	\$61,196	\$65,416	\$69,636	4.71%	
Union and Warren	\$22,157	\$23,740	\$25,322	\$28,488	\$31,653	\$32,919	\$34,185	\$36,717	\$39,250	\$41,782		
Region 3												
Median	\$83,650	\$89,625	\$95,600	\$107,550	\$119,500	\$124,280	\$129,060	\$138,620	\$148,180	\$157,740		
Moderate	\$66,920	\$71,700	\$76,480	\$86,040	\$95,600	\$99,424	\$103,248	\$110,896	\$118,544	\$126,192	1.9%	\$227,546
Low	\$41,825	\$44,813	\$47,800	\$53,775	\$59,750	\$62,140	\$64,530	\$69,310	\$74,090	\$78,870	1.01%	
Somerset	\$25,095	\$26,888	\$28,680	\$32,265	\$35,850	\$37,284	\$38,718	\$41,586	\$44,454	\$47,322		
Region 4												
Median	\$76,469	\$81,931	\$87,393	\$98,317	\$109,242	\$113,611	\$117,981	\$126,720	\$135,460	\$144,199		
Moderate	\$61,175	\$65,545	\$69,915	\$78,654	\$87,393	\$90,889	\$94,385	\$101,376	\$108,368	\$115,359	1.9%	\$205,486
Low	\$38,235	\$40,966	\$43,697	\$49,159	\$54,621	\$56,806	\$58,990	\$63,360	\$67,730	\$72,099	5.96%	
Monmouth and Ocean	\$22,941	\$24,579	\$26,218	\$29,495	\$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		
Moderate	\$54,096	\$57,960	\$61,824	\$69,552	\$77,280	\$80,371	\$83,462	\$89,645	\$95,827	\$102,010	1.9%	\$179,028
Low	\$33,810	\$36,225	\$38,640	\$43,470	\$48,300	\$50,232	\$52,164	\$56,028	\$59,892	\$63,756	7.21%	
Gloucester	\$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		
Moderate	\$45,966	\$49,250	\$52,533	\$59,100	\$65,666	\$68,293	\$70,919	\$76,173	\$81,426	\$86,679	1.9%	\$153,730
Low	\$28,729	\$30,781	\$32,833	\$36,937	\$41,041	\$42,683	\$44,325	\$47,608	\$50,891	\$54,175	6.97%	
May, Cumberland, and Salem	\$17,237	\$18,469	\$19,700	\$22,162	\$24,625	\$25,610	\$26,595	\$28,565	\$30,535	\$32,505		

Moderate income is between 80 and 50 percent of the median income. Low income is 50 percent or less of median income. Very low income is 30 percent or less of median income.

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

**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 expenditure category and commodity and service group). Landlords who did not increase rents in 2015, 2016, 2017, 2018 or 2019 because of the lack of authority to do so, may increase rent by up to the applicable combined percentage including 2020 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.

*** 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 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.

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.

Appendix C

Extension of Controls – 468 N. Church Street

Prepared by:

NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY
Housing Affordability Service
637 South Clinton Avenue
P.O. Box 18550
Trenton, NJ 08650-2085

MANDATORY DEED FORM FOR OWNERSHIP UNITS
DEED

**DEED-RESTRICTED AFFORDABLE HOUSING UNIT WITH
RESTRICTIONS ON RESALE AND REFINANCING**

To State Regulated Property
With Covenants Restricting Conveyance
And Mortgage Debt

This DEED is made on this day **April 30, 2021** by and between

Township of Moorestown (Grantor) whose address is **111 W. 2nd Street, Moorestown, NJ 08057** and

Syrecta Cartheida Shepherd, Single (Grantee), whose address is about to become **468 North Church Street, Moorestown, NJ 08057**.

Article 1. Consideration and Conveyance

In return for payment to the Grantor by the Grantee of **One Hundred Twenty Thousand Dollars (\$120,000.00)**, the receipt of which is hereby acknowledged by the Grantor, the Grantor hereby grants and conveys to the Grantee all of the land and improvements thereon as in more specifically described in Article 2, hereof (the Property).

Article 2. Description of Property

The Property consists of all of the land, and improvements thereon, that is located in the municipality of **Moorestown Township**, County of **Burlington**, State of New Jersey, and described more specifically as **Block No. 2300, Lot No. 7.4**, and known by the street address:

**468 North Church Street
Moorestown, NJ 08057**

Schedule A attached hereto.

Being the same premises conveyed to Grantor herein by Deed from **Carmen Robinson f/k/a Carmen Ruiz and Richard C. Robinson**, wife and husband dated **February 27, 2019** and recorded on **March 12, 2019** in Deed Book **OR-13378, Page 2972**, in the office of the Clerk of **Burlington County**.

Being the same land and premises which became vested in **Carmen Ruiz** by Deed from **Moorestown Ecumenical Neighborhood Development, Inc.**, a New Jersey Non-Profit Corporation, dated **October 22, 1992**, recorded **November 30, 1992** in the **Burlington County Clerk/Register's Office** in Book **4448, Page 242**.

Article 3. Grantor's Covenant

The Grantor hereby covenants and affirms that Grantor has taken no action to encumber the Property. This promise is called a "covenant as to grantor's act" (N.J.S.A. 46:4-6). This promise means that the Grantor has not allowed anyone else to obtain any legal rights which affect the property (such as by making a mortgage or allowing a judgment to be entered against the Grantor.)

Article 4. Affordable Housing Covenants

Sale and use of the Property is governed by regulations known as the Uniform Housing Affordability Controls, which are found in New Jersey Administrative Code at Title 5, chapter 80, subchapter 26 (N.J.A.C. 5:80-26.1, *et seq*, the "Regulations") and any amendments, changes or supplements thereto. Consistent with the Regulations, the following covenants (the "Covenants") shall run with the land for the period of time commencing upon the earlier of (a) the date hereof or (b) the prior commencement of the "Control Period", as that term is defined in the Regulations, and terminating upon the expiration of the Control Period as provided in the Regulations.

In accordance with N.J.A.C. 5:80-26.5, each restricted unit shall remain subject to the requirements of this subchapter, the "Control Period," until the municipality in which the unit is located elects to release the unit from such requirements. Prior to such a municipal election, a restricted unit must remain subject to the requirements of this subchapter for a period of at least 30 years; provided, however, that units located in high-poverty census tracts shall remain subject to these affordability requirements for a period of at least 10 years;

- A. The Property may be conveyed only to a household who has been approved in advance and in writing by the Housing Affordability Service of the New Jersey Housing and Mortgage Finance Agency, or other administrative agent appointed under the Regulations (hereinafter, collectively, the "Administrative Agent").
- B. No sale of the Property shall be lawful, unless approved in advance and in writing by the Administrative Agent, and no sale shall be for a consideration greater than maximum permitted price ("Maximum Resale Price", or "MRP") as determined by the Administrative Agent.
- C. No refinancing, equity loan, secured letter of credit, or any other mortgage obligation or other debt (collectively, "Debt") secured by the Property, may be incurred except as approved in advance and in writing by the Administrative Agent. At no time shall the Administrative Agent approve any such Debt, if incurring the Debt would make the total of all such Debt exceed Ninety-Five Percent (95%) of the applicable MRP.
- D. The owner of the Property shall at all times maintain the Property as his or her principal place of residence.
- E. Except as set forth in F, below, at no time shall the owner of the Property lease or rent the Property to any person or persons, except on a short-term hardship basis as approved in advance and in writing by the Administrative Agent.
- F. If the Property is a two-family home, the owner shall lease the rental unit only to income-certified low-income households approved in writing by the Administrative Agent, shall charge rent no greater than the maximum permitted rent as determined by the Administrative Agent, and shall submit for written approval of the Administrative Agent copies of all proposed leases prior to having them signed by any proposed tenant.
- G. No improvements may be made to the Property that would affect its bedroom configuration, and in any event, no improvement made to the Property will be taken into consideration to increase the MRP, except for improvements approved in advance and in writing by the Administrative Agent.

Article 5. Remedies for Breach of Affordable Housing Covenants

A breach of the Covenants will cause irreparable harm to the Administrative Agent and to the public, in light of the public policies set forth in the New Jersey Fair Housing Act, the Uniform

Housing Affordability Control rules found at N.J.A.C. 5:80-26, and the obligation for the provision of low and moderate-income housing. Accordingly, and as set forth in N.J.A.C. 5:80-26.10A(b):

- A. In the event of a threatened breach of any of the Covenants by the Grantee, or any successor in interest or other owner of the Property, the Administrative Agent shall have all remedies provided at law or equity, including the right to seek injunctive relief or specific performance.
- B. Upon the occurrence of a breach of any Covenants by the Grantee, or any successor in interest or other owner of the Property, the Administrative Agent shall have all remedies provided at law or equity including but not limited to forfeiture, foreclosure, acceleration of all sums due under any mortgage, recouping of any funds from a sale in violation of the Covenants, diverting of rent proceeds from illegal rentals, injunctive relief to prevent further violation of said Covenants, entry on the premises, those provided under Title 5, Chapter 80, Subchapter 26 of the New Jersey Administrative Code and specific performance.

EXECUTION BY GRANTOR

Signed by the Grantor on the date hereof. If the Grantor is a corporation, this Deed is signed by a corporate officer who has authority to (a) convey all interests of the corporation that are conveyed by this Deed, and (b) to bind the corporation with respect to all matters dealt with herein.

X Nicole M. Gillespie
 Nicole M. Gillespie
 Signed, sealed and delivered in
 the presence of or attested by:

Janeen A. Hunt seal]

_____ [seal]

_____ [seal]

_____ [seal]

CERTIFICATE OF ACKNOWLEDGEMENT BY INDIVIDUAL

State of New Jersey, County of Burlington

I am either (check one) a Notary Public or _____ a _____, an officer authorized to take acknowledgements and proofs in the state of New Jersey. I sign this acknowledgement below to certify that it was executed before me. On this the 29th day of April, 2021 Nicole M. Gillespie appeared before me in person. (If more than one person appears, the words "this person" shall include all persons named who appeared before the officer making this acknowledgement). I am satisfied that this person is the person named in and who signed this Deed.

This person also acknowledged that the full and actual consideration paid or to be paid for the transfer of title to realty evidenced by this Deed, as such consideration is defined in P.L. 1968, c. 49, sec. 1(c), is \$120,000.00.

Vicki M. Gough
 Officer's signature: Sign above, and print stamp or type name below

VICKI M. GOUGH
 NOTARY PUBLIC OF NEW JERSEY
 Comm. # 2365938
 My Commission Expires 10/25/2022

PROOF BY SUBSCRIBING WITNESS

State of New Jersey, County of Burlington

I am either (check one) a Notary Public or _____ a _____, an officer authorized to take acknowledgments and proofs of the State of New Jersey. On this the 29th day of April, 2021, Patricia L. Hunt (hereinafter the "Witness") appeared before me in person. The Witness was duly sworn by me, and under oath stated and proved to my satisfaction that:

1. The Witness, Patricia L. Hunt, is the Clerk of the Township of Moorestown which is the Grantor described as such in this deed (hereinafter the "Township").
2. Nicole Gillespie, the officer who signed this Deed is the Mayor of the Township (hereinafter the "Mayor").
3. The making, signing, sealing and delivery of this Deed have been duly authorized by a proper resolution of the Township Council of the Township.
4. The Witness knows the corporate seal affixed to this Deed is the seal of the Township. The Mayor affixed the seal to this Deed. The Mayor signed and delivered this Deed as and for the voluntary act and deed for the Township. All this was done in the presence of the Witness who signed this Deed as attesting witness. The Witness signed this proof to attest to the truth of these facts.

The Witness also acknowledges that the full and actual consideration paid or to be paid for the transfer of title to realty evidenced by this Deed, as such consideration is defined in P.L. 1968 c. 49, sec. 1(c), is \$120,000.

Sworn and signed before me on the date above written:

Vicki M. Gough
Witness: sign above and print or type name below

Nicole Gillespie
Officer's signature: Sign above, and print, stamp or type name below

VICKI M. GOUGH
NOTARY PUBLIC OF NEW JERSEY
Comm. # 2365938
My Commission Expires 10/25/2022

State of New Jersey
Seller's Residency Certification/Exemption

Seller's Information

Name(s)

Township of Moorestown

Current Street Address

City, Town, Post Office

State

ZIP Code

Property Information

Block(s)

2300

Lot(s)

7.4

Qualifier

Street Address

468 N. Church Street

City, Town, Post Office

Moorestown

State

NJ

ZIP Code

08057

Seller's Percentage of Ownership

100

Total Consideration

\$120,000.00

Owner's Share of Consideration

100%

Closing Date

4/30/2021

Seller's Assurances (Check the Appropriate Box) (Boxes 2 through 16 apply to Residents and Nonresidents)

1. Seller is a resident taxpayer (individual, estate, or trust) of the State of New Jersey pursuant to the New Jersey Gross Income Tax Act, will file a resident Gross Income Tax return, and will pay any applicable taxes on any gain or income from the disposition of this property.
2. The real property sold or transferred is used exclusively as a principal residence as defined in 26 U.S. Code section 121.
3. Seller is a mortgagor conveying the mortgaged property to a mortgagee in foreclosure or in a transfer in lieu of foreclosure with no additional consideration.
4. Seller, transferor, or transferee is an agency or authority of the United States of America, an agency or authority of the State of New Jersey, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or a private mortgage insurance company.
5. Seller is not an individual, estate, or trust and is not required to make an estimated Gross Income Tax payment.
6. The total consideration for the property is \$1,000 or less so the seller is not required to make an estimated Income Tax payment.
7. The gain from the sale is not recognized for federal income tax purposes under 26 U.S. Code section 721, 1031, or 1033 (CIRCLE THE APPLICABLE SECTION). If the indicated section does not ultimately apply to this transaction, the seller acknowledges the obligation to file a New Jersey Income Tax return for the year of the sale and report the recognized gain.
8. Seller did not receive non-like kind property.
9. The real property is being transferred by an executor or administrator of a decedent to a devisee or heir to effect distribution of the decedent's estate in accordance with the provisions of the decedent's will or the intestate laws of this State.
10. The real property being sold is subject to a short sale instituted by the mortgagee, whereby the seller agreed not to receive any proceeds from the sale and the mortgagee will receive all proceeds paying off an agreed amount of the mortgage.
11. The deed is dated prior to August 1, 2004, and was not previously recorded.
12. The real property is being transferred under a relocation company transaction where a trustee of the relocation company buys the property from the seller and then sells the house to a third party buyer for the same price.
13. The real property is being transferred between spouses or incident to a divorce decree or property settlement agreement under 26 U.S. Code section 1041.
14. The property transferred is a cemetery plot.
15. The seller is not receiving net proceeds from the sale. Net proceeds from the sale means the net amount due to the seller on the settlement sheet.
16. The seller is a retirement trust that received an acknowledgment letter from the Internal Revenue Service that the seller is a retirement trust, and is therefore not required to make the estimated Gross Income Tax payment.
17. The seller (and/or spouse/civil union partner) originally purchased the property while a resident of New Jersey as a member of the U.S. Armed Forces and is now selling the property as a result of being deployed on active duty outside of New Jersey. (Only check this box if applicable and neither boxes 1 nor 2 apply.)

Seller's Declaration

The undersigned understands that this declaration and its contents may be disclosed or provided to the New Jersey Division of Taxation and that any false statement contained herein may be punished by fine, imprisonment, or both. I furthermore declare that I have examined this declaration and, to the best of my knowledge and belief, it is true, correct and complete. By checking this box I certify that a Power of Attorney to represent the seller(s) has been previously recorded or is being recorded simultaneously with the deed to which this form is attached.

Date

4/29/2021

Date

Signature (Seller)

Signature (Seller)

Indicate if Power of Attorney or Attorney in Fact

Indicate if Power of Attorney or Attorney in Fact

STATE OF NEW JERSEY
AFFIDAVIT OF CONSIDERATION FOR USE BY SELLER

(Chapter 49, P.L.1968, as amended through Chapter 33, P.L. 2006) (N.J.S.A. 46:15-5 et seq.)

BEFORE COMPLETING THIS AFFIDAVIT, PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE OF THIS FORM.

STATE OF NEW JERSEY

COUNTY BURLINGTON } SS. County Municipal Code 0322

FOR RECORDER'S USE ONLY
Consideration \$
RTF paid by seller \$
Date By

MUNICIPALITY OF PROPERTY LOCATION Moorestown

*Use symbol "C" to indicate that fee is exclusively for county use.

(1) PARTY OR LEGAL REPRESENTATIVE (Instructions #3 and #4 on reverse side)

Deponent, Nicole Gillespie, Mayor, being duly sworn according to law upon his/her oath, deposes and says that he/she is the Grantor in a deed dated April 30, 2021 transferring real property identified as Block number 2300 Lot number 7.4 located at 468 N. Church Street, Moorestown and annexed thereto.

(2) CONSIDERATION \$ 120,000.00 (Instructions #1 and #5 on reverse side) no prior mortgage to which property is subject.

(3) Property transferred is Class 4A 4B 4C (circle one). If property transferred is Class 4A, calculation in Section 3A below is required.

(3A) REQUIRED CALCULATION OF EQUALIZED VALUATION FOR ALL CLASS 4A (COMMERCIAL) PROPERTY TRANSACTIONS: (Instructions #5A and #7 on reverse side)

Total Assessed Valuation ÷ Director's Ratio = Equalized Assessed Valuation

\$ ÷ % = \$

If Director's Ratio is less than 100%, the equalized valuation will be an amount greater than the assessed value. If Director's Ratio is equal to or in excess of 100%, the assessed value will be equal to the equalized valuation.

(4) FULL EXEMPTION FROM FEE (Instruction #8 on reverse side)

Deponent states that this deed transaction is fully exempt from the Realty Transfer Fee imposed by C. 49, P.L. 1968, as amended through C. 66, P.L. 2004, for the following reason(s). Mere reference to exemption symbol is insufficient. Explain in detail.

(b) By or to the United States of America, this State, or any instrumentality, agency or subdivision;

(5) PARTIAL EXEMPTION FROM FEE (Instruction #9 on reverse side)

NOTE: All boxes below apply to grantor(s) only. ALL BOXES IN APPROPRIATE CATEGORY MUST BE CHECKED. Failure to do so will void claim for partial exemption. Deponent claims that this deed transaction is exempt from State portions of the Basic, Supplemental, and General Purpose Fees, as applicable, imposed by C. 176, P.L. 1975, C. 113, P.L. 2004, and C. 66, P.L. 2004 for the following reason(s):

- A. SENIOR CITIZEN Grantor(s) 62 years of age or over.
B. BLIND PERSON Grantor(s) legally blind or
C. DISABLED PERSON Grantor(s) permanently and totally disabled receiving disability payments not gainfully employed*

Senior citizens, blind persons, or disabled persons must also meet all of the following criteria:
Owned and occupied by grantor(s) at time of sale. Resident of State of New Jersey.
One or two-family residential premises. Owners as joint tenants must all qualify.

*IN CASE OF HUSBAND AND WIFE, PARTNERS IN A CIVIL UNION COUPLE, ONLY ONE GRANTOR NEED QUALIFY IF TENANTS BY THE ENTIRETY.

C. LOW AND MODERATE INCOME HOUSING (Instruction #9 on reverse side)

- Affordable according to H.U.D. standards. Reserved for occupancy.
Meets income requirements of region. Subject to resale controls.

(6) NEW CONSTRUCTION (Instructions #2, #10, #12 on reverse side)

- Entirely new improvement. Not previously occupied.
Not previously used for any purpose. "NEW CONSTRUCTION" printed clearly at top of first page of the deed.

(7) RELATED LEGAL ENTITIES TO LEGAL ENTITIES (Instructions #5, #12, #14 on reverse side)

- No prior mortgage assumed or to which property is subject at time of sale.
No contributions to capital by either grantor or grantee legal entity.
No stock or money exchanged by or between grantor or grantee legal entities.

(8) Deponent makes this Affidavit to induce county clerk or register of deeds to record the deed and accept the fee submitted herewith in accordance with the provisions of Chapter 49, P.L. 1968, as amended through Chapter 33, P.L. 2006.

Subscribed and sworn to before me this 29 day of April, 20 21

Signature of Deponent

Township of Moorestown Grantor Name

111W.Second St,Moorestown,NJ Deponent Address

111 W. Second St., Moorestown, NJ Grantor Address at Time of Sale

XXX-XXX-

Last three digits in Grantor's Social Security Number Name/Company of Settlement Officer

VICKI M. GOUGH
NOTARY PUBLIC OF NEW JERSEY
Comm. # 2365938
My Commission Expires 10/25/2022

FOR OFFICIAL USE ONLY
Instrument Number County
Deed Number Book Page
Deed Dated Date Recorded

County recording officers shall forward one copy of each RTF-1 form when Section 3A is completed to:

STATE OF NEW JERSEY
PO BOX 251
TRENTON, NJ 08695-0251
ATTENTION: REALTY TRANSFER FEE UNIT

Appendix D

Centerton Road PILOT Agreement and Authorizing Resolution

15
one file

TOWNSHIP OF MOORESTOWN

RESOLUTION NO. 165-2021

**AUTHORIZING THE MAYOR TO EXECUTE A PILOT AGREEMENT WITH
COMMUNITY INVESTMENT STRATEGIES, INC REGARDING THE
DEVELOPMENT OF REAL PROPERTY COMMONLY 1 OAKLY DRIVE, ALSO
KNOWN AS BLOCK 8801, LOT 4.03**

WHEREAS, the Township has identified property located at 1 Oakly Drive, also known as Block 8801, Lot 4.03 (the "Centerton Road Site"), as a suitable location for the development of the municipally sponsored 100% affordable senior housing community; and

WHEREAS, Community Investment Strategies, Inc. (hereinafter referred to as the "Sponsor") proposes to construct a ±82 unit affordable housing project including one unrestricted superintendent in order to assist in satisfying the Township of Moorestown's Court Ordered Affordable Housing Obligation (hereinafter referred to as the "Project") and pursuant to the provisions of the New Jersey Housing and Mortgage Finance Agency Law of 1983, as amended (N.J.S.A. 55:14K-1 et seq.), the rules promulgated thereunder at N.J.A.C. 5:80-1 et seq., and all applicable guidelines (the foregoing hereinafter referred to as the "HMFA Requirements") within the Township of Moorestown, in the County of Burlington, New Jersey (hereinafter referred to as the "Township") on a site described as Block 8801, Lot 4.03 as shown on the Official Assessment Map of the Township and commonly known as 1 Oakly Drive; and

WHEREAS, the Project will be subject to the HMFA Requirements and the mortgage and other loan documents executed between the Sponsor and the New Jersey Housing and Mortgage Finance Agency (hereinafter referred to as the "Agency"); and

WHEREAS, the Project may or will be subject to requirements of the New Jersey Department of Community Affairs (hereinafter referred to as the "Department of Community Affairs"), Neighborhood Preservation Balanced Housing Program in accordance with N.J.S.A. 52:27D-320 and applicable rules promulgated thereunder at N.J.A.C. 5:43-1.1 et seq., and the mortgage and other loan documents executed between the Sponsor and the Commissioner of the Department of Community Affairs; and the New Jersey Housing and Mortgage Finance Agency, New Jersey Housing and Mortgage Finance Agency Special Needs Housing Trust Program; or other applicable programs, and

WHEREAS, pursuant to the HMFA Requirements, the Township Council of the Township hereby determines that there is a need for this housing project in the Township; and

WHEREAS, the Sponsor has presented to the Township Council a revenue projection for the Project which sets forth the anticipated revenue to be received by the Sponsor from the operation of the Project as estimated by the Sponsor and the Agency, a copy of which is attached hereto and made a part hereof as Exhibit A; and

WHEREAS, the Township Council believes it would be in the best interests of the Township to assist the Sponsor in obtaining financing, and to that end, the Township Council of the Municipality is desirous to authorize the execution of a PILOT Agreement in substantially the form attached hereto as Exhibit "B";

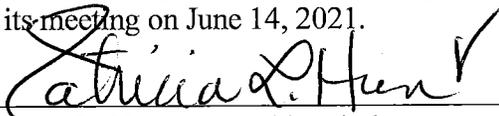
NOW, THEREFORE, BE IT RESOLVED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF MOORESTOWN, COUNTY OF BURLINGTON, IN THE STATE OF NEW JERSEY AS FOLLOWS:

1. The Township Council finds and determines that the proposed Project will meet or meets an existing housing need as determined by an Order of the Superior Court; and
2. The Township Council does hereby adopt this Resolution and makes the determination and findings herein contained by virtue of, pursuant to, and in the conformity with the provisions of the HMFA Requirements with the intent and purpose that the Agency shall rely thereon in making a mortgage loan to the Sponsor, which shall construct, own and operate the Project; and
3. The Township Council does hereby adopt this Resolution with the further intent and purpose that from the date of execution of the Agency mortgage, the proposed Project, including both the land and improvements thereon, will be exempt from real property taxation as provided in the HMFA Requirements, provided that payments in lieu of taxes for municipal services supplied to the Project are made to the Township in such amounts and manner set forth in the Agreement for Payments in Lieu of Taxes attached hereto as Exhibit "B"; and
4. The Township Council hereby authorizes and directs the Mayor and the Township Clerk to execute, on behalf of the Township, the Agreement for Payments in Lieu of Taxes in substantially the form annexed hereto as Exhibit "B"; and
5. The Township Council understands and agrees that the revenue projections set forth in Exhibit "A" are estimates and that the actual payments in lieu of taxes to be paid by the Sponsor to the Township shall be determined pursuant to the Agreement for Payments in Lieu of Taxes executed between the Sponsor and Township.

VOTE:

GILLESPIE	YES
MAMMARELLA	ABSENT
LAW	YES
VANDYKEN	YES
ZIPIN	YES

Certified to be a true and correct copy of a Resolution adopted by the Township Council at its meeting on June 14, 2021.



Patricia L. Hunt, Township Clerk

AGREEMENT FOR PAYMENT IN LIEU OF TAXES

THIS AGREEMENT, made this _____ day of _____, _____, between **Community Investment Strategies, Inc.**, a corporation of the State of New Jersey, having its principal office at 1970 Brunswick Avenue, Suite 100, Lawrenceville, NJ 08648 (hereinafter the "Sponsor"), and the **Township of Moorestown**, in the County of Burlington, a municipal corporation of the State of New Jersey (hereinafter the "Municipality").

WITNESSETH

In consideration of the mutual covenants herein contained and for other good and valuable consideration, it is mutually covenanted and agreed as follows:

1. This Agreement is made pursuant to the authority contained in Section 37 of the New Jersey Housing and Mortgage Finance Agency Law of 1983 (N.J.S.A.55:14K-1 et seq.) (hereinafter "HMFA Law") and a Resolution of the Township Council of the Municipality (the "Resolution") and with the approval of the New Jersey Housing and Mortgage Finance Agency (hereinafter the "Agency"), as required by N.J.S.A. 55:14K-37.
2. The Project is or will be situated on a parcel of land known as Block 8801, Lot 4.03 as shown on the Official Assessment Map of the Township of Moorestown, in the County of Burlington, New Jersey.
3. As of the date the Sponsor executes a first mortgage upon the Project in favor of the Agency (hereinafter referred to as the "Agency Mortgage"), the land and improvements comprising the Project shall be exempt from real property taxes, provided that the Sponsor shall make payments in lieu of taxes to the Municipality as provided hereinafter. Except as set forth in Section 6 of this Agreement, the exemption of the Project from real property taxation and the Sponsor's obligation to make payments in lieu of taxes shall not extend beyond the date on which the Agency Mortgage is paid in full, which according to the HMFA Law, may not exceed fifty (50) years.
4. (a) For projects receiving construction and permanent financing from the Agency, the Sponsor shall make payment to the Municipality of an annual service charge in lieu of taxes in such amount as follows:
 - (1) From the date of the execution of the Agency Mortgage until the date of substantial completion of the Project, the Sponsor shall make payment to the Municipality in an amount equal to \$7,500.00 (pursuant to the HMFA Law, the annual amount may not exceed the amount of taxes due on the property for the year preceding the recording of the Agency Mortgage). As used herein, "Substantial Completion" means the date upon which the Municipality issues the Certificate of Occupancy for all units in the Project.

(2) From the date of Substantial Completion of the Project and for the remaining term of the NJHMFA Mortgage, the Sponsor shall make payment to the Municipality in an amount equal to 1.00 percent of Project Revenues.

(b) For Projects receiving permanent financing only from the Agency, the Sponsor shall make payment to the Municipality in an amount equal to 1.00 percent of Project Revenues, from the date of the Agency Mortgage and for the remaining term of the Agency Mortgage.

(c) As used herein, "Project Revenues" means the total annual gross rental or carrying charge or other income of the Sponsor from the Project less vacancies if any. Project Revenues shall include any rental subsidy contributions received from any federal or state program.

(d) The amount of payment in lieu of taxes to be paid pursuant to paragraphs (a) or (b) and (c) above is calculated in Exhibit "A" attached hereto. It is expressly understood and agreed that the revenue projections provided to the Municipality as set forth in Exhibit "A" and as part of the Sponsor's application for an agreement for payments in lieu of taxes are estimates only. The actual payments in lieu of taxes to be paid by the Sponsor shall be determined pursuant to Section 5 below.

5. (a) Payments by the Sponsor shall be made on a quarterly basis in accordance with bills issued by the Tax Collector of the Municipality in the same manner and on the same dates as real estate taxes are paid to the Municipality and shall be based upon Project Revenues of the previous quarter. No later than three (3) months following the end of the first fiscal year of operation after (i) the date of Substantial Completion (for projects receiving construction and permanent financing) or (ii) the date of the Agency Mortgage (for projects receiving permanent financing only) and each year thereafter that this Agreement remains in effect, the Sponsor shall submit to the Municipality a certified, audited financial statement of the operation of the Project (the "Audit"), setting forth the Project Revenues and the total payments in lieu of taxes due to the Municipality calculated at 1.0 percent of Project Revenues as set forth in the Audit (the "Audit Amount"). The Sponsor simultaneously shall pay the difference, if any, between (i) the Audit Amount and (ii) payments made by the Sponsor to the Municipality for the preceding fiscal year. The Municipality may accept any such payment without prejudice to its right to challenge the amount due. In the event that the payments made by the Sponsor for any fiscal year shall exceed the Audit Amount for such fiscal year, the Municipality shall credit the amount of such excess to the account of the Sponsor.

(b) All payments pursuant to this Agreement shall be in lieu of taxes and the Municipality shall have all the rights and remedies of tax enforcement granted to the Municipalities by law just as if said payments constituted regular tax

obligations on real property within the Municipality. If, however, the Municipality disputes the total amount of the annual payment in lieu of taxes due it, based upon the Audit, it may apply to the Superior Court, Chancery Division for an accounting of the service charge due the Municipality, in accordance with this Agreement and HMFA Law. Any such action must be commenced within one year of the receipt of the Audit by the Municipality.

(c) In the event of any delinquency in the aforesaid payments, the Municipality shall give notice to the Sponsor and NJHMFA in the manner set forth in 9 (a) below, prior to any legal action being taken.

6. The tax exemption provided herein shall apply only so long as the Sponsor or its successors and assigns and the Project remain subject to the provisions of the HMFA Law and Regulations made thereunder and the supervision of the Agency, but in no event longer than the term of the Agency Mortgage; provided however that the tax exemption may be extended after the term of the Agency Mortgage upon terms mutually agreed to between the parties so long as the Project remains subject to the affordability controls set forth in Section 37c of the HMFA Law. In the event of (a) a sale, transfer or conveyance of the Project by the Sponsor or (b) a change in the organizational structure of the Sponsor, this Agreement shall be assigned to the Sponsor's successor and shall continue in full force and effect so long as the successor entity qualifies under the HMFA Law or any other state law applicable at the time of the assignment of this Agreement and assumes the Agency Mortgage. This Agreement may be assigned with approval of the Municipality, which shall not be unreasonably withheld.
7. Upon any termination of such tax exemption, whether by affirmative action of the Sponsor, its successors and assigns, or by virtue of the provisions of the HMFA Law, or any other applicable state law, the Project shall be taxed as omitted property in accordance with the law.
8. The Sponsor, its successors and assigns shall, upon request, permit inspection of property, equipment, buildings and other facilities of the Project and also documents and papers by representatives duly authorized by the Municipality. Any such inspection, examination or audit shall be made during reasonable hours of the business day in the presence of an officer or agent of the Sponsor or its successors and assigns.
9. Any notice or communication sent by either party to the other hereunder shall be sent by certified mail, return receipt requested, addressed as follows:
 - (a) When sent by the Municipality to the Sponsor, it shall be addressed to Community Investment Strategies, Inc., 1970 Brunswick Avenue, Suite 100, Lawrenceville, New Jersey 08648, with a copy to GluckWalrath LLP, 4 Paragon

Way, Suite 400, Freehold, New Jersey 07728, Attention: Christopher M. Walrath, Esq, or to such other address as the Sponsor may hereafter designate in writing; and a copy of said notice or communication by the Municipality to the Sponsor shall be sent by the Municipality to the New Jersey Housing and Mortgage Finance Agency, 637 South Clinton Avenue, PO Box 18550, Trenton, New Jersey 08650-2085.

(b) When sent by the Sponsor to the Municipality, it shall be addressed to the Township of Moorestown, Municipal Building, 111 West 2nd Street, Moorestown, NJ 08057, with a copy to Taenzer, Ettenson & Aberant, PC, 123 North Church Street, Moorestown, New Jersey 08057, Attention: Kevin E. Aberant, Esq, or to such other address as the Municipality may designate in writing; and a copy of said notice or communication by the Sponsor to the Municipality shall be sent by the Sponsor to the New Jersey Housing and Mortgage Finance Agency, 637 South Clinton Avenue, PO Box 18550, Trenton, New Jersey 08650-2085.

10. In the event of a breach of this Agreement by either of the parties hereto or a dispute arising between the parties in reference to the terms and provisions as set forth herein, either party may apply to the Superior Court, Chancery Division, to settle and resolve said dispute in such fashion as will tend to accomplish the purposes of the HMFA Law.
11. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same agreement. It shall not be necessary in making proof of this Agreement to produce or account for more than a sufficient number of counterparts to evidence the execution of this Agreement by each party hereto.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year set forth below.

ATTEST:

SPONSOR:

Community Investment Strategies, Inc.

Barbara K. Schoor, Vice President

ATTEST:

MUNICIPALITY:

Township of Moorestown



Patricia L. Hunt



Robert J. Murphy

“EXHIBIT A”

Projected Payment in Lieu of Taxes
Based upon 2020 Rent Levels

REAL ESTATE TAX CALCULATION FOR TAX ABATEMENT			
Gross Rents		\$	703,704
Less Vacancy		(-)	49,259
Less Utilities		(-)	95,000
Gross Sheltered Rents		\$	559,445
x Rate		x	1.00
Real Estate Taxes		\$	5,594

Appendix E

Borton Landing Road Documents:

Resolution Authorizing Agreement with Lockheed Martin for Property Exchange

Property Exchange Ordinance

Subdivision Plan and Resolution of Approval

**Resolution Authorizing Development and Property Transfer Agreement with
Walters Group**

Development and Property Transfer Agreement

Resolution of Need

Rezoning Ordinance and Planning Board Resolution of Consistency

Construction Schedule

NS file

TOWNSHIP OF MOORESTOWN

RESOLUTION NO. 151-2021

AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH LMC PROPERTIES, INC. TO PROVIDE FOR THE EXCHANGE OF THE PROPERTY COMMONLY KNOWN AS THE NAGLE TRACT, LOCATED AT 200 HARTFORD ROAD, ALSO KNOWN AS BLOCK 7401, LOT 3 WITH A 12.5 ACRE PARCEL OF LAND WHICH IS A PORTION OF BLOCK 7401, LOTS 1 AND 2 LOCATED ON BORTON LANDING ROAD

WHEREAS, in accordance with the New Jersey Supreme Court's decision in In re Adoption of N.J.A.C. 5:96 and 5:97 by N.J. Council on Affordable Housing, 221 N.J. 1 (2015), on or about July 2, 2015, the Township of Moorestown ("Township") filed an action with the Burlington County Superior Court of New Jersey, entitled In the Matter of the Application of the Township of Moorestown, County of Burlington, Docket No. BUR-L-1604-15, seeking a Judgment of Compliance and Repose approving its Affordable Housing Plan; and

WHEREAS, to resolve the litigation, the Township has entered into a Settlement Agreement with Fair Share Housing Center (FHSC) that provides various mechanisms to satisfy the Township's constitutional obligation to provide for a realistic opportunity for the development of affordable housing in the Township, one of which was the development of the Township owned land commonly known as the Nagle Tract, located at the intersection of Hartford and Centerton Roads, which was purchased in 1988 with the intention of it being developed as affordable housing; and

WHEREAS, in accordance with the terms of the settlement agreement, the Nagle Tract was re-zoned as the Affordable Multifamily-6 (AMF-6) Zoning District to provide for the intended affordable housing; and

WHEREAS, following the Township's execution of an Memorandum of Understanding with the Walters Group to develop the Nagle Tract, LMC Properties, Inc., the owner of property located adjacent to and directly across Centerton Road from the Nagle tract, and the Department of the Navy, which operates a naval facility on the LMC Properties, Inc., property, notified the Township that the proposed development of this property, for any purpose, would create vulnerabilities that would negatively impact National Security interests, more specifically, it would pose Counterintelligence (CI), Signal Intelligence (SIGINT), and Operational Security (OPSEC) threats; and

WHEREAS, recognizing the inability to develop the Nagle Tract would affect the Township's constitutional obligation to provide a realistic opportunity for the development of affordable housing, LMC Properties, Inc., offered to exchange comparable nearby land it owns with the Township in exchange for the Nagle Tract; and

WHEREAS, LMC Properties, Inc., has identified a 12.5 acre parcel shown as proposed Block 7401, Lot 1.02 on the attached Exhibit A, which is currently a portion of Block 7401, Lots

1 and 2, that is roughly equivalent in size to the existing Nagle Tract, as an available portion of property owned by LMC Properties, Inc., that does not present the same security threats as the Nagle Tract or other properties owned by Lockheed Martin; and

WHEREAS, the Local Lands and Building Law, N.J.S.A. 40A:12-16, permits a municipality to exchange lands owned by the municipality for other lands desired for public use; and

WHEREAS, the attached Agreement provides for an exchange of the Nagle property consistent with the provisions of the Local Lands and Building Law; and

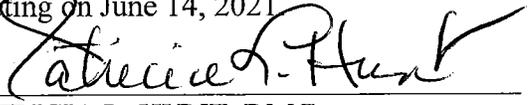
WHEREAS, the Township Council of the Township of Moorestown is desirous to authorize the execution of the Agreement, and believes it would be in the best interests of the Township and its residents to enter into the Agreement in substantially the form attached hereto as Exhibit B.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF MOORESTOWN, COUNTY OF BURLINGTON, IN THE STATE OF NEW JERSEY AS FOLLOWS:

1. The Township Council hereby authorizes and directs the Mayor and the Township Clerk to execute the Agreement in substantially the form attached hereto as Exhibit B.
2. The Township's staff and professionals are hereby authorized to take any and all actions reasonable and necessary to fulfill the Township's obligations as set forth in the Agreement.

<u>VOTE:</u>	
GILLESPIE	YES
MAMMARELLA	ABSENT
LAW	YES
VAN DYKEN	YES
ZIPIN	YES

Certified to be a true and correct copy of a resolution adopted by the Township Council of the Township of Moorestown at its meeting on June 14, 2021.



PATRICIA L. HUNT, RMC
Township Clerk

TOWNSHIP OF MOORESTOWN

ORDINANCE NO. 21-2021

AUTHORIZING THE EXCHANGE OF THE PROPERTY OWNED BY THE TOWNSHIP OF MOORESTOWN COMMONLY KNOWN AS THE NAGLE TRACT, LOCATED AT 200 HARTFORD ROAD AND ALSO KNOWN AS BLOCK 7401, LOT 3, WITH A 12.5 ACRE PARCEL OF LAND OWNED BY LMC PROPERTIES, INC. LOCATED ON BORTON LANDING ROAD AND KNOWN AS PROPOSED BLOCK 7401, LOT 1.02 WHICH IS A PORTION OF EXISTING BLOCK 7401, LOTS 1 AND 2

WHEREAS, in 1988, the Township of Moorestown (the "Township") acquired real property located at 200 Hartford Road, identified as Block 7401, Lot 3 on the Official Tax Map of the Township, commonly known as the Nagle Tract (the "Property") intending that the Property would be developed for affordable housing; and

WHEREAS, in connection with the litigation entitled In the Matter of the Application of the Township of Moorestown, County of Burlington, Docket No. BUR-L-1604-15, which sought a Judgment of Compliance and Repose approving the Township's Affordable Housing Plan to satisfy its constitutional obligation to provide a realistic opportunity for the development of affordable housing, the Township identified the Property as the intended location of an affordable housing community to consist of a total of 152 units, 76 of which (50%) would be set aside and designated as affordable units; and

WHEREAS, a Conditional Judgment of Compliance and Repose entered February 23, 2021 by the Honorable Paula T. Dow, P.J.Ch. specifically required the Township to expeditiously work with a designated developer to submit an application for a mixed income tax credit funding application in the 2021 application cycle which would provide funding to create the yield of 76 affordable housing units; and

WHEREAS, by Resolution 91-2021, the Township Council authorized the Mayor to execute a Memorandum of Understanding between the Township of Moorestown and Walters-Cornerstone Development, LLC for the development of the Property; and

WHEREAS, subsequent to the execution of the Memorandum of Understanding, the Department of Navy and Lockheed Martin Corporation have notified the Township of its objection to the development of the Property for any purpose based on national security interests because the Property is in close proximity to the Navy's Combat System Engineering Development Site (CSEDS), and its development would pose, Counterintelligence (CI), Signal Intelligence (SI) and Operational Security (OPSEC) threats; and

WHEREAS, simultaneous with notice that it objected to development of the Property, and in an effort to assist the Township's need to satisfy its constitutional obligation to provide a realistic opportunity for the development of affordable housing, LMC Properties, Inc. offered to exchange a suitable parcel of nearby land also owned by LMC Properties, Inc. provided it was in

a location that would not present the national security threats identified by the Navy and would not conflict with Lockheed Martin's operations; and

WHEREAS, LMC Properties, Inc., has identified proposed Lot 1.02 of Block 7401, which is a portion of existing Lots 1 and 2 of Block 7401 as suitable property that LMC Properties, Inc. would convey to the Township in exchange for the Township conveying the Property to LMC Properties, Inc.; and

WHEREAS, in accordance with the Local Lands and Buildings Law, specifically N.J.S.A. 40A:12-16, a municipality by ordinance may exchange land owned by the municipality when the municipality determines that the lands to be conveyed to the municipality are at least of equal value, that their acquisition is more advantageous to the municipality for public use than the lands to be conveyed by the municipality, and it is in the public interest that such exchange of land be consummated; and

WHEREAS, the Township Council finds that proposed Lot 1.02 is of similar size and condition as the Property and therefore is of equal value; and

WHEREAS, since the national security interests expressed by the Department of the Navy prevent the Property from being developed for affordable housing, the acquisition of proposed Lot 1.02 is advantageous to the Township since it can be developed for affordable housing which will assist the Township in satisfying its constitutional obligation; and

WHEREAS, the Township Council finds it is in the public interest that the exchange of land be consummated since the exchange will facilitate the development of affordable housing in accordance with the Township's constitutional obligation to provide a realistic opportunity for the development of affordable housing, and will assist the Township in complying with the Conditional Judgment of Compliance and Repose entered by Judge Dow on February 23, 2021; and

WHEREAS, the Township Council, consistent with its authority to exchange land pursuant to N.J.S.A. 40A:12-16 wishes to memorialize its authority to exchange the Property for the proposed Lot 1.02 consistent with the law and pursuant to this Ordinance.

NOW THEREFORE, BE IT ORDAINED by the Township Council of the Township of Moorestown, County of Burlington, State of New Jersey, as follows:

Section 1. Exchange Authorized. The Township Council hereby authorizes the conveyance of the Property it owns at 200 Hartford Road, more specifically identified as Block 7401, Lot 3 to LMC Properties, Inc. in exchange for the conveyance by LMC Properties, Inc. to the Township of Moorestown of a 12.5 acre parcel of land identified as proposed Lot 1.02, which is a portion of Block 7401, Lots 1 and 2 located on Borton Landing Road for a stated consideration of \$1.00.

Section 2. Official Action Authorized. The Mayor, Township Clerk, Chief Financial Officer, Township Manager and Township Attorney are hereby authorized to take all

necessary actions to effectuate this exchange in accordance with the Local Lands and Building Law, or any other applicable statute or regulation.

Section 3. Severability. If any section, paragraph, sentence, clause, phrase, term, provision or part of this ordinance shall be adjudged by a court of competent jurisdiction to be invalid or unenforceable for any reason, such judgment shall not affect, impair or invalidate the remainder hereof, but shall be confined in its operation to the section, paragraph, sentence, clause, phrase, term, provision or part hereof directly involved in the controversy in which such judgment shall have been rendered.

Section 4. Repealer. Any and all other ordinances inconsistent with any of the terms and provisions of this ordinance are hereby repealed to the extent of such inconsistency.

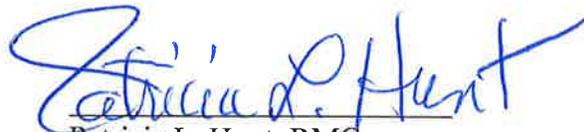
Section 5. Effective Date. This ordinance shall take effect upon proper publication and in accordance with law.

Section 6. Short Title. This Ordinance shall be known as Ordinance No. 21-2021.

CERTIFICATION

I, Patricia L. Hunt, Township Clerk, hereby certify that the attached is a true and correct copy of Ordinance No. 21-2021 which was introduced and adopted on first reading on June 14, 2021 and heard on second reading and was duly adopted by the Township Council of the Township of Moorestown, County of Burlington, State of New Jersey at a meeting of the Township Council held on June 28, 2021.

VOTE:	
GILLESPIE	YES
MAMMARELLA	YES
LAW	YES
VAN DYKEN	YES
ZIPIN	YES


Patricia L. Hunt, RMC
Township Clerk

RESOLUTION # 2021-27
MOORESTOWN TOWNSHIP PLANNING BOARD
DOCKET #PB 2021-27 LMC PROPERTIES, INC.

- Minor Subdivision
- Waivers
- General Conditions and Additional Conditions
- Approved

Application No.: PB-2021-27
Applicant: LMC Properties, Inc.
Owner: LMC Properties, Inc.
Address: Borton Landing Road
Block: 7401 Lot: 1 & 2
Action: June 17, 2021
Memorialized: July 1, 2021
Zone: Business Park (BP-2) District
Project: Minor Subdivision – Lot Line Adjustment

WHEREAS, the Applicant has applied to the Moorestown Township Planning Board (“Board”) for the following approval(s): Minor Subdivision with waivers where Applicant is proposing to modify the existing lot lines for the 21.81 acre Lot 1 and 72.67 acre Lot 2 to create new proposed Lots 1.02 (12.5 acres) and 2.01 (81.98 acres)

WHEREAS, the application was considered by the Board on June 17, 2021; and

WHEREAS, a public hearing was required and the Board has considered that public comments were made by the public questioning aspects of the application;

WHEREAS, jurisdictional and procedural requirements of applicable Township Ordinances have been met; and

WHEREAS, the Board has considered the application and the evidence and arguments submitted by the Applicant in support thereof; and

WHEREAS, the Board has considered the recommendations and testimony of its professional staff and the following reports:

- Review Letter of June 14, 2021 by Planning Board Engineer Christopher J. Noll, PE, CME, PP of Environmental Resolutions, Inc., attached hereto as Exhibit “A” and incorporated herein by reference
- The June 3, 2021 Memorandum of the Township of Moorestown’s Department of Public Works, attached hereto as Exhibit “B” and incorporated herein by reference

- The June 4, 2021 Memorandum of the Township of Moorestown's Municipal Tax Assessor Michael Bernardin, attached hereto as Exhibit "C" and incorporated herein by reference

WHEREAS, requirements necessary to approve the application have been met; and

WHEREAS, the Moorestown Township Planning Board has made the following findings of fact and conclusions (see attached); and

NOW, THEREFORE, BE IT RESOLVED that the **MINOR SUBDIVISION** approval is hereby granted, with the following **WAIVERS**:

1. Site Plan Checklist waiver from having to provide Proof of Compliance with Ch. 160, Preservation and Restoration of Existing Vegetation; and
2. Site Plan Checklist waiver providing Proof of Compliance with Ch. 158-15.1 (Soil Testing); and
3. Site Plan Checklist waiver for providing a current letter of interpretation (LOI) from NJDEP.

BE IT FURTHER RESOLVED that the approval(s) hereby granted are made subject to the following General Conditions applicable to this type of application (see attached); and

BE IT FURTHER RESOLVED that the approvals hereby granted are made subject to the following **ADDITIONAL CONDITIONS OF APPROVAL**, further detailed herein, in the professional review letters identified and attached hereto as Exhibits, and identified as follows:

1. Applicant agrees to submit closure reports for the lots and easements in a form and manner acceptable to the Board Professionals.
2. Applicant agrees to provide easements in a form and manner acceptable to the Board's Professionals, including the easement along Borton Landing Road, to the satisfaction of the Board Professionals.
3. Applicant agrees to coordinate with the County regarding the potential right of way along the northern boundary with Hartford Road.
4. Applicant agrees to submit revised plans consistent with the comments and recommendations contained in the June 14, 2021 ERI Review Letter and this Resolution in a form and manner acceptable to the Board Professionals.
5. Applicant agrees to escrow funds for tax map revision consistent with the comments of the Municipal Tax Assessor.

FINDING OF FACT AND CONCLUSIONS

1. The Applicant, LMC Properties, Inc. (hereinafter, "Applicant" or "LMC") has applied for a minor subdivision with identified waivers for the site located within the Business Park (BP-2) Zoning District located along Borton Landing Road, Moorestown, New Jersey and as more fully particularly described as Block 7401, Lots 1 & 2 on the Moorestown Township Tax Map (hereinafter referred to as the "P.I.Q.").

2. Applicant is proposing to modify the existing lot lines for the 21.81 acre Lot 1 and 72.67 acre Lot 2 to create new proposed Lots 1.02 (12.5 acres) and 2.01 (81.98 acres). No additional improvements are proposed for the lots at this time.

3. Applicant requires no variances for the proposed minor subdivision. As Applicant's minor subdivision plan requires no variances, Applicant's proposal is a "by-right" application.

4. Applicant seeks the following Checklist Waivers:

- a. The Applicant requests a waiver from the Site Plan Checklist for providing Proof of Compliance with Ch. 160 (Preservation and Restoration of Existing Vegetation).
- b. The Applicant requests a waiver from the Site Plan Checklist for providing Proof of Compliance with Ch. 158-15.1 (Soil Testing).
- c. The Applicant requests a waiver from the Site Plan Checklist for providing a current letter of interpretation (LOI) from NJDEP.

5. Applicant's attorney, Anne Cantwell, Esquire from Sherman, Silverstein, Kohl, Rose & Podolsky, familiarized the Board with the P.I.Q. and the nature of the application. She stated this is a "by-right" minor subdivision application with no variances. She stated that the Applicant seeks to create two new lots with a lot line adjustment out of the existing Lots 1 & 2, Block 7401.

6. The Applicant identified Robert Stout, a licensed professional engineer and land surveyor, as Applicant's only witness. He and the Board Professionals, Christopher J. Noll, PE, CME, PP and Michelle Taylor, PP, AICP, were sworn in at this time.

7. In support of its application, the Applicant marked exhibits as follows:

A-1: Minor Subdivision Plan of Stout & Caldwell Engineers, LLC dated May 28, 2021

8. Mr. Stout provided his professional background for the benefit of the Board. Mr. Stout is a Licensed Professional and Land Surveyor and the managing member of Stout & Caldwell Engineers, LLC. He also serves as Mansfield Township's Planning Board Engineer, as well as Lockheed Martin's Engineer. The Board accepted Mr. Stout as an expert in professional engineering.

9. Mr. Stout stated that Borton Landing Road is on the west side of the P.I.Q. Lot 1 faces on Borton Landing Road to the west and faces Hartford Road to the North. To the east of the property is Centerton Road.

10. Mr. Stout stated that Applicant is seeking a lot line adjustment. He confirmed that existing Lot 1 is 21.8 acres and existing Lot 2 is 72.6 acres. He also confirmed that proposed Lot 1.02 is proposed to be 12.5 acres and fronts on Borton Landing Road and proposed Lot 2.01 would be 81.98 acres in size.

11. Ms. Cantwell clarified that the Applicant spoke with the Planning Board Engineer regarding paragraph 9 of the ERI Review Letter regarding the potential right-of-way dedication. After conferring with the Board Professionals and as a condition of approval, Applicant agrees to provide an easement along Borton Landing Road as permitted in section 158-17B(4)(b) of the Township Code to the satisfaction of the Board Professionals. This was acceptable to Mr. Noll.

12. As a condition of approval, Applicant agrees to all comments and recommendations contained in the Review Letter of June 14, 2021 by Planning Board Engineer Christopher J. Noll, PE, CME, PP of Environmental Resolutions, Inc., attached hereto as Exhibit "A" and incorporated herein by reference.

13. As a condition of approval, Applicant agrees to submit closure reports for the lots and easements in a form and manner acceptable to the Board Professionals.

14. As a condition of approval, Applicant agrees to provide easements in a form and manner acceptable to the Board's Professionals, including an easement along Borton Landing Road to the satisfaction of the Board Professionals as permitted in section 158-17B(4)(b) of the Township Code.

15. As a condition of approval, Applicant agrees to coordinate with the County regarding the potential right of way along the northern boundary with Hartford Road.

16. As a condition of approval, Applicant agrees to submit revised plans consistent with the comments and recommendations contained in the June 14, 2021 ERI Review Letter in a form and manner acceptable to the Board Professionals

17. As a condition of approval, Applicant agrees to escrow funds for tax map revision consistent with the comments of the Municipal Tax Assessor.

18. Planning Board Engineer Christopher J. Noll, PE, CME, PP, of Environmental Resolutions, Inc., appeared and testified on the application and consistent with his June 14, 2021 Review Letter. Mr. Noll confirmed the contents of the Review Letter, attached as Exhibit A and incorporated herein by reference, and confirmed that the comments and conditions noted in his Review Letter have been agreed to by the Applicant and addressed. He stated that with regards to paragraph 9 of his Review Letter, the proposed easement is acceptable for purposes of the ordinance, but that the easement areas could not be included in the bulk area of lot or setbacks during future development. Further, Mr. Noll commented regarding Notes 10, 11, and 12 on the Subdivision Plan. He stated that since there is no development proposed, these requirements

would be deferred and the Applicant or future Applicant would have to address these issues with any future site plan application.

19. The Board Members had no questions for the Applicant's witness or the Board Professionals.

20. Board Solicitor Catalano instructed the Board as to the relevant law pertaining to the application. Board Solicitor Catalano stated that this is an application for minor subdivision with no variance relief required. As such, this is a "by-right" application and Lockheed Martin has the right to subdivide its land. As a "by-right" application, Board Solicitor Catalano advised that the Board did not have any basis in law to deny the application.

21. The matter was opened to the public. Vince Carita of 718 Bentley Court stated that he was in attendance for the Council Meeting on Monday, June 14, 2021. He wanted to understand the next step in the process on the proposed swap and the agreement. He also wanted to know whether the public would have the ability to comment on any future development. Board Solicitor Catalano advised that Mr. Carita's question had to do with future development or land use, which was not before the Board on the subject application. The only issue before the Board on this application was the "by-right" minor subdivision application. Any potential future development or site plans would come before a Land Use Board, whether the Planning Board or Zoning Board. At that time, the Applicant would have to follow the public notice requirements and would have to provide any proofs necessary for the potential development. The public will have the right to comment upon any future application regarding development or land use of the P.I.Q.

22. Mr. Zipin also addressed Mr. Carita's comments. Mr. Zipin stated that, in light of the technical issues during the Council meeting on Monday, there would be a special meeting on Thursday, June 24, 2021 to discuss the land swap. Mr. Zipin stated that there was a request made to the Navy for a representative to discuss the matter with the public.

23. The Solicitor for the Board then summarized the nature of the relief sought.

24. Based upon all the foregoing testimony, the application and other documents and the Board's familiarity with the P.I.Q., the Board finds that in regard to the P.I.Q., the purposes of the Municipal Land Use Law, N.J.S.A. 40:55D-2, would be advanced by the requested minor subdivision approval, with the noted waivers.

25. The Moorestown Township Planning Board, therefore, concludes that the approvals requested should be and hereby are granted to the P.I.Q. subject to the conditions set forth in this Resolution, at the meeting and as identified in the professional Review Letters referenced and attached hereto.

The foregoing action was taken by the Moorestown Township Planning Board on June 17, 2021 upon the motion of Zipin, seconded by Musgung, with the vote on the motion being as follows:

AYE: Balikov, Chesner, Musgnug, Zipin, Dey, Pazienza and Barker

NAY:

ABSTAIN:

ABSENT FOR THE VOTE:

DID NOT PARTICIPATE:

The foregoing action was memorialized by the Moorestown Township Planning Board on July 1, 2021 upon the motion of Musgnug, seconded by Chesner with the vote on the motion being as follows:

AYE: Balikov, Chesner, Musgnug

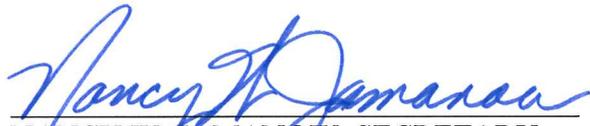
NAY:

ABSTAIN:

ABSENT: Zipin, Dey, Pazienza and Barker

DID NOT PARTICIPATE:

The undersigned Secretary of the Moorestown Township Planning Board hereby certifies that the above is a true copy of Resolution # 2021-27 adopted by the Moorestown Township Planning Board on July 1, 2021.


NANCY W. JAMANOW, SECRETARY
Moorestown Township Planning Board

GENERAL CONDITIONS OF APPROVAL

1. A brief notice of this decision shall be published in the official newspaper of the Township, at the Applicant's expense. The aforementioned notice shall be sent to the official newspaper for publication within ten (10) days of the date this decision is memorialized. A proof of publication shall be filed with the Planning Board Secretary of the Moorestown Township Planning Board within thirty (30) days of the date the decision is memorialized.
2. The Applicant shall promptly pay any professional staff fees billed, in excess of the required application escrows, or appeal in accordance with Code Section 158-14A (3).
3. These General Conditions of Approval shall be binding upon the Applicant, the owner and any successors and/or assigns of either.
4. The Additional Conditions of Approval, if any, shall be binding upon the Applicant, the owner and any successors and/or assigns of either.
5. The approval(s) granted is/are conditioned upon the Applicant obtaining all governmental approval(s).
6. Prior to the commencement of any construction, the Applicant shall obtain all required governmental approvals and/or permits.
7. The Applicant shall be responsible for and shall satisfy, in accordance with the Moorestown Township Land Use Ordinances, the Mandatory Development Fees.
8. Any improvement(s) to be constructed as a result of the Moorestown Township Planning Board approving this application shall be constructed and operated in full compliance with the Code of Moorestown Township, the Revised Statutes of the State of New Jersey and any other applicable county and/or Federal law.
9. Unless specifically waived in whole or in part and noted in the Additional Conditions of this approval, if the above application involves the granting of a final major subdivision approval or a final site plan approval or the approval for the issuance of a zoning permit, the Applicant, in order to assure the installation and maintenance of all required improvements required by the preliminary approval or as a condition to the issuance of a zoning permit, shall furnish written performance guarantees and written maintenance guarantees in the form(s) which comply with the provisions of N.J.S.A. 40:55D-53, et seq., and the Moorestown Township Code. The amount of each performance guarantee shall equal 120% of the amount estimated by the Township Engineer as the cost of installing the required improvements. The maintenance guarantee shall equal 15% of the cost of the improvements and shall cover a period of two (2) years after the final acceptance of the improvements.
10. If the above application involves the granting of a final subdivision or final site plan approval, the Chairperson and Secretary of the Moorestown Township Planning Board shall not sign the Final Subdivision Plat or Final Site Plan nor shall any zoning permit issue until the

Applicant has posted the required performance guarantee and the Applicant has demonstrated that all conditions of the final approval have been satisfied.

11. Submit three (3) copies of complete (as-built) plan of any improvements, as well as a pdf and GEO referenced CAD file.

12. If a minor subdivision approval has been granted, such approval shall lapse unless within 190 days from the date of approval has been granted the Applicant either files a plat in conformity with the approval and the "Map Filing Law" (N.J.S.A. 46:23-9.9, et seq.) or records a deed with the County Clerk which clearly describe the approved minor subdivision and files a copy of the deed with the Township's Engineer and the Township's Tax Assessor. Such deed shall also be signed by the Chairman and Secretary of the Moorestown Township Planning Board.

13. If a final approval has been granted, the Applicant shall submit to the Moorestown Township Planning Board Secretary for her review a minimum of 8 complete sets of plans which shall incorporate all of the revisions that have been made conditions of this approval.

14. The Applicant shall comply with Title 39 of the New Jersey Statutes.

EXHIBIT "A"

Christopher J. Noll, PE, CME, PP
President & CEO

Barbara J Fegley, AICP, PP
Sec./Treas. & Sr. Vice President

William H. Kirchner, PE, CME, N-2
Vice President



Rakesh R. Darji, PE, PF, CME, CFM, Vice President
Harry R. Fox, NICET III, CPSI
G. Jeffrey Hanson, PE, CME
Joseph R. Hirsh, PE, CME, CPWM
C. Jeremy Noll, PE, CME, CPWM
Joseph P. Orsino, Jr. CEF
Marc H. Selover, LSRP, PG
Benjamin R. Weller, PE, CME, CPWM, S-3, C-3

June 14, 2021
51080 06

Re: LMC Properties, Inc.
Block 7401, Lots 1 & 2
Borton Landing Road, Moorestown, NJ 08057
Minor Subdivision
PB#2021-27

Ms. Nancy Jamanow, PE, CME, PP
Director of Community Development
Township of Moorestown
111 West Second Street
Moorestown, NJ 08057

Dear Nancy:

An application has been received for a Minor Subdivision for the above referenced site. The site is located at Borton Landing Road in Moorestown Township. The applicant is proposing to modify the existing lot lines for the 21.81 acre Lot 1 and 72.67 acre Lot 2 to create new proposed Lots 1.02 (12.5 acres) and 2.01 (81.98 acres).

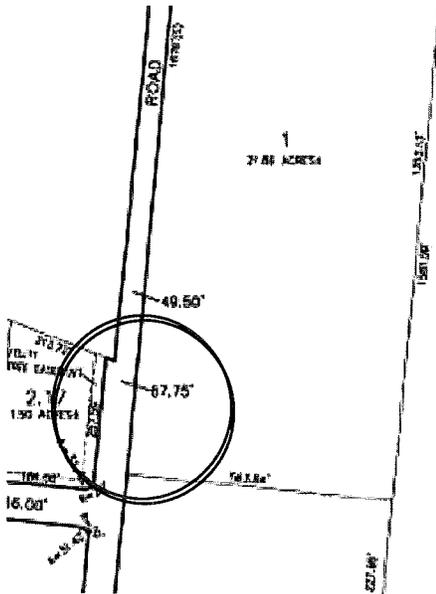
The properties are located within the Business Park (BP-2) Zoning District. No additional improvements are proposed for the lots at this time. The following information has been submitted for review:

1. Township of Moorestown Application for Land Development dated May 28, 2021 and Checklist.
2. Plan of Survey and Minor Subdivision Plan for Block 7401 Lots 1 & 2 prepared by Stout & Caldwell Engineers, LLC dated May 28, 2021.
3. Legal Descriptions for Proposed Lot 2.01 and 1.02 prepared by Stout & Caldwell Engineers, LLC dated May 28, 2021.

The referenced information has been reviewed for conformance to the Moorestown Township Land Development Ordinance, the Residential Site Improvement Standards and general engineering standards and practices. The following comments are offered:

Minor Subdivision Plan

1. The closure report of the proposed lots and easement should be sent for our review.
2. The applicant should verify the proposed lot numbers with the tax assessor's office.
3. All permanent easements (proposed & existing) should be included and dimensioned in the plan.
4. The outbound corner marker shall be set pursuant to regulations promulgated by the State Board of Professional Engineers and Land Surveyors. The professional land surveyor shall ensure that the perimeter lines are accurately established on the ground.
5. On a minor subdivision, a monument must be set at each intersection of an outside boundary of the newly created lots with the right of way line of any existing road. For this reason, the POB of proposed lot 2.01 needs to be monumented and described in the plan.



10. The metes and bounds legal descriptions of the proposed lots and easement should be revised to provide the required right-of-way dedications.
11. The following permits and approvals are required:
 - a. Burlington County Planning Board
 - b. Moorestown Environmental Advisory Committee
 - c. Moorestown Township Utility Department
 - d. Any other as required

Sincerely yours,

Christopher J. Noll, PE, CME, PP
Planning Board Engineer

CJN:jrdv:arl

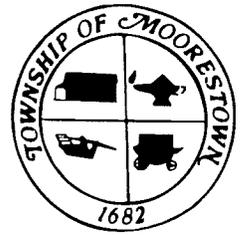
- c: Tom Green, LMC Properties, Inc., tom.green@lmco.com, Applicant
Rhonda R. Feld, Esq., rfeld@shermansilverstein.com, Applicant's Attorney
Robert R. Stout, PE, PLS, rrs@stoutcaldwell.com, Applicant's Engineer
Matt Wieliczko, Esq., Planning Board Attorney
Michelle Taylor, PP, AICP, Taylor Design Group
Scott Taylor, PP, AICP, LLA, LEED, AP
Doug Nims, Moorestown Utilities Superintendent
Joan Ponessa, Moorestown Environmental Advisory Committee

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EXHIBIT "B"

The Township of MOORESTOWN

601 East Third Street • Moorestown • New Jersey • 08057-2480



June 3, 2021

To: Nancy Jamanow, Community Development Director

RE: PB#2021-27
Lockheed Martin
Block: 7401 Lots: 1 & 2
Minor Subdivision

Nancy, below are the comments for the above property.

1. The Department of Public Works has no comments at this time. The Department will have comments during the design and build phase.

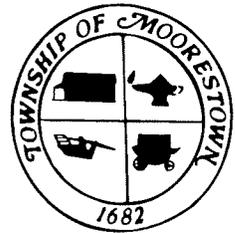
If there are any questions, please call the number below.

DN
MP
BB

EXHIBIT "C"

The Township of *M*OORESTOWN

111 West Second Street • Moorestown • New Jersey • 08057



TOWNSHIP MEMORANDUM

Date: June 4, 2021

From: Michael Bernardin
Municipal Tax Assessor

To: Patty Muscella
Department of Community Development

Subject: PB #2021-27
Lockheed Martin
Block 7401/ Lot 1&2
Minor Subdivision

I approve of the proposed new lot numbers of 1.02 and 2.01.

A portion of lot 1 currently receives farmland assessment. If the new parcels are not farmed, the property is subjected to roll-back taxes.

Please escrow funds for a tax map revision.

If you have any further questions, please do not hesitate to contact my office.

TOWNSHIP OF MOORESTOWN

RESOLUTION NO. 166-2021

AUTHORIZING THE MAYOR TO EXECUTE A DEVELOPMENT AND PROPERTY TRANSFER AGREEMENT WITH MOORESTOWN FAMILY APARTMENTS, LLC REGARDING THE DEVELOPMENT OF A 12.5 ACRE PARCEL OF LAND FOR AFFORDABLE HOUSING LOCATED ON BORTON LANDING ROAD ALSO KNOWN AS (A PORTION OF) BLOCK 7401, LOTS 1 AND 2

WHEREAS, in accordance with the New Jersey Supreme Court’s decision in In re Adoption of N.J.A.C. 5:96 and 5:97 by N.J. Council on Affordable Housing, 221 N.J. 1 (2015), on or about July 2, 2015, the Township of Moorestown (“Township”) filed an action with the Burlington County Superior Court of New Jersey, entitled In the Matter of the Application of the Township of Moorestown, County of Burlington, Docket No. BUR-L-1604-15, seeking a Judgment of Compliance and Repose approving its Affordable Housing Plan; and

WHEREAS, to resolve the litigation, the Township has entered into both a Settlement Agreement and an Amended Settlement Agreement with Fair Share Housing Center (FHSC) that provides various mechanisms that will provide for the development of affordable housing in the Township of Moorestown, one of which is the development of an affordable housing community property located at 200 Hartford Road, also known as Block 7401, Lot 3, and which is commonly known as the Nagle Tract; and

WHEREAS, by Resolution 91-2021, the Township Council authorized the Mayor to execute a Memorandum of Understanding between the Township of Moorestown and Walters-Cornerstone Development, LLC for the development of the Nagle Tract; and

WHEREAS, subsequent to the execution of the Memorandum of Understanding, the Department of the Navy and Lockheed Martin Corporation have notified the Township of its objection to the development of the Nagle Tract based upon national security concerns posed by the development in close proximity to the existing CSEDS facility, and has offered proposed Lot 1.02 owned by Lockheed Martin as a replacement site in exchange for the existing Nagle site; and

WHEREAS, if furtherance of the Memorandum of Understanding, the Township of Moorestown and Walters-Cornerstone Development, LLC have negotiated a proposed Development of Property Transfer Agreement (“Agreement”) with Moorestown Family Apartments, LLC (an affiliate of Walters-Cornerstone Development, LLC) which sets forth the principal terms of an understanding between the Township and Moorestown Family Apartments, LLC with regard to the development of proposed Lot 1.02; and

WHEREAS, the Township Council of the Township of Moorestown is desirous to authorize the execution of the Agreement, and believes it would be in the best interests of the Township and its residents to enter into the Agreement in substantially the form attached hereto as Exhibit A.

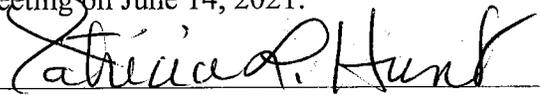
NOW, THEREFORE, BE IT RESOLVED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF MOORESTOWN, COUNTY OF BURLINGTON, IN THE STATE OF NEW JERSEY AS FOLLOWS:

1. The Township Council hereby authorizes and directs the Mayor and the Township Clerk to execute the Development and Property Transfer Agreement in substantially the form attached hereto as Exhibit A.
2. The Township staff and professionals are hereby authorized to take any and all actions reasonable and necessary to fulfill the Township's obligations as set forth in the Development and Property Transfer Agreement.

VOTE:

GILLESPIE
MAMMARELLA
LAW
VAN DYKEN
ZIPIN

Certified to be a true and correct copy of a resolution adopted by the Township Council of the Township of Moorestown at its meeting on June 14, 2021.



PATRICIA L. HUNT, RMC
Township Clerk

DEVELOPMENT AND PROPERTY TRANSFER AGREEMENT

THIS DEVELOPMENT AND PROPERTY TRANSFER AGREEMENT (the "**Agreement**") is made and entered into this ____ day of _____, 2021 by and between the **TOWNSHIP OF MOORESTOWN**, a municipal corporation of the State of New Jersey, having its principal offices located at 111 W. Second Street, Moorestown, New Jersey, 08057 (hereinafter designated as the "**Township**"), and **MOORESTOWN FAMILY APARTMENTS LLC**, a New Jersey limited liability company, having its principal office at 21 East Euclid Avenue, Suite 200, Haddonfield, New Jersey 08033 (hereinafter designated as the "**Developer**").

PREAMBLE

WHEREAS, the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301, et seq., requires each municipality in New Jersey to provide its fair share of affordable housing; and

WHEREAS, on March 10, 2015, the Supreme Court of the State of New Jersey issued a decision In The Matter Of The Adoption Of N.J.A.C. 5:96 And 5:97 By The New Jersey Council On Affordable Housing, 221 N.J. 1 (2015), in which it found that because COAH failed to adopt the new Round 3 regulations, the Court directed trial courts to assume COAH's functions to assure that each municipality has in place a plan to fulfill its obligation to provide affordable housing pursuant to COAH's rules and regulations as described in N.J.A.C. 5:93-5.8; and,

WHEREAS, although the **Township** owns a parcel of ground located at the intersection of Centerton Road and Hartford Road consisting of 12.5 acres, +/-, identified as Lot 3, Block 7401 on the municipal tax map, commonly referred to as the "**Nagle Tract**," which was identified in a Memorandum of Understanding between the **Township** and **Developer's** affiliate as the intended location of an affordable housing development, the **Township** was recently notified that due to the **Nagle Tract's** proximity to the Department of the Navy's Combat Systems Engineering Development Site, national security concerns prohibit the development of that property for any reason; however, Lockheed Martin, or its affiliate LMC Properties, Inc., (collectively, "**Lockheed**") has offered to convey nearby property it owns to the **Township** in exchange for the **Nagle Tract**, and the **Township** and **Lockheed** are entering into an agreement to memorialize the exchange of properties, with the intention that the property **Lockheed** is offering will be the location of the affordable housing development originally intended to be constructed by the **Developer** at the **Nagle Tract**; the property **Lockheed** is proposing to convey is 12.5 acres fronting on Borton Landing Road, and is more particularly described on **Exhibit A** attached hereto (the "**Premises**")

WHEREAS, the **Township** intends to utilize the **Premises** for purpose of developing and constructing the **Project** (as defined below) thereon in order to address, in part, the **Township's** obligation to provide its fair share of the region's affordable housing need in accordance with what is commonly referred to as the "**Mount Laurel Doctrine**"; and

WHEREAS, subject to and in accordance with the terms and conditions set forth herein, the **Township** has agreed to convey the **Premises** to the **Developer** for the sole purpose of

developing, constructing, owning and managing thereon a mixed income family apartment community consisting of seventy-six (76) income restricted affordable family rental units and seventy-six (76) market rate family rental units; and,

WHEREAS, the **Premises** is identified in the Settlement Agreement by and between the **Township** and Fair Share Housing Center dated March 16, 2018 subsequently amended on June 10, 2019 and again on September 9, 2019 (the “**Settlement Agreement**”); and,

WHEREAS, after a “compliance hearing” conducted on various dates the Superior Court of New Jersey executed a Conditional Judgment of Compliance and repose dated February 23, 2021 (the “**Order of Compliance**”); and,

WHEREAS, the **Nagle Tract** is identified in the **Order of Compliance**, subject to the conditions set forth therein, as a site for the construction of a mixed income family rental community consisting of 76 affordable units and 76 market rate units; and,

WHEREAS, the **Parties** anticipate that by Consent Order the **Premises** will replace the **Nagle Tract** in the **Order of Compliance** and **Settlement Agreement**; and,

WHEREAS, the **Developer** is an experienced developer, operator and administrator of affordable rental housing with on-site supportive social services and has expressed interest, in constructing, owning, operating and maintaining affordable income restricted family rental housing with supportive services in the **Township** to assist the **Township** in addressing its third round affordable housing obligation more specifically described in the **Settlement Agreement** and the **Order of Compliance**: and,

WHEREAS, it is in the best interests of the **Township** that the **Premises** be developed for the construction of a 152 unit mixed income rental community consisting of 76 units of income restricted affordable rental family units and 76 market rate family rental units by the **Developer**; and

WHEREAS, on October 31, 2019 the **Township** issued a request for proposals (the “**RFP**”) to develop the Premises; and,

WHEREAS, on November 19, 2019 the **Developer** responded to the **RFP**; and,

WHEREAS, the **Township** has selected the **Developer** to develop the **Premises** and this Agreement is in furtherance of that selection; and,

WHEREAS, the **Parties** wish to enter into a formal agreement establishing the terms and conditions under which the **Premises** will be conveyed to and then developed for mixed income family rental housing units by the **Developer** in accordance with the terms set forth herein.

NOW, THEREFORE, in consideration of the promises, the mutual obligations contained herein, and other good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, the **Parties** agree as follows:

1. **Project Description.** In accordance with the terms and conditions set forth in this **Agreement**, the **Township** and the **Developer** (collectively, the “**Parties**”) agree that the **Developer** will develop, construct, operate and manage the **Project** on the **Premises**. The “**Project**” is defined as a “suburban mixed income” project as more specifically defined within N.J.A.C. 5:80-33.4(a)(1), consisting of 76 family affordable income restricted rental units and 76 market rate rental units together with all on and off site improvements, if any, necessary to service the apartment units and together with those features further described in this Section 1, and to be constructed in substantial conformity with the concept plans attached as **Exhibit B** (collectively the “**Concept Plan**”). The **Project** will be developed, constructed, operated and managed in accordance with the Fair Housing Act, N.J.S.A. 52:27D-301 et seq. and the Uniform Housing Affordability Controls (“UHAC”) regulations at N.J.A.C. 5:80-26.1, et seq., promulgated thereunder (collectively the “**Fair Housing Laws**”). Consistent with the obligation to construct the **Project** in accordance with the **Fair Housing Laws**, but not intending to limit that obligation: each of the 76 affordable apartments unit will be deed restricted with affordability controls for residents with low (including very low) and moderate incomes as prescribed by the **Fair Housing Laws**. The **Project** will also be developed, constructed, operated and managed consistent with the **Settlement Agreement** and the **Order of Compliance**. The affordability controls shall remain in place for a minimum period of 30 years plus an extended use period of 15 years. The form of deed restriction shall be as prescribed by the New Jersey Mortgage Finance Agency (“**HMFA**”). The **Developer** will cooperate with the **Township** in providing any information that is necessary to complete the **Township’s** annual monitoring obligations and other obligations the **Township** may have under the **Fair Housing Laws, the Settlement Agreement**, or otherwise as they relate to the **Project**.

a. It is intended that the **Project** will be developed and constructed consistent with the use and bulk standards set forth in the AMF-6 zoning district (the “**Zoning Ordinance**”). Notwithstanding the above, nothing shall prevent issuance of bulk zoning variances or design waivers as may be approved by the applicable land use board.

b. The **Project** will be completed in accordance with the **Land Use Approvals** and all other building, safety, health, environmental and other statutes, laws, rules, regulations and ordinances applicable to the ownership, development, construction and use of the **Project** (the “**Applicable Laws**”). The buildings and plans shall also be substantially consistent with the **Concept Plan** attached hereto as **Exhibit B**. In addition, the **Project** will achieve LEED certification in accordance with the current requirements of the United States Green Building Council, or equivalent (such as Enterprise Green Communities). All applications to governmental agencies, including plans, drawings and reports submitted therewith shall be presented first to the **Township** for prompt review and comment or approval.

c. The **Developer** will commence the construction of the **Project** promptly (but in no event more than 6 months) after all of the contingencies referenced in Section 3 of this **Agreement** have been fully satisfied. After commencement of construction, the **Developer** will continue and complete construction of the **Project** without interruption, subject only to **Force Majeure Events** (as defined below). It is anticipated that the **Project** will be complete and a certificate of occupancy issued for all buildings in the **Project** twenty-seven (27) months from

the date construction commences; however, so long as the **Developer** is proceeding with good faith and due diligence the **Developer** will have an additional six (6) months to complete the **Project** if despite such good faith and due diligence the **Developer** has been unable to complete work within twenty-seven (27) months.

d. No affordable housing development fees or other fees in the nature of “impact fees”, shall be imposed in connection with the **Project**, except as otherwise set forth in this **Agreement**. The **Developer** shall be responsible for all other applicable fees associated with the **Project** including, but not limited to, applications, permits, inspections, professional reviews, municipal utility connection fees for the market rate units, and other fees, except as otherwise agreed in writing by the **Township**.

e. The **Developer** will have the right to make changes to the **Concept Plan** so long as such changes are consistent with the **Zoning Ordinance**, or permitted by bulk zoning variance, and further subject to the review and approval of the **Township**, which shall not be unreasonably withheld, delayed or conditioned.

f. The **Developer** and the **Developer’s** consultants will have access to the **Premises** at reasonable times and upon reasonable notice to the **Township**. The **Developer** will provide the **Township** with evidence of insurance coverages satisfactory to the **Township**. The **Developer** indemnifies and holds the **Township**, all of its officials and employees, harmless from any loss or claim, including attorney’s fees, associated with the **Developer** or its consultants’ visits to and inspections of the **Premises**. In no event will the **Developer** perform any invasive tests or impact the physical condition of the **Premises** without the **Township’s** consent, which shall be given or withheld in the **Township’s** reasonable discretion

g. The **Developer**, in connection with the development and construction of the **Project** and the ownership, operation and management of the **Project**, shall comply with all **Applicable Laws**. The **Developer** shall keep the **Township** fully informed of any adverse environmental conditions the **Developer** encounters at any time through the date a Certificate of Occupancy for the **Project** is issued. The **Township** will cooperate and support any and all applications necessary to effectuate the **Project**.

2. **The Premises**. Subject to the satisfaction of all of the terms and conditions set forth in this **Agreement**, including but not limited to the satisfaction of the **Contingencies** referenced in Section 3, at the time of closing, the **Township** agrees to convey the **Premises**, together with all easements and other rights associated with the **Premises**, to the **Developer** for a sum of \$10.

a. Subject to a satisfactory Phase 1/Preliminary Assessment environmental review, including a Phase 2 environmental review, if necessary (collectively the “**Environmental Reports**”) the **Premises** shall be conveyed in its current condition, normal wear and tear excepted. The **Developer** will obtain, at its sole cost, the **Environmental Reports** promptly after the execution of this **Agreement**. The **Developer** will contemporaneously share copies of the **Environmental Reports** with the **Township**. The **Developer** acknowledges that it has studied the **Premises** in connection with its ongoing efforts to obtain the **Land Use**

Approvals and the **Tax Credit Financing** and the **Developer** is satisfied with the condition of the **Premises**, subject only to the **Environmental Reports**. The **Developer** acknowledges that the **Premises** is being acquired solely to be conveyed to the **Developer** for purposes of constructing the **Project**; and accordingly, except as specifically set forth in this **Agreement**, the **Township** makes no warranty or representation concerning the physical condition of the **Premises**.

b. Title to the **Premises** shall be good and marketable and subject only to such easements, restrictions, covenants and other encumbrances of record which do not materially and adversely affect the construction, use and occupancy of the **Project**.

c. Title to the **Premises** shall be conveyed by Bargain and Sale Deed. The **Township** will sign an owner's affidavit of title and such other customary documents of conveyance as the **Developer's** title company reasonably requests so that the title company will issue a title policy consistent with the requirements of this **Agreement**.

d. Closing of title shall occur promptly after all **Contingencies** have been satisfied. It is anticipated that the closing will occur contemporaneous with closing on the **Tax Credit Financing** (as hereinafter defined) for the **Project**. There should be no adjustments necessary at the time of closing for real estate taxes or other charges associated with the **Premises**. The **Developer** will be obligated to pay all closing costs payable to the title company of its choosing, and the **Township** will not be responsible for such closing costs. The **Township** will prepare the Deed, Affidavit of Title and related documents required of a grantor. Each **Party** will pay its own counsel fees associated with the closing of title and the performance of all duties under this **Agreement**.

e. Pending the closing of title, and to the extent under the **Township's** control, the **Developer** and the **Developer's** consultants will have access to the **Premises** at reasonable times and upon reasonable notice to the **Township**. The **Developer** will provide the **Township** with evidence of insurance coverages satisfactory to the **Township**. The **Developer** indemnifies and holds the **Township**, all of its officials and employees, harmless from any loss or claim, including attorney's fees, associated with the **Developer** or its consultants' visits to and inspections of the **Premises**. In no event will the **Developer** perform any invasive tests or impact the physical condition of the **Premises** without the **Township's** written consent, which shall be given or withheld in the **Township's** sole discretion.

3. **Contingencies**. In order to commence and complete the **Project**, and to permit the **Parties** to fulfill all of their obligations under this **Agreement**, the following contingencies (collectively the "**Contingencies**") must each be satisfied in their entirety.

a. The issuance of all final and un-appealed "**Land Use Approvals**" as defined herein. The **Developer**, at its sole cost and expense, shall seek any and all land use and other local, county, state or federal governmental approvals necessary to commence and complete, without interruption, the construction of the **Project** (the "**Land Use Approvals**"). The **Developer** shall provide the **Township** with an advance copy of any application for **Land Use Approvals** for its prompt review and approval. The **Township** will endorse any and all necessary permit applications and authorizations. Wherever possible the **Township** will

expedite hearings for municipal level approvals. The **Developer** will provide the **Township** and any professionals designated by the **Township** with periodic written updates by email regarding the status of the **Land Use Approvals**. The **Developer** will promptly provide the **Township** with copies of all permits and approvals obtained for the **Project** and all correspondence to or from governmental agencies (other than the **Township**) in connection with the **Land Use Approvals**.

b. Closing on the **Tax Credit Financing** as that term is defined in this **Agreement** and as more specifically described in Section 4 below.

c. The execution by the **Parties** of a **Resolution of Need** and a final and binding **Financial Agreement** as more specifically described in Section 5 below.

d. The **Township's** acquisition of the **Premises** from **Lockheed**.

e. The **Parties** will at all times make all reasonable efforts to satisfy the **Contingencies** for which each **Party** is responsible under this **Agreement**, and the **Parties** will offer each other their full and complete cooperation in connection with the satisfaction of the **Contingencies**.

4. **The Tax Credit Financing.** The **Parties** acknowledge that in order for the **Developer** to complete the **Project** it will be necessary to obtain and close on the **Tax Credit Financing** (the "**Tax Credit Financing**") under the low income tax credit ("**LIHTC**") program authorized by 26 U.S.C. 42 et seq. and implemented in the State of New Jersey by **HMFA** under the Qualified Allocation Plan (the "**QAP**"), N.J.A.C. 5:80-33 et seq., and specifically for a mixed income suburban community as defined at N.J.A.C. 5:80-33.4(a)(1). The **Tax Credit Financing** will include the satisfaction of all conditions imposed by **HMFA** or other applicable governmental agency with jurisdiction over the **Tax Credit Financing** as may be necessary to close and commence and complete construction of the **Project**. The **Parties** acknowledge that obtaining the **Tax Credit Financing** is part of a competitive process and an award is not guaranteed. In the event that the **Developer** is unable to obtain the **Tax Credit Financing** in the next available round of applications, anticipated to be summer or fall in 2021, then in accordance with the terms of the **Order of Compliance**, at the **Township's** discretion, and in lieu of the **Tax Credit Financing**, either: (i) the **Project** will be funded with a municipal subsidy; or, (ii) the **Premises** will be developed as in "inclusionary project" with 45 affordable family rental units and 107 market rate units. In either case, this transaction will no longer be contingent upon the **Developer's** ability to obtain the **Tax Credit Financing**. The **Township** and the **Developer** will offer each other their full and complete cooperation in the event the **Developer** is unable to obtain the **Tax Credit Financing** in the 2021 round of funding, including but not limited to seeking an amendment to the **Order of Compliance** to permit the **Developer** to make an application for **Tax Credit Financing** in the 2022 round of funding.

5. **Financial Agreement and Resolution of Need.**

a. A resolution of need (the "**Resolution of Need**") is required by **HMFA** in order to file the application for the **Tax Credit Financing**. The **Township** agrees to adopt a

Resolution of Need in substantially the standard **HMFA** form attached as **Exhibit C**. The process of reviewing and considering the approval of the **Resolution of Need** shall be conducted in accordance with all **Applicable Laws** including the public's right to participation.

b. A Financial Agreement (the "**Financial Agreement**") establishing a payment in lieu of taxes for the **Project** is required by **HMFA** to file the application for **Tax Credit Financing**. The **Township** agrees to process the **Financial Agreement** in due course generally as set forth in the standard **Redevelopment** form attached as **Exhibit D**, with the understanding the final terms of the **Financial Agreement** will be negotiated between the **Township** and **Developer** prior to its final execution. The process of reviewing and considering the approval of the **Financial Agreement** shall be conducted in accordance with all **Applicable Laws** including the public's right to participation.

6. **The Developer's Warranties.** The **Developer** hereby represents and warrants to, and covenants with, the **Township** that:

a. The **Developer** is a single purpose limited liability company formed in the State of New Jersey and has all requisite power and authority to enter into this **Agreement**.

b. The execution, delivery and performance by the **Developer** of this **Agreement** have been duly authorized by all necessary action and will not violate the certificate of formation, operating agreement or any other formation or operating agreement (now or as amended) of the **Developer** or result in the breach of or constitute a default under any loan or credit agreement, or other material agreement to which the **Developer** is a party or by which the **Developer** or its material assets may be bound or affected.

c. The person executing this **Agreement** on behalf of the **Developer** has been duly authorized and empowered and this **Agreement** has been duly executed and delivered by the **Developer** and constitutes the valid and binding obligation of the **Developer**.

d. No suit is pending against or affects the **Developer** or any affiliated entity which could have a material adverse effect upon the **Developer's**, or any affiliated entity's, performance under this **Agreement** or the financial condition or business of the **Developer** or any affiliated entity. There are no outstanding judgments against the **Developer** or any affiliated entity that would have a material adverse affect upon the assets or properties of the **Developer** or any affiliated entity, or which would materially impair or limit the ability of the **Developer** to enter into or carry out the transactions contemplated by this **Agreement**.

e. This **Agreement** is not prohibited by and does not conflict with any other agreements, instruments, judgments or decrees to which the **Developer** is a party or is otherwise subject.

f. Neither the **Developer** nor any affiliated entity has received any notice as of the date of this **Agreement** asserting any noncompliance in any material respect by the **Developer** or any affiliated entity with applicable statutes, rules and regulations of the United States of America, the State of New Jersey or of any other state or municipality or agency.

Neither the **Developer** nor any affiliated entity is in default with respect to any judgment, order, injunction or decree of any court, administrative agency, or other governmental authority that is in any respect material to the transactions contemplated hereby.

7. **Assignment and The Township's Approval of Transfer of the Premises.**

a. The **Developer** recognizes the importance of the **Project** to the general welfare of the community and the **Township**, and understands that the identity of the **Developer**, its members, and its qualifications are critical to the **Township** in entering into this **Agreement**. Notwithstanding anything to the contrary contained in this **Agreement** or any other agreement attendant to the development of the **Project**, except as otherwise specifically set forth herein, the **Developer** shall have no right to sell, lease, or transfer (which shall include, without limitation, any direct or indirect transfer of 50% or more of the membership interest in the **Developer**), and the **Developer** shall not sell, lease or otherwise transfer, all or any portion of the **Premises** and/or the **Project** except as set forth in the **Financial Agreement** in the form attached as **Exhibit D** unless expressly authorized and approved in writing by the governing body of the **Township**, which approval shall not be unreasonably conditioned, delayed or withheld. The provisions of this Section 7a shall not apply to: (i) the lease of apartments within the **Project** to third parties; (ii) dedication to the **Township** or other governmental agency in accordance with **Applicable Laws** of roadways and other public areas; (iii) conveyance of utility and other necessary easements, (iv) a mortgage or other lien or encumbrance for the primary purpose of financing costs associated with development, construction and marketing of the **Project**; (v) a transfer resulting from a foreclosure, deed in lieu of foreclosure, or other similar proceeding; and (vi) transfer to a different limited liability company in which the principals of the **Developer** possess an ownership interest of 50% or greater. Except as set forth below, any conveyance of the **Premises** or any ownership interest in the **Developer** pursuant to this Section 7a shall provide that the assignee or transferee shall construct the **Project** in accordance with the terms of this **Agreement**.

b. The **Parties** acknowledge that in order to complete the **Tax Credit Financing**, and as a condition thereof, at the time of closing on the **Tax Credit Financing**, the operating agreement of the **Developer** will be amended and restated to include the necessary tax credit investor/syndicator. The ownership structure and terms of the amended and restated operating agreement will be in a form and with content as required and approved by **HMFA**. The amended and restated operating agreement, and the inclusion of the tax credit investor/syndicator in accordance with the terms set forth herein, will be permitted with no further approval from the **Township**. In the event that the **Developer** subsequently wishes to replace the tax credit investor/syndicator then so long as the financial condition and experience of the new tax credit investor/ syndicator are substantially the same as the original tax credit investor/syndicator, as determined in the **Township's** reasonable judgment, then such replacement shall be permitted upon approval of the **Township**. The **Township** reserves the right to request such documentation and information as is necessary in its reasonable discretion to make the determination concerning the replacement investor/syndicator's financial condition.

8. **Default and Remedies.**

a. In the event of a default of this **Agreement**, after written notice and expiration of applicable grace periods, the aggrieved **Party** will have all rights and remedies available at law or in equity, including the right of specific performance. In the event of any default under this **Agreement** by one party, the other **Party** shall provide written notice of such default and the defaulting party shall have thirty (30) days to effect a cure (provided, that if such breach could not reasonably be expected to be cured within such 30-day period but could reasonably be expected to be cured within ninety (90) days, such longer period of time, but not to exceed ninety (90) days, as is reasonably required to cure such default, provided further, however, that the defaulting **Party** shall promptly commence action within such 30-day period to cure such default and diligently pursue such curative action until such breach is cured).

b. If the breach or default is with respect to construction of the **Project**, nothing contained in this Section or any other provision of this **Agreement** shall be deemed to permit or authorize a mortgage lender, either before or after foreclosure or action in lieu thereof, to undertake or continue the construction or completion of the **Project** (beyond the extent necessary to conserve or protect the lender's security, including improvements or construction already begun) without first having expressly assumed the obligation to the **Township**, by written agreement reasonably satisfactory to the **Township**, to complete in a manner provided in this **Agreement** the **Project**, or the part thereof to which the lien, interest or title of such lender relates.

c. The **Parties** shall have the right to institute such actions or proceedings as they may deem desirable for effectuating the purposes of this **Agreement**. Any delay in instituting or prosecuting any such action, proceeding or otherwise asserting rights under this **Agreement** shall not operate as a waiver of such rights or to deprive a party of or limit its rights in any way, except as specifically set forth in writing. The rights and remedies of the **Parties** to this **Agreement**, whether provided by law or by this **Agreement**, shall be cumulative, and the exercise by either **Party** of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for the same default, or of any of its remedies for any other default by the other **Party**. No waiver made by either such **Party** with respect to the performance, or manner or time thereof, or any obligation of the other **Party** shall limit the **Party's** rights and remedies otherwise provided by law or by this **Agreement**.

d. Nothing set forth in this **Agreement** shall be construed to constitute waiver of any right by the **Township** to exercise police powers to the extent necessary to protect the health, safety, or welfare of the **Township's** citizens.

e. The **Parties** agree to reasonably mitigate damages due to a default.

f. Notwithstanding any federal, state or local statutes, rules, regulations, laws or ordinances to the contrary, **Developer** agrees that the use, development, construction, operation and management of the **Premises** shall at all times now and in the future be exclusively for mixed income family housing rental units comprised of no less than 76 income restricted affordable units as described in this **Agreement**.

g. In addition to other remedies available by law, in the event of **Developer's** default and failure to cure after notice in accordance with this paragraph, and if such event occurs after the **Premises** is conveyed to the **Developer**, the **Township** may, at its option, take title to the **Premises**. The **Township's** right to title shall be subordinate and subject to the rights of mortgage lenders and tax credit investors under the **Tax Credit Financing**. Prior to exercising its rights hereunder the **Township** will provide written notice of such event of default to all mortgage lenders of record and the tax credit investor, and such mortgage lenders of record and the tax credit investor, shall have the same rights to cure as the **Developer** under this **Agreement**. The **Township's** rights under this Section g will terminate automatically upon issuance of a final certificate of occupancy for the **Project**.

9. **Transportation.**

a. In order for the **Developer** to achieve the score necessary to win the **Tax Credit Financing** it will be necessary that public transportation in conformity with N.J.A.C 5:80-3 be available within one-half mile of the Premises ("**Public Transportation**"). The **Developer** will promptly, and in good faith and with due diligence, seek obtain **Public Transportation** through all means possible including, but not necessarily limited to, rerouting existing daily service bus lines currently operated by New Jersey Transit available so that a bus stop is located within one-half mile of the Premises and meets the definition of **Public Transportation**. The **Township** will attend any in person or virtual meetings with New Jersey Transit, Burlington County and shall otherwise offer its full cooperation in connection with meeting the requirements to provide **Public Transportation**.

10. **Notices to Parties.**

a. All notices, demands, requests or communication required or permitted to be given pursuant to this **Agreement** shall be in writing and shall be deemed to have been properly given or served and shall be effective upon being deposited in the United States mail, postage prepaid and certified with return receipt requested, or upon delivery by a nationally recognized overnight delivery service; provided, however, the time period in which a response to any notice, demand or request must be given shall commence on the next business day after such posting. Any such notice, demand, request or communication shall be addressed and directed to the party to receive same at the address specified in the beginning of this **Agreement**.

b. A copy of all notices to the **Developer** shall also be sent to:

Joseph A. Del Duca
Walters Group
21 East Euclid Avenue, Suite 200
Haddonfield, New Jersey 08033

c. A copy of all notices to the **Township** shall also be sent to:

Township of Moorestown

111 W. 2nd Street
Moorestown, New Jersey, 08057
Attention: Township Clerk

Kevin Aberant, Esq
Taenzer, Ettenson & Aberant, P.C.
P.O. Box 237
123 N. Church Street
Moorestown, New Jersey 08057

d. Either **Party** may designate a different person or place to or at which notices or copies of notices shall be given by delivering a written notice to that effect to the other **Party**, which notice shall be effective after the same is actually received by the other **Party**.

11. **Miscellaneous.**

a. If either **Party** shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, lockouts, shortages of labor or materials after due diligence in obtaining same, governmental restrictions, riots, insurrection, war, fire or other casualty, acts of God, terrorist acts, extreme or unexpected weather, floods or other natural disaster, or by reason of any cause beyond the exclusive and reasonable control of the **Party** delayed in performing work or doing acts required under the terms of this **Agreement** (any such delay or event is referred to as an event of "**Force Majeure**"), then the performance of any such act shall be extended for a period equivalent to the period of such delay.

b. If any of the provisions of this **Agreement**, or the application thereof to any person or circumstances, shall, to any extent, be invalid or unenforceable, the remainder of this **Agreement**, or the application of such provision or provisions to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected thereby, and every provision of this **Agreement** shall be valid and enforceable to the fullest extent permitted by law.

c. This **Agreement** has been made and entered into under the laws of the State of New Jersey and those laws shall control the interpretation of this **Agreement**. All claims of or arising out of this Agreement shall be venued in the Burlington County Superior Court.

d. This **Agreement** may not be amended, supplemented, modified, released or discharged, in whole or in part, except by an instrument in writing signed by the **Parties** hereto.

e. This **Agreement** shall be binding upon the respective **Parties** hereto and their successors and permitted assigns.

f. The rights, title and interests of all third persons in and to the **Premises** shall be subject to this **Agreement**, the **Settlement Agreement**, the **Order of Compliance** and the **Fair Housing Laws**.

g. Within fifteen (15) days following written request therefor by the **Developer**, or the **Developer's** mortgage lender, the **Township** shall issue a signed estoppel certificate either stating that this **Agreement** is in full force and effect and that there is no default under this **Agreement** (nor any event which, with the passage of time and the giving of notice, would result in a default under this **Agreement**), or, if a default exists, stating the nature of the default or event. In the event the estoppel certificate discloses such a default or event, it shall also state the manner in which such default and/or event may be cured.

h. The captions of the paragraphs in this **Agreement** are inserted and included solely for convenience and shall not be considered or given any effect in construing the provisions hereof.

i. This **Agreement** may be executed in one or more counterparts, each of which shall be deemed an original, and all of which together shall be deemed to be one and the same instrument. A facsimile transmission of an original signature shall be deemed to be an original signature.

j. Each of the **Parties** hereto agrees to execute and deliver, or cause to be executed and delivered, any and all further agreements, documents or instruments necessary to effectuate this **Agreement** and the transactions referred to herein or contemplated hereby or reasonably requested by the other **Party** to perfect or evidence its rights hereunder. Nothing contained in this **Agreement** may commit the **Township** to taking or refraining from taking any formal action as required by law governing municipal corporations.

k. The **Parties** acknowledge that each has had counsel review and revise this **Agreement**. The **Parties** agree that the Agreement has been jointly prepared and there shall be no negative inference drawn against either **Party** in the interpretation of the **Agreement**.

l. All exhibits to this **Agreement** are incorporated into the terms of this **Agreement**. The following constitute the Exhibits to this **Agreement**:

- | | |
|------------------|-----------------------------------|
| Exhibit A | Legal Description of the Premises |
| Exhibit B | Concept Plan for the Project |
| Exhibit C | Resolution of Need |
| Exhibit D | Financial Agreement |

SIGNATURES ON NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this Development Agreement as of the date first written above.

TOWNSHIP:

TOWNSHIP OF MOORESTOWN

By:  _____
Nicole Gillespie
Mayor

DEVELOPER:

MOORESTOWN FAMILY APARTMENTS LLC

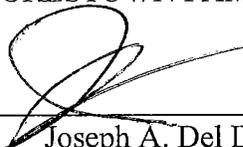
By:  _____
Joseph A. Del Duca
Authorized Member

EXHIBIT "A"

Legal Description

To Be Provided

EXHIBIT "B"

Concept Plan

EXHIBIT "C"

Resolution of Need
To Be Provided

EXHIBIT "D"

Financial Agreement
To Be Provided

TOWNSHIP OF MOORESTOWN

NT

RESOLUTION NO. 212-2021

RESOLUTION OF NEED IN SUPPORT OF MOORESTOWN FAMILY APARTMENTS LLC IN CONNECTION WITH THE DEVELOPMENT OF AN AFFORDABLE HOUSING PROJECT IN THE TOWNSHIP OF MOORESTOWN

WHEREAS, Moorestown Family Apartments LLC (hereinafter referred to as the "Sponsor") proposes to construct a 152-unit housing development (hereinafter referred to as the "Development") pursuant to the provisions of the New Jersey Housing and Mortgage Finance Agency Law of 1983, as amended (N.J.S.A. 55:14K-1 et seq.), the rules promulgated thereunder at N.J.A.C. 5:80-1.1 et seq., and all applicable guidelines promulgated thereunder (the foregoing hereinafter collectively referred to as the "HMFA Requirements") within the Township of Moorestown (hereinafter referred to as the "Municipality") on a site consisting of approximately 12.5 acres described as a portion of existing Lots 1 and 2, Block 7401 as shown on the Official Tax Map of the Township of Moorestown, Burlington County and commonly known as Moorestown Family Apartments, New Jersey and to be subsequently subdivided into a separate tax parcel to be known as Lot 1.02; and

WHEREAS, the Development will be subject to the HMFA Requirements and the mortgage and other loan documents executed between the Sponsor and the New Jersey Housing and Mortgage Finance Agency (hereinafter referred to as the "Agency"); and

WHEREAS, the Development will be subject to requirements of the New Jersey Department of Community Affairs (hereinafter referred to as the "Department of Community Affairs"), Neighborhood Preservation Balanced Housing Program in accordance with N.J.S.A. 52:27D-320 and applicable rules promulgated thereunder at N.J.A.C. 5:43-1.1 et seq., and the mortgage and other loan documents executed between the Sponsor and the Commissioner of the Department of Community Affairs; and

WHEREAS, pursuant to the HMFA Requirements, the governing body of the Municipality hereby determines that there is a need for this housing development in the Municipality.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF MOORESTOWN (THE "COUNCIL") THAT:

- (1) The Council finds and determines that the Development proposed by the Sponsor meets or will meet an existing housing need;
- (2) The Council finds and determines that the 152-unit mixed income development consisting of seventy-six (76) income restricted units and seventy-six (76) market rate units as proposed by the Sponsor meets or will meet all or part of the Municipality's low and moderate income housing obligation;
- (3) The Council does hereby adopt the within Resolution and makes the determination and findings herein contained by virtue of, pursuant to, and in conformity with the provisions of the HMFA Law to enable the Agency to process the Sponsor's application for Agency funding to finance the Development.

VOTE:	
GILLESPIE	YES
MAMMARELLA	YES
LAW	YES
VAN DYKEN	ABSENT
ZIPIN	YES

Certified to be a true and correct copy of a Resolution adopted by the Township Council at its meeting on July 26, 2021.


Patricia L. Hunt, RMC, Township Clerk

file

TOWNSHIP OF MOORESTOWN

ORDINANCE NO. 20-2021

AMENDING CHAPTER 180 ENTITLED "ZONING" OF THE TOWNSHIP OF MOORESTOWN TO REZONE BLOCK 7401, PROPOSED LOT 1.02 (UNNUMBERED LOT ON BORTON LANDING ROAD) TO AMF-6 ZONING DISTRICT, AND TO REZONE BLOCK 7401, LOT 3 (200 HARTFORD ROAD) TO BP-2 ZONING DISTRICT

WHEREAS, the Township of Moorestown adopted Ordinance 11-2019 adopting the AMF-6 Affordable Multiple Residence 6 District which applied to Block 7401, Lot 3, property commonly known as the Nagle Tract; and

WHEREAS, the Township of Moorestown purchased Block 7401, Lot 3 in 1988 for the purpose of affordable housing; and

WHEREAS, the United States Navy and the LMC Properties, Inc. notified the Township of Moorestown that, the proposed development of Block 7401, Lot 3, for any purpose, would create vulnerabilities that would negatively impact National Security interests, more specifically, it would pose Counterintelligence (CI), Signal Intelligence (SIGINT), and Operational Security (OPSEC) threats; and

WHEREAS, LMC Properties, Inc., in order to cooperate with the Township of Moorestown and to assist the Township with its affordable housing obligations, offered to exchange nearby land to provide a suitable property within the same vicinity to be used for affordable housing; and

WHEREAS, the land proposed by LMC Properties, Inc. for swapping is Block 7401, Proposed Lot 1.02 fronting on Borton Landing Road, consisting of 12.5 acres; and

WHEREAS, the zoning on the lots needs to be revised to be consistent with the intended uses of the properties; and

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

WHEREAS, following introduction, this Ordinance will be appropriately noticed pursuant to Municipal Land Use Law at N.J.S.A. 40:55D-15 and N.J.S.A.40:55D-62.1.

NOW, THEREFORE, BE IT ORDAINED, by the Township Council of the Township of Moorestown, County of Burlington, and State of New Jersey, as follows:

Language with a ~~striketrough~~ shall be deleted.
Language with an underline shall be added.

Section 1. §180-4, Zoning Map; Boundaries, is hereby amended to apply the following zoning district to the block and lots as indicated on the tax assessment maps of the Township of Moorestown to create a location for meeting its affordable housing obligations, as follows:

Block(s)	Lot(s)	Existing District	New District
7401	1.02 (12.5 acres) (Proposed Lot)	BP-2	AMF-6
7401	3 (11.23 acres)(Nagle Tract)	AMF-6	BP-2

Section 2. §180-33.7, Affordable Housing Multi-Family 6 Residence Districts, is hereby amended in Article XIA, as follows:

§ 180-33.7. AMF-6, Affordable Multi-Family 6 Residence Districts

C. Required Income Restriction. In any AMF-6 district, ~~at least thirty percent (30%)~~ up to Fifty percent (50%) of the total number of dwellings shall be affordable to very low, low and moderate income households.

D. Area, Yard, Height and Building Coverage. Except as otherwise modified, the following bulk standards shall apply to all lots and buildings:

(1) Tract Requirements.

(c) Tract perimeter setbacks for buildings, parking and access. No building shall be located closer than fifty (50) feet to the perimeter boundary line of the tract. No parking area or driveway, excepting for access to and from a public street, shall be located closer than ~~twenty-five (25)~~ 20 feet to the perimeter boundary line of the tract.

(2) Density limitation. ~~Twelve (12)~~ Thirteen (13) units per gross acre in the AMF-6 district, up to a maximum of 152 units

Section 4. Repealer. All Ordinances or parts of Ordinances inconsistent with this Ordinance are hereby repealed to the extent of such inconsistency only.

Section 5. Interpretation. If the terms of this Ordinance shall be in conflict with those of another Ordinance, the provision which imposes the greater restriction or limitation shall control.

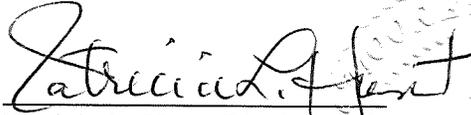
Section 6. Severability. If any section, part of any section, or clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional, such decision shall not affect the remaining provisions of this Ordinance. The Township Council of the Township of Moorestown declares that it would have passed the Ordinance and each section and subsection thereof, irrespective of the fact that any one or more of the subsections, sentences, clauses or phrases may be declared unconstitutional or invalid.

Section 7. Effective Date. This Ordinance shall take effect immediately upon passage, transmittal to the Burlington County Planning Board, and publication according to law.

CERTIFICATION

I, Patricia L. Hunt, Township Clerk, hereby certify that the attached is a true and correct copy of Ordinance No.20-2021 which was introduced and adopted on first reading on June 14, 2021 and heard on second reading and was duly adopted by the Township Council of the Township of Moorestown, County of Burlington, State of New Jersey at a meeting of the Township Council held on June 28, 2021.

<u>VOTE:</u>	
GILLESPIE	YES
MAMMARELLA	YES
LAW	YES
VAN DYKEN	YES
ZIPIN	YES


Patricia L. Hunt, RMC
Township Clerk



RESOLUTION NO. 2021-28
MOORESTOWN TOWNSHIP PLANNING BOARD

A RESOLUTION REPORTING TO TOWNSHIP COUNCIL THAT PROPOSED
ORDINANCE NO. 20-2021 IS CONSISTENT WITH THE MASTER PLAN

WHEREAS, the Moorestown Township Planning Board pursuant to the provisions of the Municipal Land Use Law at NJSA 40:55D-26 is required, prior to the adoption of a development regulation, revision or amendment thereto by the governing body, to transmit to the said body, within 35 days of referral therefrom, a report including identification of any provisions in the proposed development regulations, revision or amendment which are inconsistent with the Master Plan and recommendations concerning those inconsistencies and any other matters the Board deems appropriate; and

WHEREAS, the governing body has introduced and adopted on first reading at its regular meeting on June 14, 2021 in the form of Ordinance 20-2021, attached as Exhibit A, amending Chapter 180 entitled "Zoning" of the Township of Moorestown to Rezone Block 7401 Lot 1.02 (Borton Landing Road) to AMF-6 Zoning District and Rezone Block 7401 Lot 3 (Hartford Road) to BP-2 Zoning District; and

WHEREAS, in order to implement certain provisions of the Reexamination of the Master Plan the Township Council finds it necessary to amend certain provisions the Township Code; and

WHEREAS, Ordinance No. 20-2021 has been reviewed and considered by the Township Planning Board. In conjunction with that review, and at its June 17, 2021 meeting, the Board also heard and took into consideration the expert testimony of the Board Professional Planner, Michelle M. Taylor, PP, AICP, of the Taylor Design Group. She provided testimony concerning the proposed Ordinance. Ms. Taylor testified consistent with the contents of her June 14, 2021 report, attached as Exhibit B and incorporated herein by reference; and

WHEREAS, in accordance with the June 14, 2021 report issued by Ms. Taylor she has indicated that the Planning Board can find the Ordinance substantially consistent with the Master Plan and the development of low and moderate income housing; and

WHEREAS, the Board is in agreement with the form, substance and intent of the Ordinance No. 20-2021 and recommends its adoption, without further comment; and

WHEREAS, it appears that all jurisdictional and procedural requirements of applicable Township Ordinances have been met; and

NOW, THEREFORE, BE IT RESOLVED that:

1. The Planning Board has reviewed the proposed Ordinance No. 20-2021 and recommends that the Township Council adopt the proposed Ordinance as introduced.
2. This Resolution shall be considered the report and recommendation of the Township Planning Board as required by N.J.S.A. 40:55D-1, *et seq*

The foregoing action was taken and memorialized by the Township Planning Board on June 17, 2021 upon the motion of Zipin seconded by Musgnug with the vote on the motion being as follows:

AYE: Balikov, Barker, Chesner, Musgnug, Zipin, Dey, PaziENZA

NAY:

ABSTAIN:

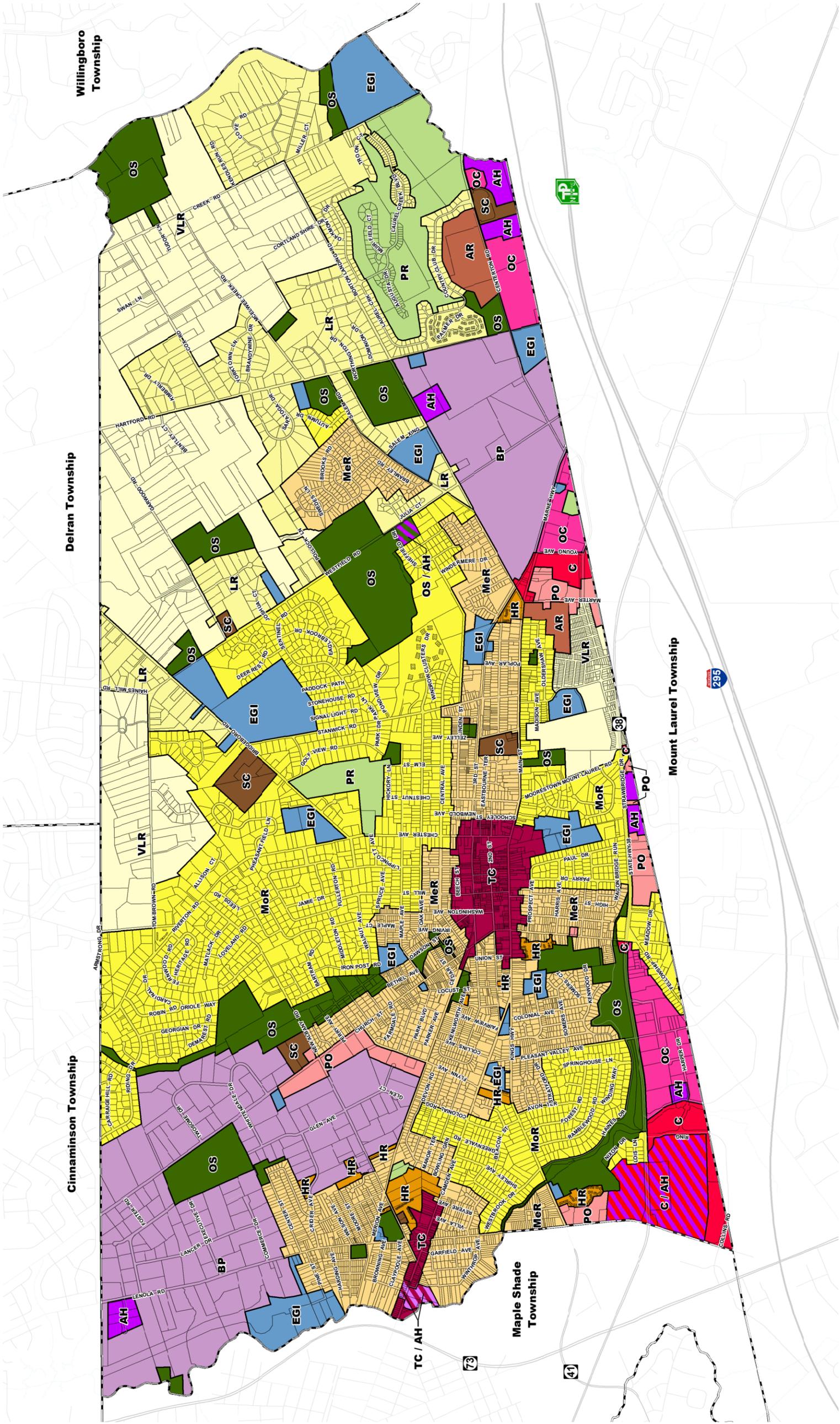
The undersigned Secretary of the Township Planning Board hereby certifies that the above is a true copy of Resolution 2021-28 adopted by the Township Planning Board on June 17, 2021.


NANCY W. JAMANOW, SECRETARY
Moorestown Township Planning Board

Moorestown Family Apartments

Development Timeline

Timing	
Application Deadline	8/31/2021
Date of Allocations	12/31/2021
Date of Acquisition	7/1/2022
Date of Anticipated Closing	7/1/2022
First Unit Leased	11/1/2023
Construction Completion	5/1/2024
Last Unit Leased	11/1/2024
Conversion to Perm Financing	2/1/2025
Total Construction Period	



Legend

- VLR - Very Low Density Residential
- LR - Low Density Residential
- MoR - Moderate Density Residential
- MeR - Medium Density Residential
- HR - High Density Residential
- AR - Age-Restricted Residential
- SC - Senior Citizen Residential
- AH - Affordable Housing
- TC - Town Center
- C - Commercial
- PO - Professional Office
- OC - Office Campus
- BP - Business Park
- OS - Open Space
- PR - Private Recreation
- EGI - Education, Government and Institutions

Land Use Plan

LOCATION: Moorestown Township, Burlington County, NJ
 DATE: June 2021

Clarke Caton Hintz ●●● Architecture Planning Landscape Architecture