



2018

Third Round Housing Element & Fair Share Plan

ADOPTED ON JUNE 20, 2018

ENDORSED ON JUNE 28, 2018

Allendale Borough, Bergen County, New Jersey

Prepared by:

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Housing Element and Fair Share Plan

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A signed and sealed version is available at the municipal building.



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APPENDICES TO THE HOUSING ELEMENT & FAIR SHARE PLAN

- A. Municipal Resolutions Adopting and Endorsing the Housing Element and Fair Share Plan
- B. Settlement Agreement with FSHC & Order Approving Agreement
- C. Vacant Land Adjustment
- D. Rehabilitation Manual
- E. HAS and Madeline Corporation Rent and Sales Records
- F. Allendale Brook
- G. Saddle Dale
- H. Whitney/Garden Homes
- I. Allendale Senior Housing



- J. Orchard Commons
- K. Crescent Commons
- L. Former Farm / Allendale Heights
- M. 220 West Crescent
- N. Eastern Christian Group Home 1
- O. Eastern Christian Group Home 2
- P. Affordable Housing Ordinance, Including Borough Wide Mandatory Set-Aside Ordinance and Updated Borough Development Fee Ordinance
- Q. Ramsey Country Club Inclusionary Overlay Zoning Ordinance
- R. Franklin Turnpike Inclusionary Overlay Zoning Ordinance
- S. Allendale Corporate Center Inclusionary Overlay Ordinance
- T. Spending Plan, Resolution of Intent to Fund, Resolution Adopting Spending Plan
- U. Affirmative Marketing Plan
- V. Resolution Appointing Municipal Housing Liaison
- W. Administrative Agent Contracts
- X. Water / Sewer Letter



EXECUTIVE SUMMARY

This Third Round Housing Element and Fair Share Plan has been prepared for the Borough of Allendale, Bergen County (“Borough” or “Allendale”) in order to comply with the Court-approved Settlement Agreement (“FSHC Agreement”) between Allendale Borough and Fair Share Housing Center (hereinafter “FSHC”), executed September 15, 2017. FSHC is an intervenor in the Borough’s Declaratory Judgment filing, which was submitted to the Superior Court on July 7, 2015 as required by the March 10, 2015 New Jersey Supreme Court decision known as Mt. Laurel IV¹.

There are three components to a municipality’s affordable housing obligation: The Rehabilitation Share, or Present Need, the Prior Round obligation, and the Third Round obligation. The FSHC Settlement Agreement established the Borough’s 21-unit Rehabilitation Share / Present Need obligation, a 137-unit Prior Round obligation for the years 1987 to 1999, and a 308-unit Third Round fair share obligation for the years 1999 to 2025 (including the “gap” period from 1999 to 2015 and the “prospective” period from 2015 to 2025). The Settlement Agreement reflects Allendale Borough’s vacant land adjustment (“VLA”), which adjusts the Third Round new construction obligation to a 54-unit realistic development potential (“RDP”) and a 254-unit Unmet Need.

Per the Settlement Agreement, the Borough will address the majority of its 137-unit Prior Round and Third Round obligations (up to the 54-unit RDP) with compliance mechanisms approved by the Council on Affordable Housing (“COAH”) in the Borough’s 2008 Third Round Housing Element and Fair Share Plan and proposed by the Borough in its adopted but uncertified 2010 Plan amendment. The balance of its Third Round RDP not satisfied by previously built and approved mechanisms will be addressed with new developments, including two group homes and affordable age-restricted rental units.

The Third Round Unmet Need will be addressed by the implementation of Inclusionary Overlay Zoning on three sites, a Borough-wide mandatory inclusionary housing ordinance, surplus Third Round RDP credits, and an existing development fee ordinance, in accordance with *N.J.A.C. 5:93-4.2(h)*.

At a November 29, 2017 Fairness Hearing, the Honorable Menelaos W. Toskos, J.S.C., approved the Agreement, specifically the establishment of Allendale’s three-part fair share obligation and the Borough’s Third Round vacant land adjustment and preliminary plan components to address the Prior Round obligation and the Third Round RDP and Unmet Need (See Appendix B for the Agreement and Approving Order). This Plan will serve as the foundation for the Borough’s application for a Judgment of Compliance and Order of Repose by the Court through July 1, 2025 at an upcoming Court Compliance Hearing, and will address the following fair share obligation:

¹ In Re Adoption of N.J.A.C. 5:96 & 5:97, 221, NJ 1



Third Round Rehabilitation Share: 21 units

Prior Round Obligation (1987-1999): 137 units

Third Round Obligation (1999 to 2025): 308 units (a 54-unit RDP and 254-unit Unmet Need)

JUDICIAL & LEGISLATIVE BACKGROUND

In its landmark 1975 decision now referred to as “Mount Laurel I”, the New Jersey Supreme Court ruled that developing municipalities have a constitutional obligation to provide a realistic opportunity for the construction of low- and moderate-income housing. In its 1983 Mount Laurel II decision, the Supreme Court extended the obligation to all municipalities. Subject to a number of limitations, Mt. Laurel II also gave developers under appropriate circumstances the opportunity to secure a “builder’s remedy”.² A builder’s remedy, also referred to as exclusionary zoning litigation is a mechanism that grants a developer the right to develop what is typically a multi-family project on land that was not zoned to permit this use or at densities desired by the developer at the time of the suit and where a “substantial” percentage of the units are reserved for low- and moderate-income households.

In 1985, the Legislature enacted the Fair Housing Act in response to Mount Laurel II. The Fair Housing Act created COAH as an administrative alternative to compliance in a court proceeding. The Legislature conferred “primary jurisdiction” on COAH and charged COAH with promulgating regulations: (i) to establish housing regions; (ii) to estimate low- and moderate-income housing needs; (iii) to set criteria and guidelines for municipalities to determine and address their fair share numbers, and (iv) to create a process for the review and approval of appropriate housing elements and fair share plans. As will be further discussed, COAH has been declared a moribund agency which has forced the NJ Supreme Court to reactivate a judicial process in the review and approval of affordable housing plans. This document is being created to submit to the judicial process for determining affordable housing allocations and responses and ultimately, to receive a Third Round Judgment of Repose for a 10-year period from 2015 to 2025. This Judgment of Repose will provide protection from builders’ remedy suits during the time that it is in effect.

COAH’s First and Second Round

COAH determined affordable housing need and created the criteria and guidelines for municipalities to address their respective affordable housing obligation³, or number of affordable dwellings. COAH originally established a formula for determining municipal affordable housing obligations for the six-year period between 1987 and 1993 (*N.J.A.C. 5:92-1*

² Southern Burlington NAACP v. Twp. of Mt. Laurel, 92 NJ 158 (1983)

³ A.k.a. a municipality’s “fair share” of affordable housing.



et seq.), which became known as the “first round.” These rules established an existing need where sub-standard housing was being occupied by low- and moderate-income households (variously known as “present need” or “rehabilitation share”) and future demand to be satisfied with new construction (“prospective need” or “fair share”). They followed guidelines established by the U.S. Dept. of Housing and Urban Development (“HUD”), which defined affordable housing as dwellings that could be occupied by households making 80% or less of the regional household income – this represents 38-41% of the total population.

The first round formula was superseded by COAH regulations in 1994 (*N.J.A.C. 5:93-1.1 et seq.*). The 1994 regulations recalculated a portion of the 1987-1993 affordable housing obligations for each municipality and computed the additional municipal affordable housing need from 1993 to 1999 using 1990 U.S. Census data. The regulations COAH adopted in 1994 to identify a municipality’s “cumulative” obligations for the first and second round are known as “the second round” regulations. Under regulations adopted for round three, the obligation of municipalities to create new affordable housing for the first and second round is referred to as the “Prior Round” obligation. This plan will refer to the new construction obligation for the first and second housing cycles as the “Prior Round”.

COAH’s Third Round and Related Judicial Activity

On December 20, 2004, COAH’s first version of the Third Round rules (*N.J.A.C. 5:94-1 and 5:95-1*) became effective some five years after the end of round two in 1999. Whereas the first two rounds covered periods of six years, the FHA was amended in 2001 to extend the time period to 10 years. The Third Round was defined as the time period from 1999 to 2014 but was intended to be addressed during a delivery period from January 1, 2004 through January 1, 2014. In other words, 15 years of necessary affordable housing activity was to take place in 10 years.

The Third Round rules marked a significant departure from the methods utilized in COAH’s prior round. Previously, COAH assigned an affordable housing obligation as an absolute number to each municipality. These Third Round rules implemented a “growth share” approach that linked the production of affordable housing to the development of residential and non-residential development within a municipality. Each municipality was required to project the amount of residential and non-residential growth that would occur during the period 2004 through 2014. Then municipalities were required to provide the opportunity of one affordable unit for every 8 market rate housing units developed and one affordable unit for every 25 jobs created. Jobs were not counted directly but rather by using non-residential building square footage as a substitute for employment. The Borough prepared a housing plan based on these rules as will be discussed below.

This set of rules changed, however, when the New Jersey Appellate Court invalidated key elements of the first version of the Third Round rules, including the growth share approach,



on January 25, 2007, In re Adoption of N.J.A.C. 5:94 and 5:95, 390 N.J. Super. 1. The Court ordered COAH to propose and adopt amendments to its rules within six months to address the deficiencies identified by the Court. COAH missed this deadline but did issue revised rules effective on June 2, 2008 (as well as a further rule revision effective on October 20, 2008). COAH largely retained the growth share approach but implemented several changes intended to create compliance with the 2007 Appellate Court decision. Additionally, the Third Round was expanded from 2014 to 2018. As such, this required 19 years of necessary affordable housing activity (1999-2018) to take place during a 10-year delivery period (2008-2018).

Just as various parties challenged COAH's initial Third Round regulations, parties challenged COAH's 2008 revised Third Round rules. On October 8, 2010, the Appellate Division issued its decision, In re Adoption of N.J.A.C. 5:96 and 5:97, 416 N.J. Super. 462, with respect to the challenge to the second iteration of COAH regulations. The Appellate Division validated the COAH prior round regulations that assigned rehabilitation and prior round numbers to each municipality, but invalidated the regulations by which the agency assigned housing obligations in the Third Round. Specifically, the Appellate Division ruled that COAH could not allocate obligations through a "growth share" formula. Instead COAH was directed to use similar methods that had been previously used in the first and second rounds. The Court gave COAH five months to address its ruling, and provide guidance on some aspects of municipal compliance. Other highlights of the Appellate Court's 2010 decision included:

- To be credited, municipally-sponsored or 100% affordable housing sites must show site control, site suitability, and a proposed source of funding.
- COAH's rules did not provide sufficient incentive for the private construction of inclusionary developments (market-rate and affordable units). Clearly defined percentages supported by economic data must be provided. The Court noted that a 20% affordable housing set-aside was typical.
- The Court invalidated Prior Round rental bonuses for developments that were not built within a reasonable time-frame.
- Bonuses for smart growth and redevelopment activities were upheld; however, the Court invalidated Third Round compliance bonuses.
- The Court upheld its prior ruling on COAH's formula that did not reallocate present need obligation from urban aid eligible municipalities to other municipalities in the region. The Court also questioned whether or not urban aid municipalities should be assigned an allocation for future growth.



Judicial Activity from 2011 to the Present

COAH sought a stay from the NJ Supreme Court of the March 8, 2011 deadline that the Appellate Division imposed in its October 2010 decision for the agency to issue new Third Round housing rules. The Supreme Court granted COAH's application for a stay and granted petitions and cross-petitions to all of the various challenges to the Appellate Division's 2010 decision. The Supreme Court heard oral argument on the various petitions and cross petitions on November 14, 2012.

The NJ Supreme Court decided on the appeal by the executive branch of the Appellate Court's decision of March 8, 2012 that disallowed the dissolution of COAH under Governor Christie's Reorganization Plan No. 001-2011. The Supreme Court upheld the lower court's ruling, finding that the governor did not have the power to unilaterally reorganize COAH out of existence. The judges found that such an action requires the passage of new legislation.

On September 26, 2013 the NJ Supreme Court upheld the Appellate Court decision in In re Adoption of N.J.A.C. 5:96 and 5:97 by New Jersey Council On Affordable Housing, 215 N.J. 578 (2013), and ordered COAH to prepare the necessary rules. Subsequent delays in COAH's rule preparation and ensuing litigation led to the NJ Supreme Court, on March 14, 2014, setting forth a schedule for adoption.

Although ordered by the NJ Supreme Court to adopt revised new rules on or before October 22, 2014, COAH deadlocked 3-3 at its October 20th meeting and failed to adopt the draft rules it had issued on April 30, 2014. In response, FSHC filed a motion in aid of litigant's rights with the NJ Supreme Court and oral argument on that motion was heard on January 6, 2015.

On March 10, 2015, the Supreme Court issued a ruling on the Motion In Aid of Litigant's Rights (In re Adoption of N.J.A.C. 5:96 & 5:97, 221 NJ 1, aka "Mt. Laurel IV"). This long-awaited decision provides a new direction for how New Jersey municipalities are to comply with the constitutional requirement to provide their fair share of affordable housing. The Court transferred responsibility to review and approve housing elements and fair share plans (housing plans) from COAH to designated Mt. Laurel trial judges. The implication of this was that municipalities could no longer wait for COAH to adopt Third Round rules before preparing new Third Round housing plans and municipalities must now apply to Court, instead of COAH, if they wish to be protected from exclusionary zoning lawsuits. These trial judges, with the assistance of an appointed Special Master to the Court, should review municipal plans much in the same manner as COAH previously did. Those towns whose plans are approved by the Court should receive a Judgment of Repose, the court-equivalent of COAH's substantive certification.

While the NJ Supreme Court's decision set a process in motion for towns to address their Third Round obligation, it did not assign those obligations. Instead, that must be done by the trial courts. Additionally, the Court stated that municipalities should rely on COAH's Second Round rules (N.J.A.C. 5:93) and those components of COAH's 2008 regulations that were



specifically upheld (including but not limited to Extensions of Controls), as well as the Fair Housing Act (*N.J.S.A. 52:27D – 301 et seq.*), in their preparation of Third Round housing elements and fair share plans. This plan is prepared in response to and in compliance with the March 10, 2015 NJ Supreme Court decision.

On January 17, 2017, the NJ Supreme Court issued a decision *In Re Declaratory Judgment Actions Filed By Various Municipalities*, 227 N.J. 508 (2017) that found that the “gap period,” defined as 1999-2015, generates an affordable housing obligation. This obligation requires an expanded definition of the municipal Present Need obligation to include low- and moderate-income households formed during the gap period. Accordingly, the municipal affordable housing obligation is now composed of the following four (4) parts: Present Need (rehabilitation), Prior Round (1987-1999, new construction), Third Round Gap Present Need (1999-2015, new construction), and Third Round Prospective Need (2015 to 2025, new construction). The Borough’s Settlement Agreement with FSHC references the findings of this recent Supreme Court decision and includes the 1999-2015 gap period.

Legislative Activity

In addition to the COAH process and judicial decisions, the New Jersey Legislature has amended the Fair Housing Act in recent years. On July 17, 2008, Governor Corzine signed P.L.2008, c.46 (referred to as the “Roberts Bill”, or “A500”), which amended the Fair Housing Act in a number of ways. Key provisions of the legislation included the following:

- It established a statewide 2.5% nonresidential development fee instead of requiring nonresidential developers to provide affordable housing;
- It eliminated regional contribution agreements (“RCAs”) as a compliance technique available to municipalities whereby a municipality could transfer up to 50% of its fair share to a so called “receiving” municipality; and
- It added a requirement that 13% of all affordable housing units and 13% of all similar units funded by the state’s Balanced Housing Program and its Affordable Housing Trust Fund be restricted to very low income households (30% or less of median income); and
- It added a requirement that municipalities had to commit to spend development fees within four years of the date of collection after its enactment, which commitment obligation deadline was initially the four-year anniversary of the law (July 17, 2012⁴).

These amendments to the FHA are not promulgated in any valid COAH regulations.

On July 27, 2009 Governor Corzine signed the “NJ Economic Stimulus Act of 2009”,⁵ which instituted a moratorium on the collection of non-residential affordable housing development fees through July 2010. This moratorium was later extended until July 1, 2013 (P.L. 2011, c.

⁴ - The four-year period of fund commitment will start when the Court approves the municipal fair share plan and spending plan, per the subsequent Appellate Division decision on trust fund expenditure.

⁵ - P.L. 2009, c.90.



122). Since the moratorium previously expired, municipalities are obligated to collect the fee of 2.5% of the equalized assessed value of a non-residential development. Municipalities were always permitted to impose and collect residential development impact fees approved by COAH following a 1990 NJ Supreme Court decision⁶.

AFFORDABILITY REQUIREMENTS

Affordable housing is defined under New Jersey’s Fair Housing Act as a dwelling, either for sale or rent that is within the financial means of households of low- or moderate-income, as is measured within each housing region. Allendale Borough is in COAH’s Region 1, which includes Bergen, Hudson, Passaic, and Sussex Counties. Moderate-income households are those earning between 50% and 80% of the regional median income. Low-income households are those with annual incomes that are between 30% and 50% of the regional median income. Very-low income households must be accounted for. These households, which are a subset of “low-income” households, are defined as households earning 30% or less of the regional median income.

Income Categories

Moderate = 50% to 80% regional median income

Low = 30% – 50% regional median income

Very Low = 30% regional median income or less.

The Uniform Housing Affordability Controls (“UHAC”) at *N.J.A.C. 5:80-26.3(d)* and (e) requires that the maximum rent for a qualified unit be affordable to households that earn 60% or less of the median income for the region. The average rent must be affordable to households earning no more than 52% of the median income. The maximum sale prices for affordable units must be affordable to households that earn 70% or less of the median income. The average sale price must be affordable to a household that earns 55% or less of the median income.

The regional median income has historically been defined by COAH using the HUD income limits on an annual basis. In the spring of each year HUD releases updated regional income limits which COAH reallocates to its regions⁷. It is from these income limits that the rents and sale prices for affordable units are derived. COAH last published regional income limits in 2014; although 2016 limits for Region 1 were unchanged from 2014, income limits for Region 1 did increase for 2017. In June of 2017, the Affordable Housing Professionals of NJ and FSHC released income limits for 2017, which are shown for Housing Region 1 in Tables 1 through 3. The Borough will request that the Court approve of the use of 2017 income limits and a process

⁶ *Holmdel Builders Assn. v. Tp. of Holmdel*, 121 N.J. 550, 583 A.2d 277 (1990).

⁷ Future Annual Income Limits may be published by the Courts or another entity with relevant jurisdiction.



for the future annual updating of income limits as part of a consent order between the Borough and FSHC or simply as part of the Court’s granting of a Third Round Judgment of Compliance and Repose. The sample rents and sale prices are gross figures and do not account for the specified utility allowance. The Borough will request that the Superior Court approve updated income limits through 2017⁸.

Table 1. Sample 2017 Income Limits for Region 1					
Household Income Levels	1 Person Household	2 Person Household	3 Person Household	4 Person Household	5 Person Household
Moderate	\$48,217	\$55,105	\$61,993	\$68,882	\$74,392
Low	\$30,136	\$34,441	\$38,746	\$43,051	\$46,495
Very Low	\$18,081	\$20,664	\$23,248	\$25,831	\$27,897

Source: Affordable Housing Professionals of NJ / FSHC Affordable Housing Regional Income Limits

Table 2. Illustrative 2017 Affordable Rents for Region 1			
Household Income Levels	1 Bedroom Unit Rent	2 Bedroom Unit Rent	3 Bedroom Unit Rent
Moderate	\$999	\$1,199	\$1,385
Low	\$766	\$919	\$1,062
Very Low	\$499	\$599	\$692

Source: Affordable Housing Professionals of NJ / FSHC Affordable Housing Regional Income Limits; Maximum rent increases per the proposed 2017 income limits table.

Table 3. Illustrative 2017 Affordable Sales Prices for Region 1			
Household Income Levels	1 Bedroom Unit Price	2 Bedroom Unit Price	3 Bedroom Unit Price
Moderate	\$116,001	\$139,202	\$160,856
Low	\$76,624	\$91,949	\$106,252
Very Low	\$37,246	\$44,695	\$51,648

Source: Affordable Housing Professionals of NJ / FSHC Affordable Housing Regional Income Limits; Maximum sales increases per the proposed 2017 income limits table.

⁸ The 2017 regional income limits have been adopted by this Court in other Bergen County matters.



HOUSING ELEMENT/FAIR SHARE PLAN REQUIREMENTS

In accordance with the Municipal Land Use Law (N.J.S.A. 40:55D-1, et seq.), a municipal Master Plan must include a housing element as the foundation for the municipal zoning ordinance. Pursuant to the FHA, a municipality's housing element must be designed to provide access to affordable housing to meet present and prospective housing needs, with particular attention to low- and moderate-income housing. The housing element must contain at least the following, as per the FHA at N.J.S.A. 52:27D-310:

- An **inventory of the municipality's housing stock** by age, condition, purchase or rental value, occupancy characteristics, and type, including the number of units affordable to low- and moderate-income households and substandard housing capable of being rehabilitated;
This portion of the Housing Plan Element can be found in "Appendix A of the Housing Element and Fair Share Plan".
- A **projection of the municipality's housing stock**, including the probable future construction of low- and moderate-income housing, for the next ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development, and probable residential development trends;
See the section titled "Allendale's Affordable Housing Plan" for information on the Borough's fair share of low- and moderate-income housing.
- An **analysis of the municipality's demographic characteristics**, including, but not necessarily limited to, household size, income level, and age;
- An **analysis of the existing and probable future employment characteristics** of the municipality;
See the section titled "Consideration of Lands Appropriate for Affordable Housing" for this information
- A **determination of the municipality's present and prospective fair share of low- and moderate-income housing and its capacity to accommodate** its present and prospective housing needs, including its fair share of low- and moderate-income housing; and
- A **consideration of the lands most appropriate for construction of low- and moderate-income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low- and moderate-income housing**, including a consideration of lands of developers who have expressed a commitment to provide low- and moderate-income housing.



ALLENDALE BOROUGH AFFORDABLE HOUSING HISTORY

In 1988, Allendale Borough prepared a Housing Element. On January 17, 1991, the Borough amended the Housing Element following a builder's remedy lawsuit. The Borough's amended First Round Housing Element and Fair Share Plan was reviewed by the Superior Court and the plan received a Judgment of Compliance on February 25, 1991, which granted the Borough a six-year period of repose.

Allendale Borough petitioned COAH with a Second Round plan in 1997 and received Second Round Substantive Certification from COAH on October 1, 2003. It received Third Round Substantive Certification from COAH for its Third Round Housing Element and Fair Share Plan on October 14, 2009.

The Borough adopted its Third Round Housing Element and Fair Share Plan on December 29, 2008, and was granted Third Round Substantive Certification from COAH on October 14, 2009. On April 15, 2010, the Borough adopted an amended Third Round Plan to increase the number of affordable housing units generated at the Crescent Commons site. Although the Borough petitioned COAH on May 7, 2010 with its amended Third Round plan, COAH failed to act on the plan amendment prior to the Appellate Division's 2010 invalidation of COAH's growth share regulations.

To comply with the March 10, 2015 Mt. Laurel IV decision, Allendale petitioned the Superior Court on July 7, 2015 for a Declaratory Judgment and temporary immunity from builder's remedy suits. Additionally, it submitted a Summary Third Round Fair Share Plan to Judge Toskos, J.S.C. on December 10, 2015 in accordance with a November 12, 2015 order. An amended Summary Plan was submitted to the Court on January 27, 2016 to address the fair share obligation calculated by Econsult Solutions, Inc. ("Econsult" or "ESI") in its December 30, 2015 report.

In August and December of 2016, the Borough submitted motions to the Court for approval of second and third amendments to its 2010 amended Spending Plan in order to spend money from its Affordable Housing Trust Fund on the creation of affordable housing at sites that were not included in an approved Housing Element and Fair Share Plan, in accordance with *N.J.A.C. 5:97-8.11*. Those sites specifically included two new group homes operated by Eastern Christian Children's Retreat ("Eastern Christian") and the 220 West Crescent Avenue senior rental development. The Court approved both 2016 Spending Plan amendments on September 20, 2016 and January 5, 2017.



HOUSING, DEMOGRAPHIC & EMPLOYMENT ANALYSIS

HOUSING CHARACTERISTICS

According to the 2012-2016 American Community Survey (ACS⁹), the Borough of Allendale has a total of 2,465 housing units, of which 213 (8.6%) are vacant. Of the 2,252 occupied units, 1,939 (86.1%) are owner-occupied and 313 (13.9%) are renter occupied. Seventy-three percent (73%) of the Borough’s housing units are single-family, detached units. Of the remaining housing units, 340 (13.8%) are attached single-family units, 92 (3.7%) are in two to four unit buildings, and the remaining 9.5% are in multi-family buildings. The Borough’s housing stock is heavily concentrated in single-family, detached units (73%) compared to the average for Bergen County and New Jersey, where detached single-family units only comprise 53.3% and 53.5% of housing, respectively.

See [Table 4, Housing Units by Number of Units in Structure.](#)

TABLE 4. HOUSING UNITS BY NUMBER OF UNITS IN STRUCTURE, 2016.						
Number of units	Total Units	% Total	Owner Occupied	% Owner Occupied	Rentals	Vacant
1, detached	1,800	73.0%	1,652	85.2%	67	81
1, attached	340	13.8%	204	10.5%	71	65
2	87	3.5%	13	0.7%	74	0
3 or 4	5	0.2%	5	0.3%	0	0
5 to 9	36	1.5%	36	1.9%	0	0
10 to 19	0	0.0%	0	0.0%	0	0
20 or more	197	8.0%	29	0.2%	101	67
Mobile home	0	0%	0	0%	0	0
Boat, RV, van, etc.	0	0%	0	0%	0	0
Total	2,465	100%	1,939	100%	313	213

Source: 2012-2016 American Community Survey 5-Year Estimate (B25032, DP04).
*The margins of error for these values exceed the estimated counts. As such, the estimates may be unreliable.

[Table 5, Housing Units by Year Built](#), illustrates the decades during which the Borough’s housing units were built. Allendale has an aging housing stock, with 40.4% of its existing housing constructed more than fifty years ago (1959 or earlier), compared to 54.7% of all units across Bergen County and 41.1% of units across New Jersey. The Borough’s 50-plus year old housing comprise 47.6% of all renter-occupied units. Another 19.5% of renter units were constructed in the 1960s. The median year built for housing in the Borough is 1962, which is

⁹ The American Community Survey replaced the long-form Census as the source for much of the housing data necessary to complete this section. The Census is a one-time count of the population while this ACS is an estimate taken over five years through sampling. As such, data in the ACS is subject to a margin of error.



only four years older than the median year for Bergen County (1958), but five years younger than the median year for New Jersey (1967).

TABLE 5. HOUSING UNITS BY YEAR BUILT, 2016.					
Year Built	Occupied Units	Percent	Owner	Renter	Vacant
2014 or later	34	1.4%	0	0	0
2010 to 2013	107	4.3%	94	13	0
2000 to 2009	153	6.2%	153	0	0
1990 to 1999	242	9.8%	146	65	31
1980 to 1989	137	5.6%	106	0	31
1970 to 1979	108	4.4%	83	25	0
1960 to 1969	687	27.9%	509	61	117
1950 to 1959	358	14.5%	300	58	0
1940 to 1949	182	7.4%	157	25	0
1939 or earlier	457	18.5%	391	66	0
Totals	2,465	100%	1,939	313	179
Median Year Built:	1962		1962	1961	
<i>Source: 2012-2016 American Community Survey 5-Year Estimate (DP04, B25036, B25037)</i>					
<i>*The margins of error for this information results in inconsistencies between columns.</i>					

Table 6, Housing Units by Number of Rooms, 2016 and Table 4, Number of Bedrooms per Housing Unit, 2016 show that housing in Allendale is generally larger than housing across the County and the State, as evidenced by the number of bedrooms and rooms in general per housing unit. Housing units with three or more bedrooms comprise 74.6% of all housing units in Allendale, compared to only 57.3% and 57.6% in New Jersey and Bergen County. Additionally, housing units with eight or more rooms in Allendale make up 49.6% the Borough’s housing stock compared to only about a quarter of the housing stocks of Bergen County or New Jersey. For further emphasis of the size of homes in Allendale compared to the County and the State, the median number of rooms in the Borough is 7.5, compared to 5.7 and 5.8 in the County and the State.

COAH’s illustrative rent and sales calculations assume that households of 1.5 persons (between one and two, for our purposes) should be matched with one-bedroom units, that three-person households should be matched with two-bedroom units, and that households of 4.5 persons (between four and five, for our purposes) should be matched with three-bedrooms. As shown in Table 7, below, a quarter of the units in Allendale are ideal for one- to three-person households, whereas the remainder are sized for households of four or more, based on COAH’s standards.



TABLE 6. HOUSING UNITS BY NUMBER OF ROOMS, 2016.		
Rooms	Number of Units	Percentage of Total
1	90	3.7%
2	49	2.0%
3	59	2.4%
4	169	6.9%
5	170	6.9%
6	317	12.9%
7	388	15.7%
8	373	15.1%
9+	850	34.5%
Total	2,465	100%

Source: 2012-2016 American Community Survey 5-Year Estimate (DP04)

TABLE 7. NUMBER OF BEDROOMS PER HOUSING UNIT, 2016		
Bedrooms	Number of Units	Percent of Total
Efficiency	90	3.7%
1	133	5.4%
2	402	16.3%
3	609	24.7%
4	997	40.4%
5+	234	9.5%
Total	2,465	100%

Source: 2012-2016 American Community Survey 5-Year Estimate (DP04)

Table 8, Housing Values, shows that, according to the 2016 ACS data, only 85 of the Borough’s 1,939 owner-occupied housing units are valued below \$100,000, of which 15 are valued at less than \$10,000. In fact, 77.1% of the Borough’s housing is valued at more than \$500,000, compared to 20.5% of units across New Jersey and 38.8% of units in Bergen County. Based on COAH’s 2014 Illustrative Sales tables, adjusted for 2017 Income Limits, discussed in the Affordability Requirements section of the Fair Share Plan, and the affordability control requirements in the Uniform Housing Affordability Controls (UHAC at N.J.A.C. 5:80-26.1 et seq.), the number of existing units in the Borough that may be affordable to very-low, low-, and moderate-income households are as follows:



- A very-low income household seeking to own a 3-bedroom unit could afford a home at \$51,648 – only 15 units
- A low-income household seeking a 3-bedroom unit may be able to afford a \$106,252 home – 28 units, including the 15 affordable to very-low income households.
- A moderate-income household seeking to own a 3-bedroom unit may be able to afford a home at \$160,856 – 55 units, including the 28 affordable to low and very-low income units. In 2000, there were 69 units valued below \$250,000. Additionally, 15.4% of owner-occupied units were valued between \$100,000 and \$300,000, whereas compared to 4.6% valued in that range as of 2016. This may illustrate a bifurcation of housing valuation change; over the last decade and a half the majority of housing has become significantly more expensive, while a small share of the housing stock has become more affordable. In 2000, only 8.3% of units were valued at \$750,000 or more while that share was 39.5% in 2016.

TABLE 8. HOUSING VALUES, 2016 AND 2000

Housing Unit Value	2016 Units	Percent	2000 Units	Percent
Less than \$10,000	15	0.8%	0	0.0%
\$10,000 to \$99,999	0	0.0%	13	0.7%
\$100,000 to \$249,999	70	3.6%	56	4.40%
\$250,000 to \$299,999	19	1.0%	194	11.0%
\$300,000 to \$399,999	57	2.9%	436	24.7%
\$400,000 to \$499,999	283	14.6%	450	25.5%
\$500,000 to \$749,999	730	37.6%	385	21.8%
\$750,000 to \$999,999	535	27.6%	137	7.7%
\$1,000,000 or more	230	11.9%	10	0.6%
Total	1,939	100%	1,768	100%
Median	\$680,000		\$456,600	

Sources: 2000 Census (H074, H085), 2012-2016 American Community Survey 5-Year Estimate (DP04, B25075)
*The margins of error for this information exceed the estimated counts. As such, the estimates may be unreliable.

The median rent in Allendale in 2016 was \$1,693, compared to \$1,213 across Bergen County. Based on COAH’s 2014 illustrative rents, adjusted for 2017 Income Limits, and the UHAC’s affordability control requirements, limit the rent for a three-bedroom unit reserved for a moderate income household in Region 1 at \$1,385. Similar units reserved for low- and very-low income households would have their rents capped at \$1,062 and \$692, respectively. Just 75 of the 313 rental units in the Borough go for less than \$1,250 and therefore may be able to afford 100 of the 313 rental units in the Borough. One hundred units, or 31.9%, of rental units in Allendale have gross rents of below \$1,500. Only 75 units, or 24% of rental units, are affordable to low-income household, having gross rents below \$1,000. Thirty-eight (38) units, or 12.1% of occupied rental units, go for between \$200 and \$250 and are affordable to very-low income households. Rental units across Bergen County are generally more varied in affordability.



While only 6.1% of Bergen County rental units are affordable to very-low income households, compared to 12.1% in Allendale, they have greater variation in amount. Furthermore, 37.4% of the County's units are affordable to low-income households (compared to 24% in Allendale), and 57.8% are affordable to moderate-income households (compared to 31.9% in Allendale). See [Table 9, Comparison of Allendale and Bergen County, Gross Rent, 2015](#).

TABLE 9. ALLENDALE AND BERGEN COUNTY GROSS RENT, 2016				
	Allendale		Bergen County	
Gross Rent	Units	Percent	Units	Percent
Less than \$100	0	0.0%	328	0.3%
\$100 to \$149	0	0.0%	172	0.1%
\$150 to \$199	0	0.0%	441	0.4%
\$200 to \$249	38	12.1%	1,363	1.1%
\$250 to \$299	0	0.0%	912	0.8%
\$300 to \$349	0	0.0%	696	0.6%
\$350 to \$399	0	0.0%	887	0.7%
\$400 to \$449	0	0.0%	529	0.4%
\$450 to \$499	0	0.0%	560	0.5%
\$500 to \$549	0	0.0%	670	0.6%
\$550 to \$599	0	0.0%	276	0.2%
\$600 to \$649	0	0.0%	413	0.3%
\$650 to \$699	0	0.0%	810	0.7%
\$700 to \$749	13	4.2%	606	0.5%
\$750 to \$799	0	0.0%	1,136	1.0%
\$800 to \$899	0	0.0%	3,340	2.8%
\$900 to \$999	13	4.2%	5,639	4.7%
\$1,000 to \$1,249	11	3.5%	25,759	21.6%
\$1,250 to \$1,499	25	8.0%	24,312	20.4%
\$1,500 to \$1,999	146	46.6%	25,380	21.3%
\$2,000 or more	67	21.4%	20,225	17.0%
No cash rent	0	0.0%	4,574	3.8%
Total	313	100.0%	115,404	100%
Median Rent	\$1,693		\$1,213	
<i>Source: 2012-2016 American Community Survey 5-Year Estimate (DP04, B25063)</i>				
<i>*The margin of error for this information exceeds the estimated counts. As such, the estimates may be unreliable.</i>				

Housing is generally considered to be affordable if the costs of rents, mortgages, and other essential costs consume 28% or less of an owner-household's income or 30% or less of a renter-household's income. Homeowner rates are lower to account for the additional home maintenance costs associated with ownership. In Allendale, 37.9% of homeowner households and 53.4% of renter households (an average of 40% of all households in the Borough) pay 30% or more of their monthly income toward housing costs. See [Table 10, Housing Affordability](#).



TABLE 10: HOUSING AFFORDABILITY, 2016

Monthly Housing Cost as % of Income	Owner-Occupied	% of Total	Renter	% of Total	All Occupied	% of Total
Less than 20 Percent	835	43.1%	64	20.4%	899	39.9%
20 to 29 Percent	370	19.1%	82	26.2%	452	20.1%
30 Percent or More	734	37.9%	167	53.4%	354	40%
Total	1,939	100%	313	100%	2,252	100%

Source: 2012-2016 American Community Survey 5-Year Estimate (DP04)

Though the definition of deteriorated housing has evolved over several iterations of the State’s affordable housing regulations, the currently accepted criteria for determining whether a housing unit is in deficient state are as follows: (1) the unit is overcrowded (contains more than 1 person per room) and is more than fifty years old, (2) the unit has inadequate plumbing, or (3) the unit has inadequate kitchen facilities. While [Table 11, Indicators of Deficiency, 2012-2016](#), demonstrates the percentage of units meeting each criterion, it should not be interpreted as reflecting the Borough’s rehabilitation obligation, as it does not account for double counting units containing more than one indicator of deficiency and it only shows overcrowding in units built prior to 1950 instead of 1965, due to constraints in available data tables. As of 2016, there were no units in the Borough having deficient plumbing, 47 units with inadequate kitchen facilities, and 0 units that were considered crowded or overcrowded and were built prior to 1950.

TABLE 11: INDICATORS OF HOUSING DEFICIENCY, 2016

Indicator	Incomplete Plumbing	Incomplete Kitchen	Crowded or Overcrowded, and Built Pre-1950
Number of Units	0*	47*	0*

Source: 2012-2016 American Community Survey 5-Year Estimate (DP04, B25050)
**The margin of error for this information exceeds the estimated counts. As such, the estimates may be unreliable*

GENERAL POPULATION CHARACTERISTICS

The Borough has seen its population grow by 1.1% since the 1990 census, while New Jersey has grown by 13.7% and Bergen County has grown by 9.7% in the same period. Although the Borough grew by 13.5% between 1990 and 2000, it shrank by 2.9% between 2000 and 2010 while the State and the County grew by 4.5% and 2.5%, respectively. See [Table 12, Population Growth](#).



TABLE 12. POPULATION GROWTH.						
	1990	2000	'90 - '00 Change	2010	'00 - '10 Change	'90 - '10 Change
Allendale	5,900	6,699	13.5%	6,505	-2.9%	1.1%
Bergen Cnty.	825,380	884,118	7.1%	905,116	2.5%	9.7%
New Jersey	7,730,188	8,414,350	8.9%	8,791,894	4.5%	13.7%

Sources: 1990, 2000, and 2010 US Census

Between 2000 and 2010, Allendale saw its 25 to 44 year-old population shrink by 31.85%, and its population of children younger than 5 years old dropping 2.3 percentage points. The 25 to 44 year-old cohort includes young adults in the early stages of their careers, as well as those forming families. This exodus of persons in this age group may explain the decrease in the population of children younger than 5 years old.

Notwithstanding the net loss of young children, the population of older teenagers and young adults grew. This may reflect a combination of the “Echo Boom” cohort (also known as Millennials) who now make up the plurality of persons in the U.S., and the “Boomerang” trend in which young adults graduating high-school and college during or after the financial crisis in 2008 opted to live with their parents until they were able to find well-paying jobs and live on their own.

Simultaneously, middle-aged adults between 45 and 64 years old as well as seniors aged 75 and up also saw a net growth in population. This is consistent with the “graying” trend being seen in many communities across the country. This trend is associated with a 4-year increase in the median age of the Borough, from 39.5 to 43.5

TABLE 13. AGE DISTRIBUTION, 2000 – 2010.					
Age Group	2000	Percent	2010	Percent	'00 – '10 Change
Under 5	478	7.1%	337	5.2%	-29.5%
5-14	1247	18.7%	1104	17.0%	-11.5%
15-24	590	8.9%	783	12.0%	32.7%
25-34	487	7.3%	314	4.8%	-35.5%
35-44	1250	18.7%	898	13.8%	-28.2%
45-54	1116	16.7%	1257	19.3%	12.6%
55-64	586	8.8%	867	13.3%	48.0%
65-74	430	6.4%	378	5.8%	-12.1%
75+	515	7.6%	567	8.7%	10.1%
Total	6,699	100%	6,505	100%	
Median Age:	39.5		43.5		

Sources: 2000 and 2010 US Census



Household Characteristics

A household is defined by the U.S. Census Bureau as those persons who occupy a single room or group of rooms constituting a housing unit; however, these persons may or may not be related. As a subset of households, a family is identified as a group of persons including a householder and one or more persons related by blood, marriage or adoption, all living in the same household. In 2010, there were 2,236 households in the Borough, with an average of 2.86 persons per household and an average of 3.25 persons per family. Approximately 70.8% of the households are comprised of married couples with or without children. Approximately 19.6% of the Borough’s households are non-family households which include individuals living alone (17.5% of all households). See [Table 14, Household Composition, 2010](#).

TABLE 14. HOUSEHOLD COMPOSITION, 2010		
Household Type	Number of Households	Percent
<i>Family households</i>	1,797	80.4%
Married-couple family	1,582	70.8%
With Children	856	38.3%
Male householder, no spouse present	34	1.5%
With Own Children Under 18	11	0.5%
Female householder, no spouse present	181	8.1%
With Own Children Under 18	90	4.0%
<i>Nonfamily households</i>	439	19.6%
Householder living alone	391	17.5%
Total Households	2,236	100.0%
<i>Source: 2010 US Census</i>		

INCOME CHARACTERISTICS

Households and families in Allendale have on average much higher incomes than in Bergen County as a whole. Median income in 2015 in Allendale was \$151,641 for households and \$158,088 for families. Comparable figures for the County were \$88,487 for households and \$107,465 for families. [Table 15, Household Income by Income Brackets, 2016](#), further illustrates these findings by noting the number of households in each of the income categories. The Borough’s poverty rates for individuals and families (1% for individuals, 2.8% for families) are well below the rates for the County (7.45% and 5.8%, respectively). See [Table 16, Individual and Family Poverty Rates, 2016](#) for the comparison.



TABLE 15. HOUSEHOLD INCOME BY INCOME BRACKETS, 2016.		
	Households	Percent
Less than \$10,000	62	2.8%
\$10,000-\$14,999	33	1.5%
\$15,000-\$24,999	59	2.6%
\$25,000-\$34,999	51	2.3%
\$35,000-\$49,000	194	8.6%
\$50,000-\$74,999	139	6.2%
\$75,000-\$99,999	141	6.3%
\$100,000-\$149,999	426	18.9%
\$150,000-\$199,999	407	18.1%
\$200,000 +	740	32.9%
Total:	2,252	100.00%
Median Income:	\$151,641	

Source: 2012-2016 American Community Survey 5-Year Estimate (DP03)

TABLE 16. INDIVIDUAL AND FAMILY POVERTY RATES, 2016		
Location	Individuals	Families
Allendale Borough	1%	2.8%
Bergen County	7.5%	5.8%
New Jersey	10.9%	8.1%

Source: 2012-2016 American Community Survey 5-Year Estimate (DP03)

EMPLOYMENT CHARACTERISTICS

Table 17, Distribution of Employment by Industry, Allendale Residents, 2016, shows the distribution of employment by industry for employed Allendale residents. The three industries to capture the largest segments of the working population were the education, health and social services industry at 22.4%; finance, insurance and real estate at 17.8%; and professional and related services at 15.6%



TABLE 17. DISTRIBUTION OF EMPLOYMENT BY INDUSTRY, ALLENDALE RESIDENTS, 2016.

Sector Jobs	Number	Percent
Agriculture, Forestry, Fishing and Hunting, and Mining	16	0.5%
Construction	110	3.6%
Manufacturing	195	6.3%
Wholesale Trade	158	5.1%
Retail Trade	257	8.3%
Transportation, Warehousing, and Utilities	79	2.6%
Information	85	2.7%
Financing, Insurance, Real Estate, Renting, and Leasing	552	17.8%
Professional, Scientific, Management, Administrative, and Waste Management Services	483	15.6%
Educational, Health and Social Services	693	22.4%
Arts, Entertainment, Recreation, Accommodation and Food Services	280	9.0%
Other	115	3.7%
Public Administration	75	2.4%
Total:	3,098	100.0%

Source: 2012-2016 American Community Survey 5-Year Estimate (DP03)

Table 18, Employment by Occupation, Allendale Borough, 2016, identifies the occupations of employed persons. While Allendale residents work in a variety of industries, 63.7% of employed residents work in management, professional, and related occupations, while sales and office occupations employ 19.9% of residents.

TABLE 18. EMPLOYMENT BY OCCUPATION, ALLENDALE BOROUGH, 2016.

Sector Jobs	Number	Percent
Management, Business, Science, Arts	1,973	63.7%
Service	275	8.9%
Sales and Office	615	19.9%
Natural Resources, Construction, Maintenance	136	4.4%
Production, Transportation, Material Moving	99	3.2%
Total	3,098	100.0%

Source: 2012-2016 American Community Survey 5-Year Estimate (DP03)

Since 2010, the size of Allendale’s labor force grew and workers have had an easier time finding a job. The Borough’s unemployment rate fell from 9.3% in 2010 to 3.9% in 2016. In 2016, the labor force in Allendale Borough consisted of 2,929 persons, which is a 35 person increase from 2010, but a decrease from the peak labor force size of 3,014 in 2011. Table 19, Change in Employment Since 2010, illustrates these trends.



TABLE 19: CHANGE IN EMPLOYMENT SINCE 2010				
Year	Labor Force	Employment	Unemployment	Unemployment Rate (%)
2010	2,894	2,624	270	9.3
2011	3,014	2,779	235	7.8
2012	2,894	2,703	191	6.6
2015	2,894	2,703	191	6.6
2014	2,903	2,754	149	5.1
2015	2,927	2,795	132	4.5
2016	2,929	2,814	115	3.9

Source: NJ Department of Labor and Workforce Development

The number of jobs in Allendale exceeds the number of working age residents in the Borough. The New Jersey Department of Labor tracks covered employment throughout the state. Covered employment data includes only those jobs for which unemployment compensation is paid. By definition it does not cover the self-employed, unpaid family workers, most part-time or temporary employees, and certain agricultural and in-home domestic workers. See [Table 20, Covered Employment Estimates](#), for additional detail.

TABLE 20. COVERED EMPLOYMENT ESTIMATES		
Year	Allendale	Bergen County
2016	3,524	429,010

Source: New Jersey Department of Labor, Division of Planning and Research, Office of Demographic and Economic Analysis, NJ Covered Employment Trends.

Local municipal government and wholesale trade were the largest sectors of in-town occupations, with 454 and 594 jobs, respectively (local government education, employing 356 of the 454 local government employees, is included in the broader local government category). The second largest private sector field was the health and social services sector with 427 jobs. [Table 21, Covered Employment by Sector](#), provides additional employment information.

	TABLE 21. COVERED EMPLOYMENT BY SECTOR, 2015					Wages	
	Employment					Annual	Weekly
	March	June	Sept.	Dec.	Average		
Private Sector Municipality Total	2,959	3,133	3,011	3,210	3,065	\$279,758,376	\$91,290
Construction	72	78	74	74	75	\$84,889	\$1,632
Manufacturing	.	.	.	.	.	.	.
Wholesale Trade	581	596	594	609	594	\$112,875	\$2,171
Retail Trade	180	205	195	179	192	\$43,107	\$829
Information	.	.	.	.	.	.	.
Finance/Insurance	49	55	55	59	54	\$55,859	\$1,074



TABLE 21. COVERED EMPLOYMENT BY SECTOR, 2015							
	Employment					Wages	
	March	June	Sept.	Dec.	Average	Annual	Weekly
Real Estate	.	.	.	.	.	.	.
Professional/Technical	451	457	448	445	448	\$110,680	\$2,128
Management	192	191	193	195	193	\$163,914	\$3,152
Admin/Waste Remediation	241	346	328	437	323	\$34,829	\$670
Education	34	39	31	53	41	\$17,007	\$327
Health/Social	436	443	403	408	427	\$51,528	\$991
Arts/Entertainment	141	171	107	133	146	\$15,866	\$305
Accommodations/Food	251	199	213	220	212	\$25,126	\$483
Other Services	64	65	83	86	74	\$24,194	\$465
Unclassified	10	10	8	13	10	\$27,295	\$525
Federal Government Municipality Total	5	5	5	5	5	\$63,444	\$1,220
Local Government Municipality Total	502	533	455	507	454	\$65,150	\$1,253
Local Government Education Total	417	405	344	424	356	\$71,338	\$1,372
Total Covered Employment	3,466	3,671	3,471	3,722	3,524	\$91,290	\$1,756

Source: New Jersey Department of Labor, Division of Planning and Research, Office of Demographic and Economic Analysis, NJ Covered Employment Trends.

As [Table 22, Journey to Work, 2012-2016](#) below shows, workers from Allendale are more likely to drive to work (74.3% vs 69.2% and 71.7%, respectively) despite having access to public transit, but are more likely to take public transit (12.8% vs. 11.2%) than workers across the State. Additionally, 5.2% of workers from Allendale work from home, and 2% walk to work. These statistics reflect the Borough’s historic character as a bedroom community in which residents primarily live and shop, and few residents own or work in local businesses that they can walk to.

TABLE 22. JOURNEY TO WORK, 2012-2016			
Mode	Allendale Borough	Bergen County	New Jersey
Drive Alone	74.3%	69.2%	71.7%
Carpool	4.7%	7.5%	8.1%
Transit	12.8%	14.4%	11.2%
Walk	2.0%	2.8%	3.0%
Work at Home	5.2%	4.8%	4.1%
Other	1%	1.4%	1.9%

Source: 2012-2016 American Community Survey: Selected Economic Characteristics (DP03)



Nearly three-quarters of the Borough’s households own two or more personal vehicles, compared to a little over half in Bergen County and across New Jersey. Additionally, only 4.4% of households in Allendale have no personal vehicles, compared to 8% across Bergen County and 11.6% statewide. See [Table 23, Available Vehicles by Household, 2012-2016](#).

TABLE 23. AVAILABLE VEHICLES BY HOUSEHOLD, 2012-2016		
Vehicles	Count	Percent
None	98	4.4%
One	462	20.5%
Two	1,052	46.7%
Three +	640	28.4%
Total	2,252	100%

Source: 2012-2016 American Community Survey: Selected Housing Characteristics (DP04)

As shown in [Table 24, Top Ten Commuting Destinations for Allendale Residents](#) below, Manhattan is the most common place of employment for employed residents of Allendale, with 457 (16.8%) workers traveling there for their primary jobs. Allendale is the second most common destination, with 158 (5.8%) residents working locally. The remaining eight of the top ten municipalities employs 28.6% of the Borough’s employed residents throughout Bergen, Hudson, and Passaic Counties.

TABLE 24. TOP TEN COMMUTING DESTINATIONS FOR ALLENDALE RESIDENTS, 2015		
Destination	Jobs	Percent
New York city, NY	457	16.8%
Allendale borough, NJ	158	5.8%
Paramus borough, NJ	108	4.0%
Ramsey borough, NJ	90	3.3%
Ridgewood village, NJ	70	2.6%
Hackensack city, NJ	56	2.1%
Paterson city, NJ	49	1.8%
Fair Lawn borough, NJ	46	1.7%
Midland Park borough, NJ	43	1.6%
Montvale borough, NJ	40	1.5%
All Other Locations	1,596	58.8%

Source: US Census and Center for Economic Studies. Longitudinal Employer-Household Dynamics, 2015



POPULATION PROJECTIONS

The North Jersey Transportation Planning Authority (NJTPA), the Metropolitan Planning Organization (MPO) that addresses Allendale as well as the remainder of Bergen County, published population and employment projections for the year 2040. The NJTPA projects that the Borough’s population and employment will increase by 17.1% and 31%, respectively, from 2010 to 2040. As [Table 25, Population, Household, and Employment Projections, 2010 to 2040](#) shows, the Borough’s projected population growth rate is consistent with countywide growth, but Borough employment growth is expected to be nearly double countywide employment growth.

TABLE 25. POPULATION, HOUSEHOLD, AND EMPLOYMENT PROJECTIONS, 2010 TO 2040						
	Allendale			Bergen County		
	2010	2040	% Change	2010	2040	% Change
Population	6,510	7,620	17.1%	905,100	1,030,400	13.8%
Employment	2,870	3,760	31%	451,100	578,100	28.2%
<i>Sources: NJTPA Regional Transportation Plan for Northern New Jersey: Appendix A – 2040 Demographic Projections., April 2013</i>						

The Fair Housing Act requires that Housing Plans include a 10-year projection of new housing units based on the number of building permits, development applications approved, and probable developments, as well as other indicators deemed appropriate (*N.J.S.A. 52:27D-310.b*). Because this Housing Element and Fair Share Plan is being prepared in early 2018, the projections will be made for 7.5 years, to July of 2025. Annual building permit issuance for residential new construction in Allendale during the years 2000 through 2016 averaged approximately 8.4 units. The 16-year period on which this average is based reflects a variety of economic phases, including the economic slowdowns after the terror attacks of September 11, 2001 and the “dot-com” crash, the great-recession in 2008-2009, and the echo-recession in 2011, as well as the economic growth in the mid-2000’s and the recovery of the Great Recession.

If this rate were to remain relatively constant, Allendale would see approximately 63 new dwellings by the year 2025. Factors such as economic cycles, zoning, environmental constraints, and physical obstacles to development may result in a lower or higher actual number.

[Table 26, Housing Projections](#), provides an estimate of anticipated residential growth based on the extrapolation of prior housing activity into the future.



TABLE 26. HOUSING PROJECTIONS TO 2025	
Year	Building Permits Issued
2000	8
2001	16
2002	2
2003	0
2004	1
2005	1
2006	0
2007	12
2008	5
2009	15
2010	14
2011	11
2012	3
2013	9
2014	38
2015	6
2016	2
Total 2000 to 2016	143
17-Year Average	8.4
<i>10-Year Average</i>	<i>11.4</i>
<i>7.5-Year Projection (January 2018 to July 2025)</i>	60-85

Source: New Jersey DCA Construction Reporter



CONSIDERATION OF LANDS APPROPRIATE FOR AFFORDABLE HOUSING

Pursuant to the NJ Fair Housing Act at N.J.S.A. 52:27D-310.f, a municipal housing element shall contain “a consideration of lands of developers who have expressed a commitment to provide low- and moderate-income housing.”

As part of the affordable housing planning process, the Borough has considered land that is appropriate for the construction of low- and moderate-income housing by way of considering sites that have become available for housing, conducting its vacant land analysis, and evaluating sites to address its unmet need.

During the vacant land analysis exercise, the Borough considered both vacant and developed sites that might be appropriate for the type of development or redevelopment that could generate affordable housing through inclusionary set-asides. This has allowed the Borough to identify a number of sites that it intends to use to address its Third Round RDP and its Third Round Unmet Need obligations.

Sites Generating Third Round RDP – May 24, 2017							
Block	Lot	Address	Owner	Acres	Density (du/acre)	Total Units	RDP @ 20%
203	1	Rear of Bonnie Way	Borough	1.90	8	15.2	3.04
303	1	Rear of Bonnie Way	Borough	2.62	8	20.96	4.19
506	4	221 E. Crescent Avenue	Burnett	4.88 gross	8.2	40.00	8.0
910	6	115 W. Crescent Avenue	Scott	0.75	6	4.50	0.90
1005	3, 11, 20	220 + 230 W. Crescent Avenue	Black Millwork Co.	9.4 gross 7.45 net	14	104.3	20.86
1503.01	14	42 Carteret Road	Poskanzer	1.95 gross 1.70 net	6	10.20	2.04
1604	15	55 George Street	Trinity Episcopal Church	6.57 gross 2 net	6	12.00	2.40
2004	20.10, 20.11, 21, 33, 34, 36	Franklin Turnpike, Rozmus Ct., Homewood Avenue	Rohsler Nursery Partners	7.8 gross 7.74 net	8	61.92	12.3
						Total	53.73 Or 54

Lands not included in Plan

The Borough has been contacted by the attorney for a developer proposing a 10-unit inclusionary multi-family building at an existing automobile service station at 54 Park Avenue.



The Borough advised the developer to go about the normal channels of applying for such development, including addressing the d(1) variance that would be required for constructing a multi-family use in a commercial district, where multi-family housing is a prohibited use. The developer is expected to seek approvals from the Borough's Joint Land Use Board in Spring/Summer 2018 for the 10-unit development, and the Borough would impose an affordable housing set-aside as a condition of approval. The Borough may negotiate the creation of very-low income family rental units at the site.

Third Round Unmet Need

As required by the Borough's Settlement Agreement with FSHC, the Borough has designated three sites for inclusionary overlay zoning to address the Third Round unmet need (further discussed in the Unmet Need section of the Plan, below). These three sites did not contribute to the Borough's Third Round RDP, as they are not vacant but may redevelop in the future.

ALLENDALE'S AFFORDABLE HOUSING OBLIGATION

Rehabilitation Obligation

The rehabilitation obligation can be defined as an estimate of the number of deteriorated housing units existing in Allendale Borough that are occupied by low- and moderate-income households. The Settlement Agreement with FSHC establishes Allendale's Third Round rehabilitation obligation as 21 units.

Prior Round

The Prior Round obligation can be defined as the cumulative 1987 through 1999 new construction affordable housing obligation. This time period corresponds to the First and Second Rounds of affordable housing, during which COAH had assigned the Borough a 137-unit new construction obligation.

Third Round Obligation: RDP and Unmet Need

The estimated demand for affordable housing includes the "gap" portion of the Third Round that has already passed by (1999-2015), as well as a projection 10 years into the future starting in July 2015 (2015-2025). The 10-year period is derived from the Fair Housing Act that, when amended in 2001, set the projection for this length of time (*N.J.S.A. 52:27D-310*).

The Borough's 2017 FSHC Settlement Agreement sets Allendale's Third Round obligation (1999-2025) at 308 units. Application of the vacant land adjustment results in a Third Round 54-unit RDP and a 254-unit unmet need.



ALLENDALE’S AFFORDABLE HOUSING PLAN

Satisfaction of the Rehabilitation Obligation

The Borough will address its 21-unit rehabilitation obligation through participation in Bergen County’s Home Improvement Loan Program, which provides low-interest loans to low- and moderate-income households for eligible improvements. Household eligibility for rehabilitation through this program is restricted to qualifying households whose incomes are less than or equal to 80% of the Bergen-Passaic HUD Metro FMR Area median income¹⁰. This income eligibility cutoff, which can be found in Appendix D of this Plan, is within the low- and moderate-income range shown in the Affordability Requirements section of this Plan. All income qualified households in the County can apply for the program, and no contract is required between the Borough and the County.

The Borough is required *N.J.A.C. 5:93-5.2(f)* to ensure that rental housing is not excluded from its rehabilitation program. Since the County’s HIP program cannot use its federal funds to rehabilitate rental units, the Borough is required to rehabilitate rental units through other means. Only 13.9% of the Borough’s occupied housing stock, according to 2016 American Community Survey data, is comprised of rental units. The Borough is, therefore, addressing a rental rehabilitation share of three (3) units (21-unit rehabilitation share x 13.9% = 2.92, round up). The Borough has fully addressed this requirement through the rehabilitation of rental units at the Allendale Senior Housing development over the Third Round. In addition to the more than \$92,000 it has spent since 2010, the Borough anticipates additional rehabilitation through 2025, including \$32,000 in HVAC repair and replacements for units at Allendale Senior Housing.

Prior Round Rental Bonuses:

The FSHC agreement requires the Borough to adhere to the rental bonus requirements found in *N.J.A.C. 5:93-5.15(d)*. A family rental unit receives one rental bonus. The Borough is eligible for 35 Prior Round rental bonuses

$$.25 \times 137 = 34.25, \text{ round up to } 35$$

An age-restricted unit receives a 0.33 rental bonus, but no more than 50 percent of the rental obligation shall receive a bonus for age-restricted units; and

No rental bonus is granted in excess of the rental obligation.

Satisfaction of the Prior Round Obligation (1987-1999)

The Borough has fully addressed its 137-unit Prior Round Obligation with previous Regional Contribution Agreement funding, inclusionary development, 100% affordable development, and

¹⁰ The HIP Manual contained in Appendix D of this Plan indicates that the income eligibility cutoff is 60% of the area median income. However, Robert Esposito, Director of the Bergen County Division of Community Development, indicates that the effective income limit is 80% of AMI. This will be reflected in the upcoming update to the HIP Manual.



supportive and special needs housing, which were approved by COAH by way of substantive certification of the Borough's 2008 Third Round Housing Element and Fair Share Plan. All affordable units addressing the Prior Round are completed.

Satisfaction of the Third Round Obligation (1999-2025)

As established in the FSHC Settlement Agreement, Allendale's cumulative Third Round new construction obligation of 308 units (1987-2025) consists of a 54-unit RDP and 254-unit unmet need. The Borough proposes to address its 54-unit RDP through a combination of completed special needs and family-rental units, as well as two (2) proposed family-sale units, four (4) proposed age-restricted rental units, and five (5) special needs bedrooms under construction.

The Borough's 254-unit Unmet Need will be addressed by way of the establishment of three inclusionary overlay zoning districts with housing unit densities of 10 and 12 units per acre and required affordable housing set-asides, as well as a Borough-wide mandatory affordable housing set-aside requirement and an existing affordable housing development fee ordinance.

Very Low Income Requirement

The Borough is required to ensure that at least 13% of all new affordable housing units approved and created July 17, 2008 or later are affordable to very-low income households. The Borough has created since that date, or will create during the Third Round, a total of 60 units from which the very-low income obligation must be calculated. Thirteen percent (13%) of 60, rounded up, is 8 units. The Borough has created a number of very-low income special needs

Maximum Prior Round Age-Restricted = 34 units

.25 (137)

= 34.25, round down to 34

Only 16 Age Restricted units are addressing the Prior Round.

Family Unit Requirement

The FSHC Agreement requires that half of all rental units, half of all very-low income units, and half of all units addressing the Third Round RDP and Unmet Need, be available to family households.

Third Round Rental Bonuses:

The Borough is eligible for 14 Third Round rental bonuses

.25 (units addressing the Third Round RDP)

= .25 x 54 RDP = 13.5, round to 14

Maximum Third Round Age-Restricted = 13 units (RDP) and 63 units (Unmet Need)

.25 (units addressing the Third Round RDP)

= .25 x 54 = 13.5, round down to 13

Only four (4) Age Restricted units are addressing the Third Round RDP.

.25 (units addressing the Third Round Unmet Need)

= .25 x 254 = 63.5, round down to 63

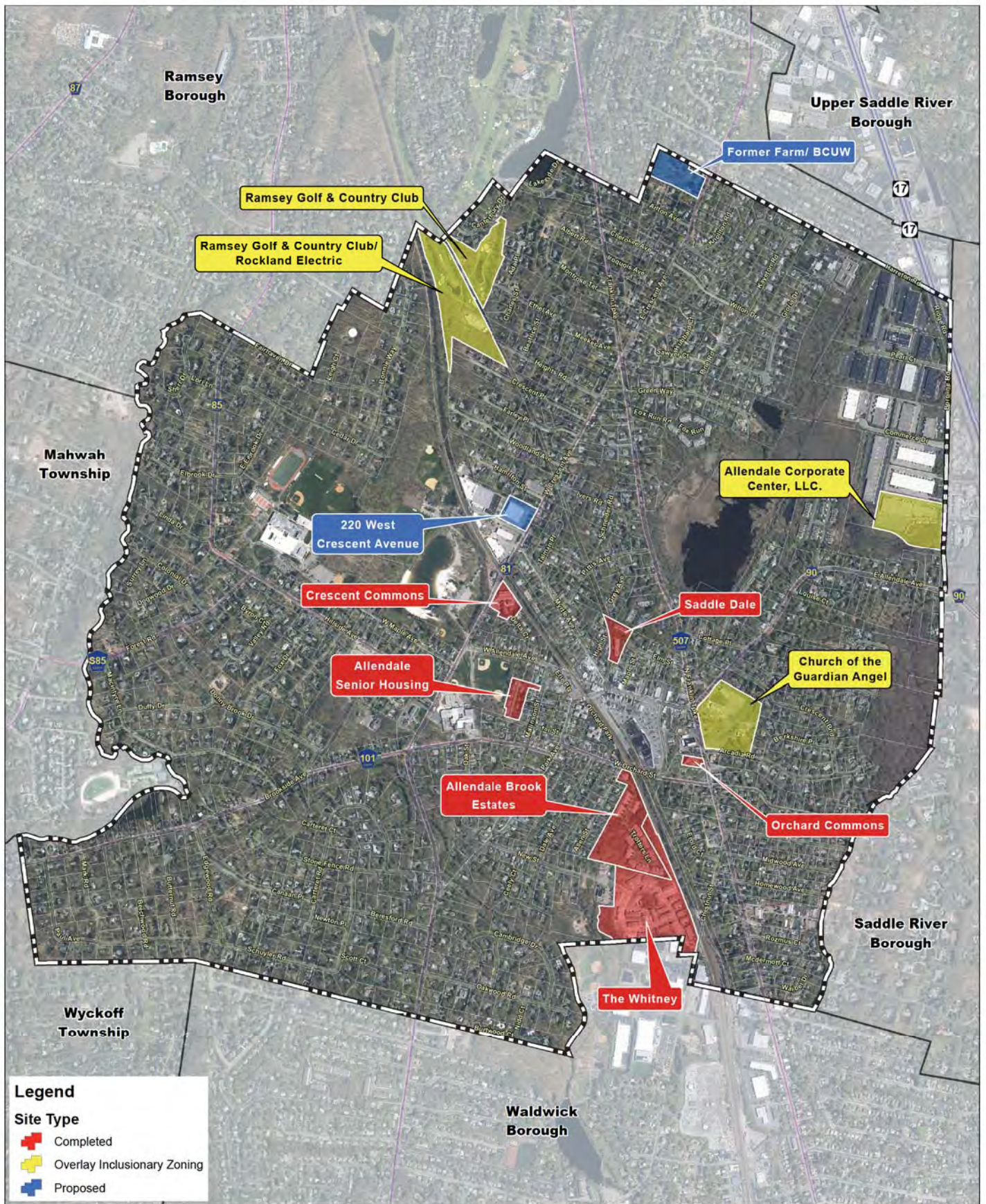


units, including at Crescent Commons and Orchard Commons. The Borough will address its very-low income family obligation over the course of the Third Round.

**Third Round Minimum Very-Low
Income = 8 units**

.13 (60 units approved and created
after 7/17/2008)

= .13 (60 = 7.8, rounded up to 8)



Legend

Site Type

- Completed
- Overlay Inclusionary Zoning
- Proposed



Clarke Caton Hintz ● ● ■

Architecture
Planning
Landscape Architecture

Affordable Housing Sites

LOCATION:
Allendale Borough, Bergen County, NJ

DATE:
May 2018



PRIOR ROUND OBLIGATION

REGIONAL CONTRIBUTION AGREEMENTS

Allendale Borough previously transferred funds for a total of 44 RCA units including first round RCAs to Jersey City for 40 units and Ridgefield Borough for four (4) units. All funds for the 44 total RCAs have been transferred.

INCLUSIONARY

Allendale Brook Associates (Block 2101, Lot 9)

Allendale Brook Associates, LLC developed 59 market rate units and nine (9) affordable family sale units on Carriage Court and Trotters Lane. The site was deemed completed on October 1, 2002, and the nine (9) affordable family sale units have 30-year affordability controls through deed restrictions starting on November 15, 2002. The units received certificates of occupancy (“COs”) from as early as May to as late as October 2002. The affordable units are administered by Housing Affordability Service (HAS) in accordance with UHAC at N.J.A.C. 5:80-26.1. Five (5) of the nine (9) units are affordable to low-income households, and the remainder are affordable to moderate income households.

Appendix F contains a sample deed restriction and affordable housing agreement demonstrating the affordability controls placed on units at this site.

Five (5) of the nine (9) units at this site will be carried over as surplus units to address the Third Round RDP.

Saddle Dale Builders (Block 1809, Lot 8)

Saddle Dale Builders, Inc. completed the inclusionary development on Elm Street in 1999, which consists of 13 market rate units and three (3) family affordable sale units. All three units have certificates of occupancy from October and November of 1999, and two (2) of them are restricted to low-income households. The family affordable sale units have 30-year affordability controls and are administered by HAS in accordance with UHAC.

A sample deed restriction and affordable housing agreement can be found in Appendix G.

Inclusionary Development

A development containing low- and moderate-income units among market rate units. N.J.A.C. 5:93 requires 20% of units to be affordable in for-sale developments and 15% of units to be affordable in rental developments.

Inclusionary development may also be a mixed-use development (i.e. first-floor stores) with affordable units on upper stories.



Garden Homes/ The Whitney (formerly Freeman) (Block 2101, Lots 1, 2, 3, 5, 6, 7, 8)

COAH previously certified the Garden Homes inclusionary housing site (Block 2101, Lots 1, 2, 3, 5, 6, 7, 8), which was included in Allendale’s first and second round plans. The Borough’s planning board granted the site final approval for 150 total units on August 25, 2005. Of the 150 total units, 138 are market rate units and 12 are on-site affordable family rental units. To fulfill the remainder of the required 15% affordable housing set aside, the developer also made a payment-in-lieu of construction for 11 affordable units. The payment in-lieu of construction was initially approved by COAH to fund an 11-unit RCA; however, the Roberts Bill eliminated RCAs as an eligible affordable housing compliance mechanism before this agreement could be approved. COAH approved the \$1,095,000 payment in-lieu, as part of the Borough’s October 2009 Third Round substantive certification, to fund 11 off-site supportive and special needs units on the Crescent Commons site.

All of the 12 affordable onsite units at the site received COs on July 24, 2012 and October 7, December 1, and December 30 of 2015. The units were fully occupied as of April 1, 2016. The Borough will utilize the 12 affordable family rental units to address the Third Round as discussed below. The Borough will address its Prior Round with the 11 completed off-site affordable units at Crescent Commons, which also address a portion of the Borough’s 35-unit prior round rental obligation. The affordable off-site alternative living arrangements are eligible for 11 Prior Round rental bonuses pursuant to N.J.A.C. 5:93-5.15.

Crescent Commons is fully described in the Alternative Living Arrangements section, below.

100% AFFORDABLE HOUSING

Allendale Senior Housing (Block 1708, Lots 1 and 9)

The Allendale Senior Housing development on Cebak Court was initially completed on January 9, 1997 with 15 affordable age-restricted rental units currently is comprised of 16 affordable age-restricted rental units, all one-bedroom units. On November 12, 2008, the Allendale Senior Housing Corporation voted to explore the creation of the 16th deed restricted affordable senior rental unit at the complex from a ‘common unit’. The 16th unit was issued a certificate of occupancy on August 28, 2009. The affordable units are administered by the Madeline Corporation – an experienced administrative agent. All 16 units have been previously credited by COAH. Eight (8) of the units are affordable to low-income households, and the other eight (8) are affordable to moderate-income households (See the Madeline Corporation’s 2018 rent summary sheet at

Municipally Sponsored Construction / 100% Affordable Development

A development in which all units are affordable to low- and moderate-income households and where the municipality provides at least a commitment to fund any shortfall in the funding for the development.



Appendix E). The affordability controls on the site can be found in the portion of the ground lease in Appendix I.

ALTERNATIVE LIVING ARRANGEMENTS

Orchard Commons (Block 1806, Lot 10.01)

Allendale Housing, Inc., (“Allendale Housing”) is a non-profit entity that was created to develop and construct supportive shared living housing on the Orchard Commons site (Block 1806, Lot 10.01), at Franklin Turnpike. Allendale Housing consists of seven trustees of whom three are the mayor and two council members and four are resident volunteers.

Allendale Housing acquired the entire 0.634-acre Orchard Commons’ property in 2007 for this 100% municipally sponsored development of supportive special-needs housing. The site was developed by the Bergen County United Way and the Madeline Corporation. It consists of three (3) single-story buildings containing 10 bedrooms within four (4) two-bedroom apartments and two (2) one-bedroom apartments, for a total of 10 creditable alternative living arrangement units. The final certificate of occupancy was issued on December 10, 2010, and 30-year affordability controls started on May 10, 2010. The development received funding from the Borough (\$250,000), Bergen County Division of Community Development (\$300,000), and by the NJ Housing and Mortgage Finance Agency (HMFA) Special Needs Trust Fund (\$2,174,336). The units also received State Rental Assistance Program vouchers. All 10 units are reserved for very-low income households (See the Madeline Corporation’s 2018 rent summary sheet at Appendix E). Special needs surveys and relevant sections of funding agreements establishing affordability controls can be found in Appendix J. The affordable alternative living arrangements are eligible for 10 prior round rental bonuses per *N.J.A.C. 5:93-5.15*.

Alternative Living Arrangement / Supportive & Special Needs Housing

A structure in which households live in distinct bedrooms, but share kitchen and plumbing facilities, central heat and common areas.

They may be restricted to special needs groups, such as persons with developmental disabilities, veterans and their families, and victims of domestic abuse.

Crescent Commons (Block 904, Lots 10.01, 10.02, 14, 31)

The Borough is using 25 units (including 11 units transferred from the Garden Homes/Whitney development) of the 33 total units at this site to address its prior round obligation. The remainder will be used to address the third round.



Crescent Commons, formerly known as the Foreit site, was previously certified by COAH. The site was developed by Allendale Housing Inc. in partnership with Community Development Corporation. The Madeline Corporation administers the special needs and supportive living units at the site, whereas HAS administers the six (6) family for-sale units. It was originally conceived as including 10 supportive shared living units, six (6) family sale units, and three (3) family rental units – a total of 19 units. Crescent Commons was expanded in November 2009 to include Block 904/Lot 14 (aka, the Roberts’ Site), which added three (3) supportive housing units, bringing the total number of units on site up to 22. Additionally, as aforementioned, the Garden Homes/Whitney project made an approved payment in-lieu to create an additional 11 supportive shared living units to the Crescent Commons site. As such, the site contains a total of 33 affordable units.

The final make-up of the 33 units on site includes 24 supportive shared living bedrooms (including the 11 transferred from Garden Homes/Whitney), three (3) permanent supportive housing units for individuals with multiple sclerosis, and six (6) family affordable sale units. Crescent Commons was issued a certificate of occupancy on January 30, 2013 and has 30-year affordability controls commencing on December 13, 2011.

The entire Crescent Commons site is approximately 2.52 acres and is located off of West Crescent Avenue. It includes a two-story single-family house (containing three (3) permanent supportive housing bedrooms for persons with multiple sclerosis), and four (4) multi-unit buildings including one (1) building comprised of six (6) affordable for-sale townhouses, and three (3) containing the 24 supportive shared living units. Nine (9) of the supportive shared living units are occupied by low-income tenants, and all six (6) of the for-sale family affordable townhouses are restricted to low income households. The remaining units are very-low income units (See the Madeline Corporation’s 2018 rent summary sheet at Appendix E). Special Needs surveys and affordability controls can be found in Appendix K.

Twenty-five (25) of the 33 units on the Crescent Commons site are addressing the prior round obligation, consisting of 25 of the site’s 27 alternative living arrangement units. These 25 affordable units are eligible for 25 prior round rental bonuses.



THIRD ROUND REALISTIC DEVELOPMENT POTENTIAL ("RDP")

INCLUSIONARY

Garden Homes / Whitney (Block 2101, Lots 1 through 3 and 5 through 8)

See description in Prior Round section. All 12 on-site affordable family rentals will address the third round. These 12 affordable family rental units are eligible for 12 third round rental bonuses.

The affordable units at the Whitney are administered by Piazza & Associates, Inc. ("Piazza"). The units were approved in 2005, and therefore do not trigger the 13% very-low income requirement of the FSHC Settlement Agreement.

Half of the affordable units (6) are affordable to very-low and low-income households. As the approval occurred before the Roberts Bill amended the very-low income requirement in the UHAC from providing 10% very-low income units for the 35% income level to providing 13% very-low income units for the 30% income level, the development includes two (2) family rentals units that are restricted to households earning 35% of the regional median income. The units are also compliant with UHAC's bedroom distribution requirement, having three (3) three-bedroom units (25%), seven (7) two-bedroom units (58.3%) and two (2) one-bedroom units (16.7%).

Appendix H of this plan includes the rent roll of the affordable units.

Former Farm / Allendale Heights (Block 506, Lot 4)

The Borough previously included the Former Farm property as an inclusionary housing site in both its certified first and second round plans. The property was at one point was slated to include 40 total units including eight (8) affordable family units. In 2008, the owner indicated an interest in developing single-family units instead of the previously proposed 40-unit multifamily project. In May of 2016, the Borough Planning Board approved the development of a 10-unit single-family subdivision proposed by Chamberlain Developers, Inc. ("Chamberlain"). Subsequent to the site being approved, Chamberlain transferred legal and development rights over the development to Allendale Heights, Inc. ("Allendale Heights"). Allendale Heights entered into agreements with the Borough and with the Bergen County United Way / Madeline Corporation Partnership ("Partnership") that established that two (2) of the 10 units (Block 506, lots 4.07 and 4.08) on the site would be affordable family rental units, and transferred ownership of the lots to the Partnership. The two (2) affordable units will be three-bedroom single-family houses for veterans and their families, and will be subject to minimum 30-year affordability controls, as required by the Second Round rules and UHAC,



and will comply with the requirements of the UHAC, including bedroom distribution, income distribution, and administration requirements except as modified by the terms of the Settlement Agreement with Fair Share Housing Center. The units will also comply with the requirements of the Borough's Affordable Housing Ordinance. The units have affordability controls through the developer agreements with Allendale Heights, the agreement to transfer the restricted lots to the Partnership, the deed for those lots, and the affordability requirements of the ML-7 Zone District. Construction is expected to be completed by the end of 2018.

The affordable units will be wholly owned by the Partnership. The Partnership received \$442,000 of grant money from the Bergen County Division of Community Development.

Both of the rental units are eligible for Third Round rental bonuses.

COAH's rules at *N.J.A.C. 5:93-5.3* "New Construction; Site Criteria and General Requirements" requires that sites selected for new construction meet the criteria found in the "Definitions" section at *N.J.A.C. 5:93-1.3* for suitability, developability, availability, approvability. The approved site satisfies COAH's criteria and requirements as set forth in those two sections as follows:

- *N.J.A.C. 5:93-1.3* defines "Suitable Site" as "a site that is adjacent to compatible land uses, has access to appropriate streets and is consistent with the environmental policies delineated in *N.J.A.C. 5:93-4* ["Municipal Adjustments"]."

The Former Farm / Allendale Heights site is located on the border of Allendale and Ramsey Borough on East Crescent Avenue. It is surrounded by single-family neighborhoods in both Boroughs and is a five (5) minute drive of jobs and shopping opportunities on Route 17.

The site is free of environmental constraints.

East Crescent Avenue is a two-lane County road that bisects the Borough from north to south. The road facilitates pedestrian and motor vehicle access to the community resources in both Allendale and Ramsey, including schools, parks, and amenities in the downtown.

The site is located in the Metropolitan Planning Area 1, where affordable housing and infill development is desired.

The site meets the criteria of a "suitable site", as it is surrounded by compatible and desirable land uses, including single-family residential neighborhoods, cultural institutions, open space and recreation, and work and shopping opportunities. It fronts on a County Road, and therefore has access to appropriate streets.

- *N.J.A.C. 5:93-1.3* defines "Developable Site" as "a site that has access to appropriate water and sewer infrastructure, and is consistent with the applicable areawide water



quality management plan (including the wastewater management plan) or is included in an amendment to the areawide water quality management plan submitted to and under review by DEP.”

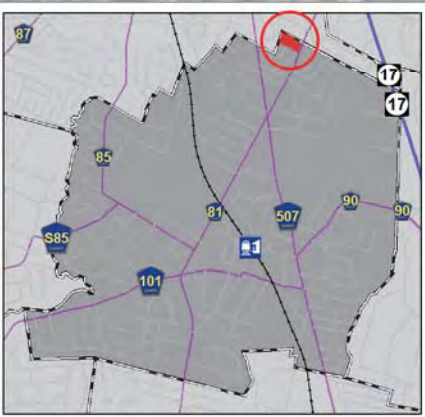
The site is within the Borough’s sewer service area, and is connected to the appropriate utilities. Furthermore, the Borough has confirmed that the site is connected to public sewer and water lines and that there is sufficient capacity in the systems for the 10 proposed units (See Appendix X). Having access to sewer and water infrastructure, consistent with the regional water quality and wastewater management plans, the site meets the criteria of a “Developable Site”.

- *N.J.A.C. 5:93-1.3* defines “Available Site” as “a site with clear title, free of encumbrances which preclude development for low and moderate income housing.”

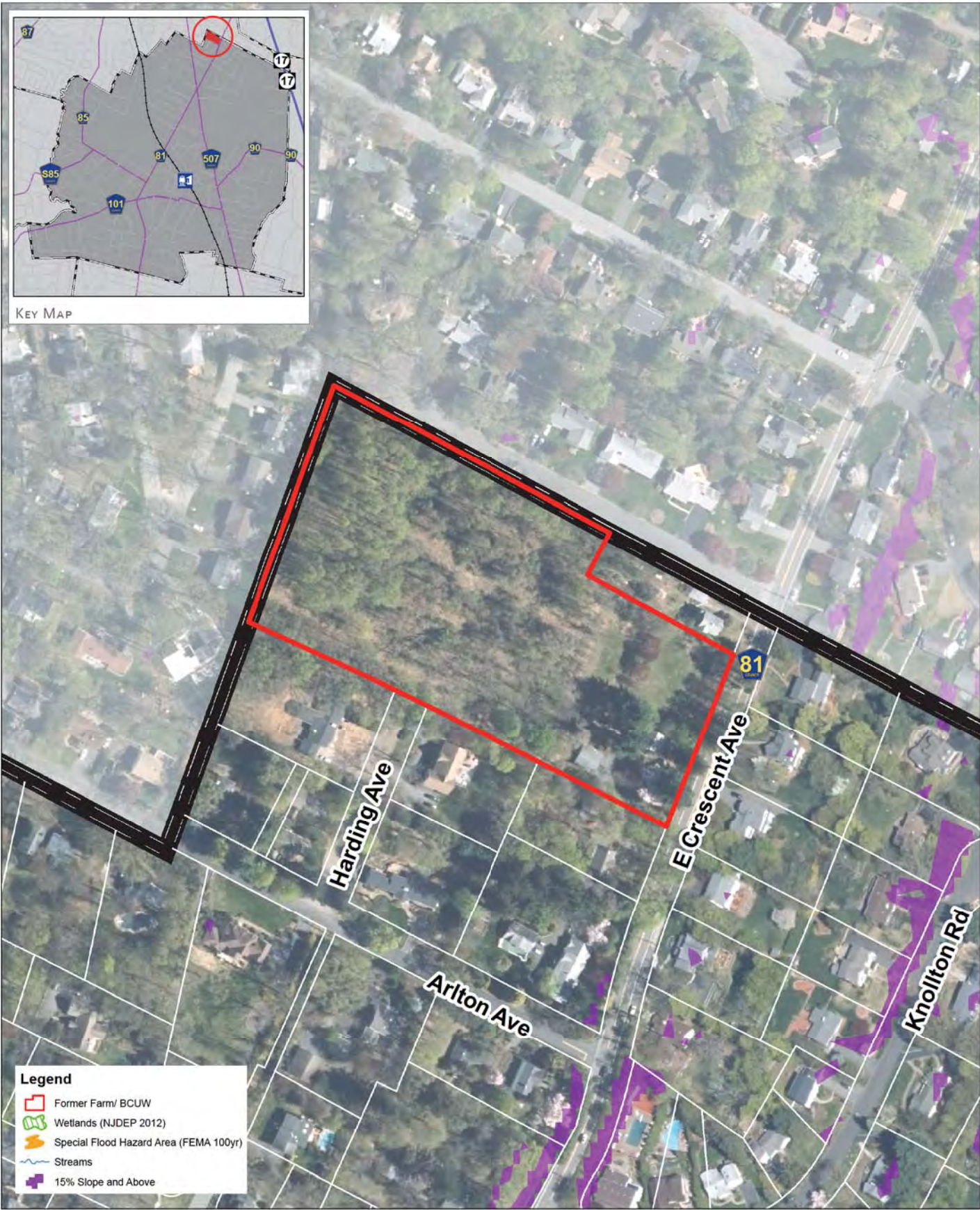
The lots for the affordable units on the site are owned by the Bergen County United Way / Madeline Corporation Partnership, which is committed to developing and administering affordable units at the site. There are no known encumbrances that would render the site unavailable for low- and moderate-income housing; as such, the site meets the criteria of an “Available Site”.

- *N.J.A.C. 5:93-1.3* defines “Approvable Site” as “a site that may be developed for low- and moderate-income housing in a manner consistent with the rules or regulations of all agencies with jurisdiction over the site. A site may be approvable although not currently zoned for low and moderate income housing.”






The Borough knows of no conditions that would prohibit the site from being approved by County or State agencies. Being subject to no known regulations that would prevent the site from being approved for affordable housing, the site meets the criteria of an “Approvable Site”.



KEY MAP



Legend

-  Former Farm/BCUW
-  Wetlands (NJDEP 2012)
-  Special Flood Hazard Area (FEMA 100yr)
-  Streams
-  15% Slope and Above



Clarke Caton Hintz ● ● ●
 Architecture
 Planning
 Landscape Architecture

Former Farm/BCUW

LOCATION:
 Allendale Borough, Bergen County, NJ

DATE:
 May 2018



100% AFFORDABLE DEVELOPMENTS

Crescent Commons

See description in prior round section. Twenty-five (25) of the 33 units on the Crescent Commons site were used to address the prior round obligation, and the remaining eight (8) units will address the Borough's Third Round obligation. These include six (6) family affordable sale units and two (2) supportive shared living units. The supportive shared living units are eligible for two (2) third round rental bonuses.

220 West Crescent Avenue (4 units)

The Borough received approval from Judge Toskos on January 5, 2017 to spend \$325,000 of its affordable housing trust funds to purchase property at 220 West Crescent Avenue for affordable housing purposes. The site was previously owned by Black Millwork Co. Inc. ("Black Millwork"), and makes up 2.56 acres of a 9.4-acre tract comprised of three parcels, and containing a showroom and distribution center with street addresses at 220 and 230 West Crescent Avenue. It is in the D-1 Industrial Zone in the center of the Borough, which is mostly occupied by businesses such as architecture firms, indoor athletic training and activities facilities, and industrial and commercial supply distribution warehouses.

Black Millwork sold the property on June 15, 2016 to West Crescent Realty, LLC. ("West Crescent"). Prior to the sale, Black Millwork had expressed an interest in conveying the property to the Borough for affordable housing purposes, and the Borough had considered the site for affordable housing purposes should a need for the site arise or should the industrial use of the site cease. Following the June 2016 sale of the property to West Crescent, the Borough entered into negotiations with West Crescent to purchase the property. The Borough and West Crescent signed a Letter of Intent on October 31, 2016 mutually establishing the terms and conditions of the transfer of the 220 and 230 West Crescent Avenue from West Crescent to the Borough. The Borough purchased the 220 and 230 West Crescent Avenue property in March of 2017 for \$13.75 million. The Borough is in the process of assessing the sale of 230 West Crescent Avenue to a private, non-residential developer. The Borough will retain 220 West Crescent Avenue for multiple uses, including a municipal complex and residential uses including four (4) affordable senior rental units. The non-residential uses permitted at 230 West Crescent will not be incompatible land uses adjacent to the affordable units at 220 West Crescent Avenue.

The Borough is working with a prospective developer to plan a 20-unit multi-family component of 220 West Crescent Avenue that would include four (4) senior affordable rental housing units, and 16 non-restricted units. The Borough anticipates merging its two municipally sponsored affordable housing development corporations – Allendale Housing, Inc. and Allendale Senior Housing – to construct and manage the property as a non-profit venture. The



affordable units will be administered by Madeline Corporation on behalf of the municipally sponsored development corporations.

All affordable units will be subject to minimum 30-year affordability controls, as required by the Second Round rules and UHAC, and will comply with the requirements of the UHAC, including bedroom distribution, income distribution, and administration requirements except as modified by the terms of the Settlement Agreement with FSHC. The units will also comply with the requirements of the Borough's Affordable Housing Ordinance.

The Borough plans to rehabilitate the existing structure at 220 West Crescent Avenue into the multiple uses noted above, including four (4) affordable senior rental units and other non-restricted units. The Borough's preliminary pro-forma sets forth a per-unit rehabilitation cost of \$90,000. The Borough anticipates receiving a \$1.8 million mortgage for the residential unit rehabilitation from a local bank. Additionally the Borough will factor overall development costs, such as architect and engineer costs, contractor fees, carrying costs, insurance, and contingency fees as part of the other municipal elements at the site including municipal offices. As set forth in the Borough's Spending Plan, if the projected development fee revenue is generated, up to \$143,343 may be available to assist in the development of the four (4) affordable units, but it is not required at this stage of the development pro-forma. The Borough will adopt a resolution of its intent to fund any shortfall required for the development of the four (4) affordable senior rental units.

Completion of the development process is temporarily delayed due to a lease agreement for a tenant operating a business out of the site. The Borough is limited with regard to the amount of planning it can initiate while the tenant occupies the space. In any event, the Borough anticipates addressing the development timetable requirements of *N.J.A.C. 5:93-5.5* through its attached construction schedule, which calls for construction to begin within two (2) years of the Court's grant of Judgment of Repose.

The Borough demonstrated the site suitability of 220 West Crescent Avenue in its December 5, 2016 motion for spending plan approval for sites not included in an approved Fair Share Plan. The suitability discussion from the Certification in that motion is as follows:

COAH's rules at *N.J.A.C. 5:93-5.3* "New Construction; Site Criteria and General Requirements" requires that sites selected for new construction meet the criteria found in the "Definitions" section at *N.J.A.C. 5:93-1.3* for suitability, developability, availability, approvability. The proposed 220 West Crescent site satisfies COAH's criteria and requirements as set forth in those two sections as follows:

- Suitable: *Suitability means that a site is adjacent to compatible land uses, has access to appropriate streets, and is consistent with the environmental policies which would be applied in determining a site's realistic development potential.* 220 West Crescent fronts on West



Crescent Avenue (Bergen County Route 81). The site is located in a business and light industrial area surrounded by single-family neighborhoods. The site contains the Black Millwork showroom building, which houses interior design and construction materials as part of an interior decoration and construction materials distribution operation.

Although it is located in a D-1 industrial zone, its adjacent land uses are low-impact businesses that include athletic training and martial arts studios, landscaping and architecture firms, and industrial and commercial supply distributing warehouses.

The site is in close proximity to other affordable housing sites and to cultural, economic, and educational resources. Just across the New Jersey Transit rail line from the site is the Crescent Commons affordable housing site. Additionally, the site is only half a mile (an approximately 10-minute walk) from the New Jersey Transit Rail station and from the Lee Memorial Library.

220 West Crescent fronts on West Crescent Avenue, which is a two-lane County road that bisects the Borough from north to south. The road facilitates pedestrian and motor vehicle access to the community resources such as schools and the Lee Memorial Library, and to other nearby communities. The site is also at the terminus of Myrtle Avenue, which connects directly to Allendale's downtown, NJ Transit rail station, and religious institutions.

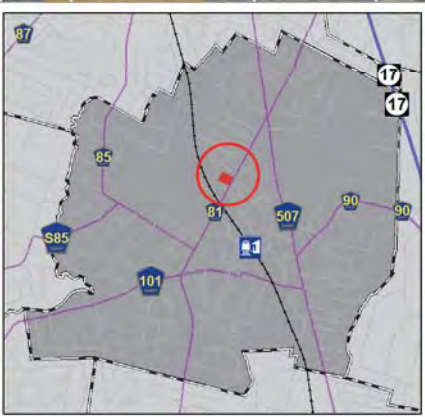
The site is located in the Metropolitan Planning Area 1, where affordable housing and infill development is desired.

The site meets the criteria of a "suitable site", as it is surrounded by compatible and desirable land uses, including commercial amenities, cultural institutions, open space and recreation. It fronts on a County Road, and therefore has access to appropriate streets.

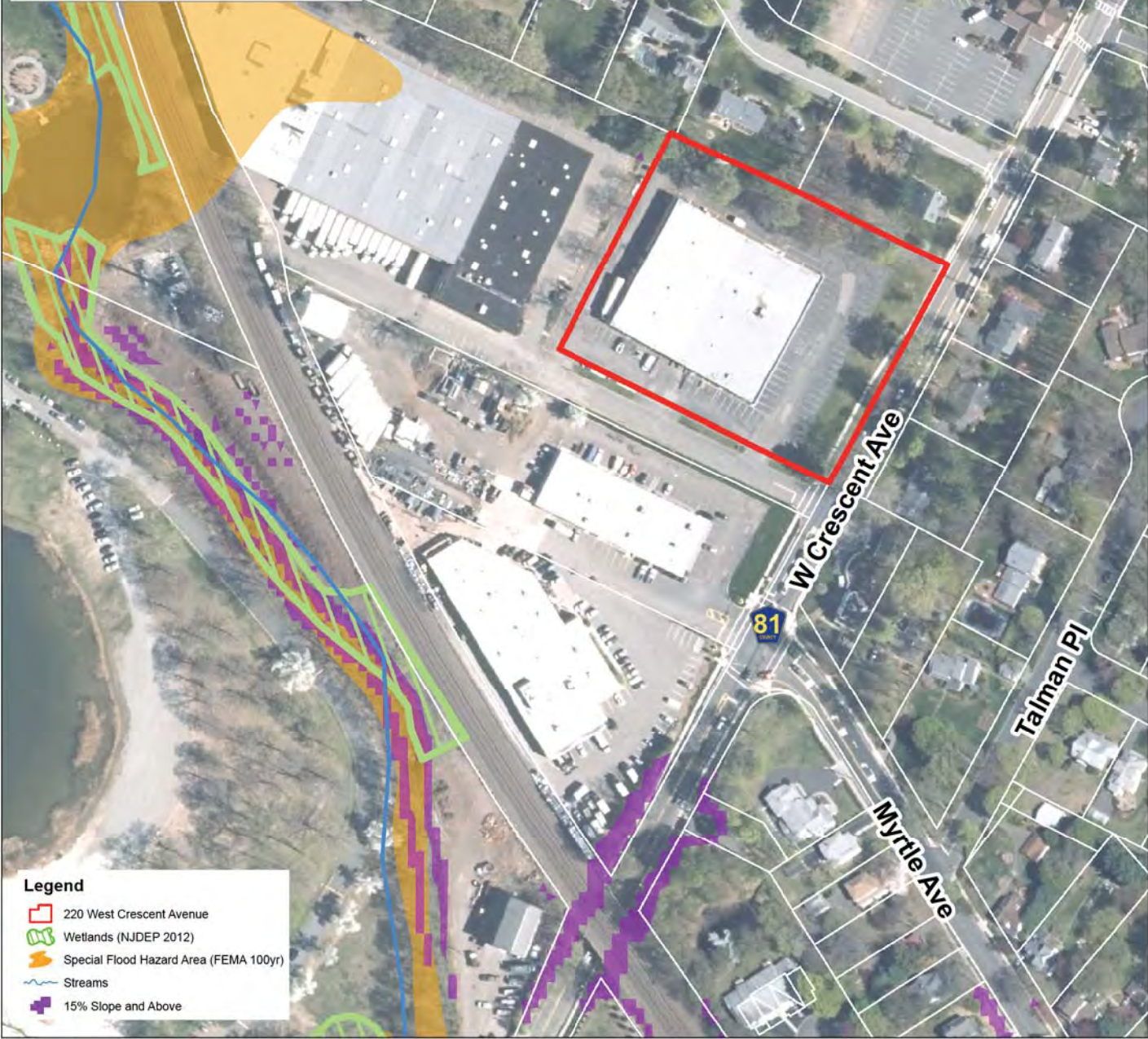
- **Developable:** *Developability is measured by a site's access to water and sewer infrastructure, its consistency with the applicable areawide water quality management plan (including the wastewater management plan) or is included in an amendment to the areawide water quality management plan submitted to and under review by the DEP.* The site is within the Borough's sewer service area, and is connected to the appropriate utilities. Furthermore, it is connected to sewer and water mains located beneath West Crescent Avenue, and has a water main easement running through the property. The Borough has confirmed that its sewer and water systems have sufficient capacity for the 20 proposed units at the site (See Appendix X). Having access to sewer and water infrastructure, consistent with the regional water quality and wastewater management plans, the site meets the criteria of a "Developable Site".



- Available: *Availability means that a site has clear title, and is free of encumbrances which preclude development for low- and moderate-income housing.* The site is currently owned by the Borough. There are no known encumbrances that would render the site unavailable for low- and moderate-income housing; as such, the site meets the criteria of an “Available Site”.
- Approvable: *A site is approvable if it may be developed in a manner consistent with the rules/regulations of all agencies with jurisdiction over the site. A site may be approvable even if it is not consistent with the underlying zoning.* The 220 West Crescent site is located in the D-1 Industrial Zone District at the junction of Myrtle Avenue and West Crescent Avenue. The site will either be part of a redevelopment plan including residential uses or it will be rezoned for residential purposes. There are no known regulatory issues that would prevent this site from producing affordable housing; thus, the site meets the criteria of an “Approvable Site”.



KEY MAP



Legend

- ▭ 220 West Crescent Avenue
- ▭ Wetlands (NJDEP 2012)
- ▭ Special Flood Hazard Area (FEMA 100yr)
- ▭ Streams
- ▭ 15% Slope and Above



Clarke Caton Hintz ● ● ●
 Architecture
 Planning
 Landscape Architecture

220 W Crescent Ave

LOCATION:
 Allendale Borough, Bergen County, NJ

DATE:
 May 2018



ALTERNATIVE LIVING ARRANGEMENTS

Eastern Christian Children's Retreat Group Home 1 (Block 910, Lot 3)

On February 1, 2016, the Borough entered into a developer's agreement to provide Eastern Christian with \$50,000 in affordable housing trust funds in exchange for Eastern Christian committing to extend by at least 10 years the 20-year affordability controls imposed upon it by its \$250,000 funding agreement with the Department of Human Services, Division of Developmental Disabilities ("DDD"). The group home was issued a certificate of occupancy on April 26, 2016. Judge Toskos approved the Borough's Second Amended Third Round Spending Plan on September 20, 2016, allowing the Borough to transfer the \$50,000 to Eastern Christian. The group home contains five (5) bedrooms for adults with developmental disabilities, which are creditable for five (5) affordable housing units. The bedrooms will be very-low income units. Additionally, although the units are eligible rental units, they will not generate bonuses toward the Third Round due to the 14-bonus cap (explained earlier in this Plan).

Appendix N includes the developer's agreement and a special needs survey for this site.

Eastern Christian Group Home 2 (Block 1005, Lot 4)

On December 5, 2016, the Borough filed a second motion for Court approval to amend its Spending Plan and spend \$20,000 of affordable housing trust funds to create another five (5) bedroom Eastern Christian group home at 200 West Crescent Avenue. Judge Toskos issued an order on January 5, 2017 approving the Borough's Third Amended Third Round Spending Plan to permit the Borough to transfer those funds to Eastern Christian for this group home. Eastern Christian purchased the property on January 30, 2017 for \$420,000 (using the \$20,000 Borough contribution and \$400,000 of its own funds).

Eastern Christian applied for and was awarded \$200,000 from the Bergen County Division of Community Development to build a new group home, conditioned on the facility operating exclusively for such purpose for at least 20 years. Not later than one (1) month of receiving a Judgment of Compliance and Repose, the Borough will enter into an agreement with Eastern Christian to extend the controls for at least 10 years at the end of the 20-year control period, for a total control period of 30 years, in exchange for an additional \$30,000 contribution from the Borough. Subsequently, the Borough will transfer the funds to Eastern Christian, and Eastern Christian will apply for necessary approvals and permits, select a contractor, and take any other such action required for construction to begin within two (2) years of the Judgment of Compliance and Repose.



COAH's rules at N.J.A.C. 5:93-5.3 "New Construction; Site Criteria and General Requirements" requires that sites selected for new construction meet the criteria found in the "Definitions" section at N.J.A.C. 5:93-1.3 for suitability, developability, availability, approvability. The proposed 200 West Crescent site satisfies COAH's criteria and requirements as set forth in those two sections as follows:

- **Suitable:** *Suitability means that a site is adjacent to compatible land uses, has access to appropriate streets, and is consistent with the environmental policies which would be applied in determining a site's realistic development potential.* 200 West Crescent is located at the intersection of Hamilton Street, a single-family cul-de-sac street, and West Crescent Avenue (Bergen County Route 81). The site is located adjacent to the D-1 industrial zone containing low-impact businesses that include athletic training and martial arts studios, landscaping and architecture firms, and industrial and commercial supply distributing warehouses.

The site is in close proximity to other affordable housing sites and to cultural, economic, and educational resources. Just across the New Jersey Transit rail line from the site is the Crescent Commons affordable housing site. Additionally, the site is only half a mile (an approximately 10-minute walk) from the New Jersey Transit Rail station and from the Lee Memorial Library.

West Crescent Avenue is a two-lane County road that bisects the Borough from north to south. The road facilitates pedestrian and motor vehicle access to the community resources such as schools and the Lee Memorial Library, and to other nearby communities. The site is also at the terminus of Myrtle Avenue, which connects directly to Allendale's downtown, NJ Transit rail station, and religious institutions.

The site is located in the Metropolitan Planning Area 1, where affordable housing and infill development is desired.

The site meets the criteria of a "suitable site", as it is surrounded by compatible and desirable land uses, including commercial amenities, cultural institutions, open space and recreation. It fronts on a County Road, and therefore has access to appropriate streets.

- **Developable:** *Developability is measured by a site's access to water and sewer infrastructure, its consistency with the applicable areawide water quality management plan (including the wastewater management plan) or is included in an amendment to the areawide water quality management plan submitted to and under review by the DEP.* The site is within the Borough's sewer service area, and the Borough has confirmed that the site is connected to the appropriate utilities and that there is sufficient access in its sewer and water systems for the group home (See Appendix X). Having access to sewer and water infrastructure, consistent with the regional water quality and wastewater management plans, the site meets the criteria of a "Developable Site".



- Available: *Availability means that a site has clear title, and is free of encumbrances which preclude development for low- and moderate-income housing.* The site is currently owned by Eastern Christian. There are no known encumbrances that would render the site unavailable for low- and moderate-income housing; as such, the site meets the criteria of an “Available Site”.
- Approvable: *A site is approvable if it may be developed in a manner consistent with the rules/regulations of all agencies with jurisdiction over the site.* A site may be approvable even if it is not consistent with the underlying zoning. The 200 West Crescent site is located in a single-family zone district that permits single-family dwellings. There are no known regulatory issues that would prevent this site from producing affordable housing; thus, the site meets the criteria of an “Approvable Site”.

THIRD ROUND UNMET NEED

For the purpose of addressing its 254-unit Third Round Unmet Need, the Borough has followed COAH’s Second Round regulations. *N.J.A.C. 5:93-4.2(h)* states that in addressing Unmet Need, COAH “may require at least any combination of the following in an effort to address the housing obligation:

- Zoning amendments that permit apartments or accessory apartments;
- Overlay zoning requiring inclusionary development or the imposition of a development fee consistent with *N.J.A.C. 5:93-8*. In approving an overlay zone, the Council [COAH] may allow the existing use to continue and expand as a conforming use, but provide that where the prior use on the site is changed, the site shall produce low- and moderate-income housing or a development fee; or
- Zoning amendments that impose a development fee consistent with *N.J.A.C. 5:93-8*.”

DEVELOPMENT FEE ORDINANCE

The Borough adopted a development fee ordinance on December 9, 1992, which was approved by COAH on February 25, 1993. It was subsequently amended once more in 1998 and again in 2008, when it was approved by COAH as part of the Third Round Substantive Certification.

Development Fee Ordinance

An ordinance that establishes a fee to be paid by developers of non-affordable housing or of non-residential construction. All fees collected are deposited into an Affordable Housing Trust Fund, the balance of which may only be spent on eligible affordable housing related costs. This ordinance may be used to address unmet need in municipalities receiving a vacant land adjustment.



The ordinance (Article II of Chapter 120 of the Borough's Code) requires that within all zoning districts, residential developers (except when exempted) shall pay a fee equal to 1.5% of the equalized assessed value of the land and improvements on the lots in question. As required by statute, it also sets a mandatory 2.5% development fee for non-residential developers in all zoning districts. The ordinance includes exemptions, and also allows the Borough to impose a development fee of 6% on additional units that may result from a site where a "d(5)" density variance is granted.

INCLUSIONARY OVERLAY ZONING

As another means to address the Third Round Unmet Need, the Borough shall adopt overlay inclusionary zoning in three separate sections of the Borough. The overlay zoning will require that, in the event that the existing non-residential use on the overlaid sites changes, inclusionary housing will be required with an affordable housing set-aside of 20%. Additionally, affordable units in any residential development in the overlay districts shall be subject to minimum 30-year affordability controls, as required by the Second Round rules and UHAC, and will comply with the requirements of the UHAC, including bedroom distribution, income distribution, and administration requirements except as modified by the terms of the Settlement Agreement with FSHC regarding very-low income housing. Any affordable units created as a result of the overlay zoning will be administered by the Madeline Corporation. The units will also comply with the requirements of the Borough's Affordable Housing Ordinance except where superseded by requirements of the overlay zoning ordinances.

Ramsey Golf & Country Club – Block 301, Lot 37 (half), and Block 406, Lot 21.01.

The Ramsey Golf and Country Club is a 58.8-acre golf course of which approximately 14.3 acres are located in the northern part of Allendale (See aerial map). The principal access points for the property are by South Franklin Turnpike and Prospect Street in Ramsey, though the outlet of Lakeside Drive, the principal access road on the premises, is on Franklin Turnpike in Allendale. The portions of the property that are in Allendale include golfing greens and single-family residences, and wooded areas. Block 301, Lot 37 is owned by Rockland Electric Company; the northern half of the lot is part of the golf course, but the southern half contains an electric substation, substantial wetlands, and a private access drive for Rockland Electric purposes. Therefore, only the northern half of the property will be developable. *N.J.A.C. 5:93-4.2(h)* identifies private, member-owned clubs among other development types considered ideal for overlay inclusionary zoning.

Per the Settlement Agreement with FSHC, the Borough agrees to permit a density up to 10 du/ac in this overlay district. The overlay zoning will permit multi-family and townhouse development, provided that any housing development shall include a 20% affordable housing set-aside.



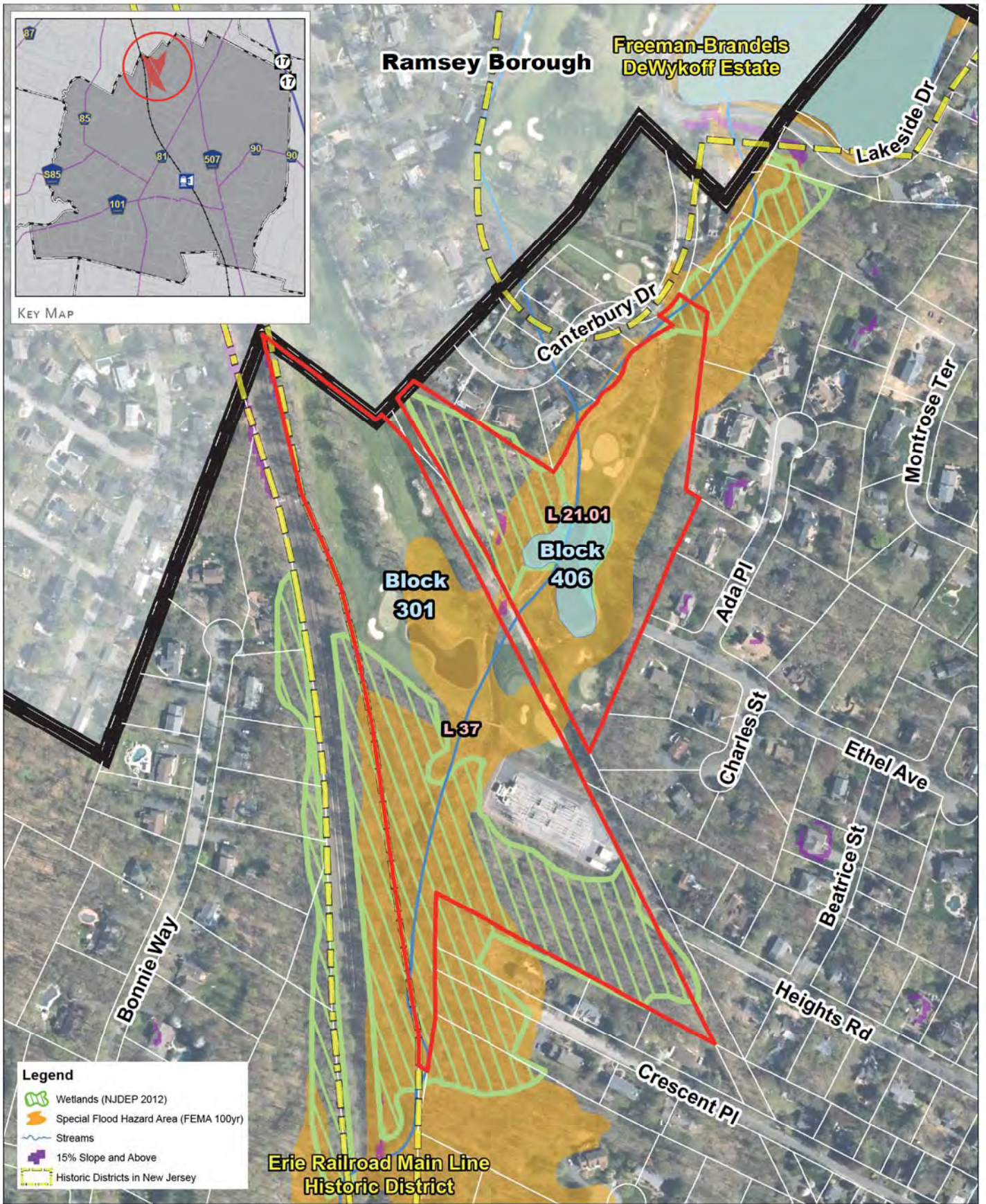
The Borough adopted a Master Plan Re-examination Report on December 21, 2017 which recommended the incorporation of the proposed affordable housing overlay zones into the Borough's Master Plan. The discussion of this overlay zone is as follows on page 32 of the Report:

“These two tracts (identified as Block 301, Lot 37 and Block 406, Lot 21.01), while being contiguous with one another, they are located in two separate designations in the 2005 Land Use Plan and the corresponding recommendations in the 2010 Master Plan Re-examination. The 200 Heights Road [Block 301, Lot 37] Tract is located in the Single Family Residential category of the Land Use Plan while the Albert Road Tract [Block 406, Lot 21.01] is located in the Parks, Recreation & Open Space category. The Single-Family designation recognized and supported the AA zone as a single-family residential zone designation. The Parks, Recreation and Open Space designation recognized the private recreation use of the Ramsey Golf and Country Club. The 2005 plan incorporated this recreational use into the recommendations for the creation of a new PU-Public Use zone to recognize these uses although such zoning has not been adopted.

The Settlement Agreement designates the two tracts be zoned as overlay zones to address Unmet Need in the Settlement Agreement at a density of 10 dwelling units per acre. Such designation is recommended to be identified with a multifamily overlay designation for each tract in the Land Use Plan.”

The Second Round rules at N.J.A.C. 5:93-5.3 requires municipalities to “designate sites that are available, suitable, developable, and approvable, as defined in N.J.A.C. 5:93-1.” This site meets each of these criteria, as follows:

- **Available:** *Availability means that a site has clear title, and is free of encumbrances which preclude development for low- and moderate-income housing.* The site is a member-owned golf course and country club, which renders it unavailable for affordable housing until such a time that the club/golf use ends or that the portions of the site that are subject to this overlay zoning become released for development in compliance with COAH's regulations.
- **Suitable:** *Suitability means that a site is adjacent to compatible land uses, has access to appropriate streets, and is consistent with the environmental policies which would be applied in determining a site's realistic development potential.* The site is located in between large-lot single-family streets and cul-de-sacs, with road access to Canterbury Drive, which is the primarily residential right-of-way for single-family residential portions of the Country Club, as well as Ethel Avenue, which provides for access to West Crescent Avenue. Other than the wetlands on the property, there are no other known environmental constraints that would obstruct the creation of inclusionary development.



Clarke Caton Hintz ● ● ●

Architecture
 Planning
 Landscape Architecture

Ramsey Golf Course / Rockland Electric

LOCATION:
 Allendale Borough, Bergen County, NJ

DATE:
 June 2018



- **Developable:** *Developability is measured by a site’s access to water and sewer infrastructure, its consistency with the applicable areawide water quality management plan (including the wastewater management plan) or is included in an amendment to the areawide water quality management plan submitted to and under review by the DEP.* The site is within the Northwest Bergen County Utility Authority sewer service area according to the Northeast Water Quality Management Plan and the Northwest Bergen County Utility Authority Wastewater Management Plan.
- **Approvable:** *A site is approvable if it may be developed in a manner consistent with the rules/regulations of all agencies with jurisdiction over the site. A site may be approvable even if it is not consistent with the underlying zoning.* There are no known rules or regulations that would prohibit development of multi-family or single-family attached housing, provided such development complies with applicable wetland protection requirements.

Allendale Corporate Center – Block 702, Lot 14

The Borough will adopt overlay zoning on the 9.8-acre Allendale Corporate Center site at 40 Boroline Road in the northeast Corner of the Borough. The Corporate Center is across Boroline Road from a Residence Inn, a multi-family housing development, and an assisted living facility, demonstrating the suitability of the location for future multi-family inclusionary housing.

The 2017 Master Plan Reexamination Report describes the site as follows on page 32:

“This tract (identified as Block 702, Lot 14), is located in the EM Industrial/Multiple Dwelling category of the Land Use Plan. This designation recognized and supports the current zoning as an industrial zone district and supports this area for multifamily residential for the development of affordable housing. This designation covers the entirety of the EM district and not just the tract under consideration. The Settlement Agreement designates the tract to be zoned as overlay zone to address Unmet Need at a density of 12 dwelling units per acre. Such designation is recommended to be identified with a multifamily overlay designation for this tract in the Land Use Plan.”

The overlay zoning will mimic the existing EM Zoning, which was intended to permit multi-family development the industrial area along Boroline Road, with the exception that any residential development will be required to set-aside 20% of its units for affordable housing.

The Second Round rules at N.J.A.C. 5:93-5.3 requires municipalities to “designate sites that are available, suitable, developable, and approvable, as defined in N.J.A.C. 5:93-1.” This site meets each of these criteria, as follows:

- **Available:** *Availability means that a site has clear title, and is free of encumbrances which preclude development for low- and moderate-income housing.* The site is privately owned



by Allendale Corporate Center, LLC. The Borough is not aware of any encumbrances relating to ownership or title which would obstruct the future development of the site when the existing non-residential use changes.

- **Suitable:** *Suitability means that a site is adjacent to compatible land uses, has access to appropriate streets, and is consistent with the environmental policies which would be applied in determining a site's realistic development potential.* As noted above, the site is across Boroline Road from a Residence Inn and two multi-family housing developments located in Saddle River Borough. The site also has direct access to Boroline Road, which would connect residents to the Borough's downtown and train station, as well as access to Route 17. An undisturbed section at the southeast corner of the site is wetland-encumbered.
- **Developable:** *Developability is measured by a site's access to water and sewer infrastructure, its consistency with the applicable areawide water quality management plan (including the wastewater management plan) or is included in an amendment to the areawide water quality management plan submitted to and under review by the DEP.* The site is within the Northwest Bergen County Utility Authority sewer service area according to the Northeast Water Quality Management Plan and the Northwest Bergen County Utility Authority Wastewater Management Plan.
- **Approvable:** *A site is approvable if it may be developed in a manner consistent with the rules/regulations of all agencies with jurisdiction over the site. A site may be approvable even if it is not consistent with the underlying zoning.* There are no known rules or regulations that would prohibit development of multi-family housing.

Church of the Guardian Angel (Block 1803, Lot 1)

The site is a 11.3-acre campus including a church, recreational fields, and associated buildings. It is located in the Borough's downtown area, and is therefore in close proximity to a variety of amenities. The Borough proposes to adopt overlay zoning on the site to permit future multi-family or single-family attached inclusionary development at up to 12 du/ac density.

"This tract (identified as Block 1803, Lot 1), is in the Religious Use category of the Land Use Plan. This designation recognized the existing religious land use although it was silent on the single-family zoning that is identified in the zone plan. Such a designation noted "where these form large contiguous land area, this plan proposes the creation of a new PU-Public Use zone". This zoning was not implemented to date. The Settlement Agreement designates the tract to be used as an overlay zone to address Unmet Need at a density of 12 dwelling units per acre. Such designation is recommended to be identified with a multifamily overlay designation for this tract in the Land Use Plan."



This site meets each of the criteria at N.J.A.C. 5:93-5.3, as follows:

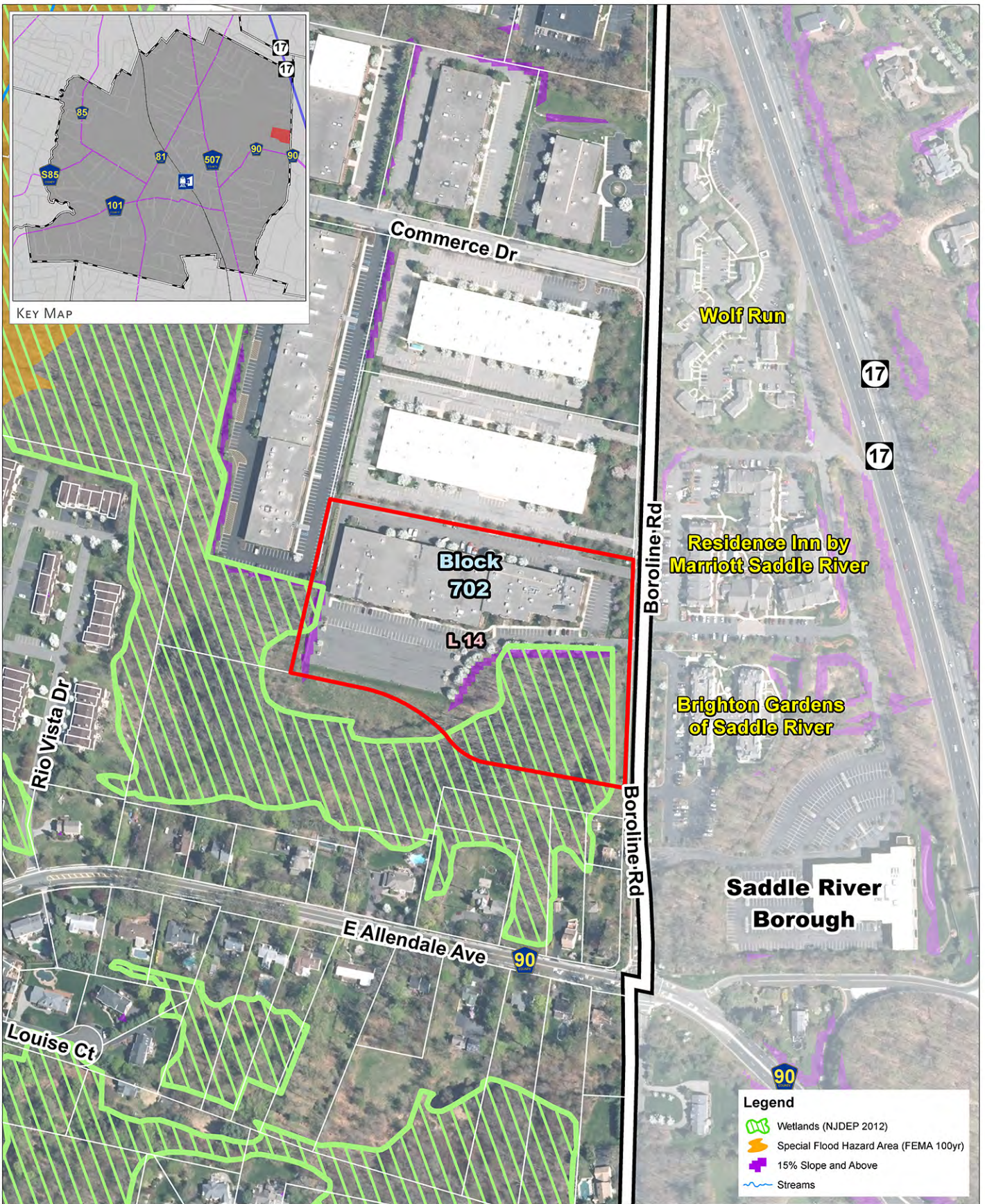
- Available: *Availability means that a site has clear title, and is free of encumbrances which preclude development for low- and moderate-income housing.* The site is privately owned by the Church of the Guardian Angel. The Borough is not aware of any encumbrances relating to ownership or title which would obstruct the future development of the site when the existing church use changes.
- Suitable: *Suitability means that a site is adjacent to compatible land uses, has access to appropriate streets, and is consistent with the environmental policies which would be applied in determining a site's realistic development potential.* The site is surrounded by single-family neighborhoods on its north, south, and east sides and is across West/East Allendale Avenue from the Borough's downtown area. The site fronts on East Allendale Avenue and Franklin Turnpike, both of which provide for access to the Borough's downtown, industrial areas, train station, schools, and other amenities.
- Developable: *Developability is measured by a site's access to water and sewer infrastructure, its consistency with the applicable areawide water quality management plan (including the wastewater management plan) or is included in an amendment to the areawide water quality management plan submitted to and under review by the DEP.* The site is within the Northwest Bergen County Utility Authority sewer service area according to the Northeast Water Quality Management Plan and the Northwest Bergen County Utility Authority Wastewater Management Plan.
- Approvable: *A site is approvable if it may be developed in a manner consistent with the rules/regulations of all agencies with jurisdiction over the site. A site may be approvable even if it is not consistent with the underlying zoning.* There are no known rules or regulations that would prohibit development of multi-family or single-family attached housing.

BOROUGH-WIDE MANDATORY INCLUSIONARY REQUIREMENT

Pursuant to the FSHC Agreement, the Borough shall adopt an Affordable Housing Ordinance establishing a Borough-wide mandatory set-aside requirement for any multi-family or single-family attached development created through any municipal rezoning, or Joint Land Use Board action, use or density variance, redevelopment plan, or rehabilitation plan that provide for densities at or above six (6) units per acre. The set-aside would be 20% if the affordable units will be for sale and 15% if the affordable units will be for rent. *This ordinance requirement would not give any developer the right to any such rezoning, variance or other relief, or establish any obligation on the part of Allendale to grant such rezoning, variance or other relief. The ordinance will also prohibit developers from subdividing sites to avoid complying with the terms of the mandatory set aside requirement.* The Borough-wide mandatory inclusionary set-aside requirement does not supersede the requirements or provisions of the Inclusionary Overlay Zoning Districts for any inclusionary residential development that occurs in those districts.







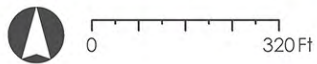
Any affordable units created in the Borough as a result of the mandatory set-aside requirement will be administered by the Madeline Corporation.



KEY MAP

Legend

-  Wetlands (NJDEP 2012)
-  Special Flood Hazard Area (FEMA 100yr)
-  15% Slope and Above
-  Streams



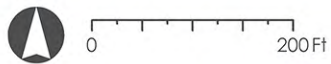
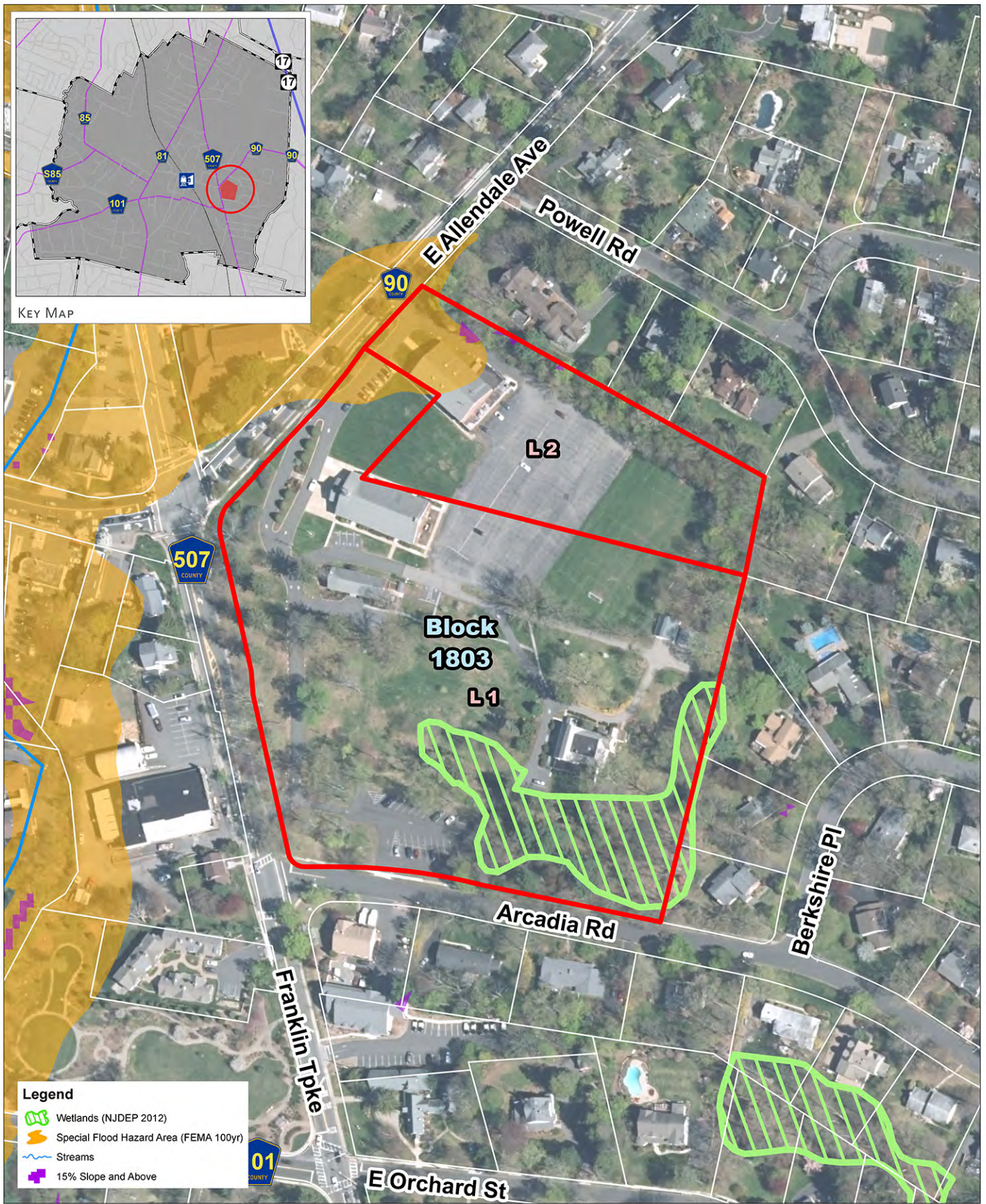
Clarke Caton Hintz ● ● ●

Architecture
Planning
Landscape Architecture

40 Boroline Road Allendale Corp. Center

LOCATION:
Allendale Borough, Bergen County, NJ

DATE:
May 2013



Clarke Caton Hintz

- Architecture
- Planning
- Landscape Architecture

Guardian Angels Church

LOCATION:
Allendale Borough, Bergen County, NJ

DATE:
May 2018



Affordable Housing Site Summary							
ID	Name	Block	Lot	Address	Zone	Existing Use	Comments / Status
Cumulative 1987 to 2025 Fair Share Obligation							
1	RCAs to Jersey City and Borough of Ridgefield	N/A	N/A	N/A	N/A	N/A	Transferred
2	Allendale Brook Estate	2101	9	Trotters Lane	ML-3	Residential	Completed
3	Saddle Dale	1809	8	70-100 Elm Street	ML-2	Residential	Completed
4	Garden Homes / Whitney Off-Site Supportive Shared Living @ Crescent Commons	904	10.01, 10.02, 14, 31	343 West Crescent Avenue	ML-8	Residential	Completed
5	Allendale Senior Housing	1708	1, 9	1-16 Cebak Court	SC	Residential	Completed
6	Orchard Commons Supportive Shared Living Rentals	1806	10.01	301 Franklin Tpke.	ML-4	Residential	Completed
7	Crescent Commons Supportive Shared Living Rentals	904	10.01, 10.02, 14, 31	343 West Crescent Avenue	ML-8	Residential	Completed
8	Crescent Commons Permanent Supportive Rentals			400 West Crescent Court			
9	Crescent Commons Family Sales			343 West Crescent Avenue			
10	Garden Homes / Whitney On-Site	2101	1-3, 5-8	136 Chestnut Street	ML-6	Residential	Completed
11	Former Farm / Allendale Heights	506	4	221 E. Crescent Ave.	ML-7	Residential	Approved
12	220 West Crescent Avenue	1005	20	220 West Crescent Avenue	D1	Light Industrial	Boro Owned



Affordable Housing Site Summary							
ID	Name	Block	Lot	Address	Zone	Existing Use	Comments / Status
13	Eastern Christian Group Home 1	910	3	135 West Crescent Avenue	A	Group Home	Completed
14	Eastern Christian Group Home 2	1005	4	200 West Crescent Avenue	A	Residential	Proposed Agreement
<i>Third Round Unmet Need</i>							
15	Ramsey Golf & Country Club / Rockland Electric Site	301	37	200 Heights Road	AA	Golf Course and Electric Substation	Overlay Zoning
16	Ramsey Golf & Country Club	406	21.01	Albert Road	AA	Golf Course / Country Club	Overlay Zoning
17	Allendale Corporate Center, LLC.	702	14	40 Boroline Road	EM	Office Park	Overlay Zoning
18	Church of the Guardian Angel	1803	1	320 Franklin Turnpike	A/AA	Church	Overlay Zoning
19	Mandatory Affordable Housing Set Aside Ordinance	N/A	N/A	N/A	N/A	N/A	Proposed
20	Affordable Housing Development Fee Ordinance	N/A	N/A	N/A	N/A	N/A	Adopted



Affordable Housing Program Summary										
ID	Name	Program Type	Unit Type	Housing Type	Sale / Rental	Density (du / ac)	Set-aside	Resulting Units		
								Total	Mkt.	Afford.
<i>Cumulative 1987 to 2025 Fair Share Obligation</i>										
1	RCA's to Jersey City and Borough of Ridgefield	Regional Contribution Agreement	N/A	N/A	N/A	N/A	N/A	44	0	44
2	Allendale Brook Estate	Inclusionary Zoning	Family	Multi-family	Sale	6.16	13%	68	59	9
3	Saddle Dale	Inclusionary Zoning	Family	Multi-family	Sale	8.00	19%	16	13	3
4	Garden Homes / Whitney Off-Site Units @ Crescent Commons	Off-Site Contribution	Special Needs	Multi-family	Rental	8.89	15%	161	138	12 on-site 11 off-site =23
5	Garden Homes / Whitney On-Site Units	Inclusionary Zoning	Family							
6	Allendale Senior Housing	Municipal Sponsored	Age-restricted	Multi-family	Rental	6.67	100%	16	0	16
7	Orchard Commons	Special Needs	Special Needs	Multi-family	Rental	15.63	100%	10	0	10
8	Crescent Commons Supportive Shared Living Rentals	Special Needs	Special Needs	Multi-family	Rental	5.16	100%	13	0	13
9	Crescent Commons Permanent Supportive Rentals	Special Needs	Special Needs	Multi-family	Rental	1.19	100%	3	0	3
10	Crescent Commons Family Sales	Family	Family	Multi-family	Sale	2.38	100%	6	0	6
11	Former Farm / Allendale Heights	Inclusionary Zoning	Family	Single-family	Rental	1.64	20%	10	8	2



Affordable Housing Program Summary										
ID	Name	Program Type	Unit Type	Housing Type	Sale / Rental	Density (du / ac)	Set-aside	Resulting Units		
								Total	Mkt.	Afford.
12	220 West Crescent Avenue	Municipal Sponsored	Age-Restricted	Multi-family	Rental	0.43	100%	4	0	4
13	Eastern Christian Group Home 1	Special Needs	Special Needs	Multi-family	Rental	9.26	100%	5	0	5
14	Eastern Christian Group Home 2	Special Needs	Special Needs	Multi-family	Rental	8.77	100%	5	0	5
Third Round Unmet Need										
15	Ramsey Golf & Country Club / Rockland Electric Site	Inclusionary Zoning	TBD	Multi-family	TBD	10	TBD	TBD	TBD	TBD
16	Ramsey Golf & Country Club	Inclusionary Zoning	TBD	Multi-family	TBD	10	TBD	TBD	TBD	TBD
17	Allendale Corporate Center, LLC.	Inclusionary Zoning	TBD	Multi-family	TBD	12	TBD	TBD	TBD	TBD
18	Church of the Guardian Angel	Inclusionary Zoning	TBD	Multi-family	TBD	12	TBD	TBD	TBD	TBD
19	Mandatory Affordable Housing Set Aside Ordinance	Inclusionary Zoning	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
20	Affordable Housing Development Fee Ordinance	Development Fee Ordinance	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total								361	218	143



Satisfaction of the Obligation															
ID	Name	Status	Program Type	Unit Type	Sale / Rental	Total Afford. Units	137-Unit Prior Round Obligation			54-Unit Third Round RDP			Third Round Unmet Need		
							Units	Rental Bonus Credits	Credits	Units	Rental Bonus Credits	Credits	Units	Bonus Credits	Credits
1	RCAs to Jersey City and Borough of Ridgefield	Transferred	Regional Contribution Agreement	N/A	N/A	44	44	0	44						
2	Allendale Brook Estate	Completed	Inclusionary Zoning	Family	Sale	9	4	0	4	5	0	5			
3	Saddle Dale	Completed	Inclusionary Zoning	Family	Sale	3	3	0	3						
4	Garden Homes / Whitney Off-Site Units @ Crescent Commons	Completed	Special Needs	Special Needs	Rental	11	11	11	22						
5	Allendale Senior Housing	Completed	Municipal Sponsored	Age-restricted	Rental	16	16	0	16						
6	Orchard Commons Supportive Shared Living Rentals	Completed	Special Needs	Special Needs	Rental	10	10	10	20						
7	Crescent Commons Supportive Shared Living Rentals	Completed	Special Needs	Special Needs	Rental	13	11	11	22	2	2	4			
8	Crescent Commons Permanent Supportive Rentals	Completed	Special Needs	Special Needs	Rental	3	3	3	6						
10	Garden Homes / Whitney	Completed	Inclusionary Zoning	Family	Rental	12				12	12	24			
11	Former Farm / Allendale Heights	Approved	Inclusionary Zoning	Family	Rental	2				2	0	2			
9	Crescent Commons Family Sales	Completed	Family	Family	Sale	6				6	0	6			
12	220 West Crescent Avenue	Proposed	Municipal Sponsored	Age-restricted	Rental	4				3	0	3	1	N/A	1



Satisfaction of the Obligation															
ID	Name	Status	Program Type	Unit Type	Sale / Rental	Total Afford. Units	137-Unit Prior Round Obligation			54-Unit Third Round RDP			Third Round Unmet Need		
							Units	Rental Bonus Credits	Credits	Units	Rental Bonus Credits	Credits	Units	Bonus Credits	Credits
13	Eastern Christian Group Home 1	Completed	Special Needs	Special Needs	Rental	5				5	0	5			
14	Eastern Christian Group Home 2	Agreement	Special Needs	Special Needs	Rental	5				5	0	5			
15	Ramsey Golf & Country Club / Rockland Electric Site	14.09	Inclusionary Zoning	TBD	TBD	TBD							TBD	TBD	TBD
16	Ramsey Golf & Country Club	7.86	Inclusionary Zoning	TBD	TBD	TBD							TBD	TBD	TBD
17	Allendale Corporate Center, LLC.	9.48	Inclusionary Zoning	TBD	TBD	TBD							TBD	TBD	TBD
18	Church of the Guardian Angel	11.3	Inclusionary Zoning	TBD	TBD	TBD							TBD	TBD	TBD
19	Mandatory Affordable Housing Set Aside Ordinance	N/A	Inclusionary Zoning	N/A	N/A	N/A							N/A	N/A	N/A
20	Affordable Housing Development Fee Ordinance	N/A	Development Fee Ordinance	N/A	N/A	N/A							N/A	N/A	N/A
Total						143	102	35	137	40	14	54	1+	N/A	1+



AFFORDABLE HOUSING ADMINISTRATION & AFFIRMATIVE MARKETING

Allendale Borough has prepared an updated Affordable Housing Ordinance in accordance with COAH's substantive rules and UHAC. The Ordinance will govern the establishment of affordable units in the Borough as well as regulating the occupancy of such units. The Ordinance covers the phasing of affordable units, the low/moderate income split, the statutory provision of very-low income units, bedroom distribution, occupancy standards, affordability controls, establishing rents and prices, affirmative marketing, income qualification, etc.

As approved by municipal resolution, the Borough Clerk, Anne Dodd, RMC has been appointed to the position of the Municipal Housing Liaison (See Appendix V). The Borough is required to name administrative agent(s) for the various proposed affordable housing sites. All existing and approved sites in the Borough have previously appointed administrators, which include Housing Affordability Services at the New Jersey Housing and Mortgage Finance Agency, Piazza and Associates, Eastern Christian, Bergen County United Way / Madeline Corporation Partnership. The contract appointing the Madeline Corporation as the administrative agent for the new construction at 220 West Crescent Avenue and future overlay zoning units will be approved as part of the Borough Council's action on this Plan (See Appendix W).

The Borough shall adopt an affirmative marketing plan for all affordable housing sites including all existing sites, the proposed 220 West Crescent Avenue development and overlay zoning sites. The affirmative marketing plan, attached hereto in Appendix U, is designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to the affordable units located in the Borough. Additionally, the affirmative marketing plan is intended to target those potentially eligible persons who are least likely to apply for affordable units and who reside in the Borough's housing region, Region 1, consisting of Bergen, Hudson, Sussex, and Passaic counties.

The affirmative marketing plan lays out the random-selection and income qualification procedure of the administrative agent, which is consistent with COAH's rules and *N.J.A.C. 5:80-26*. All newly created affordable units will comply with at least thirty-year affordability control required by UHAC, *N.J.A.C. 5:80-26-5* and *5:80-26-11*. This plan must be adhered to by all private, non-profit or municipal developers of affordable housing units and must cover the period of deed restriction or affordability controls on each affordable unit.

As required by the FSHC agreement, the Affirmative Marketing Plan lists Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action



Network, Bergen County Branch of the NAACP, the Urban League of Bergen County, the Bergen County Housing Coalition, and Bergen County United Way among the list of community and regional organizations that will receive direct notification of the availability of all affordable units.

AFFORDABLE HOUSING TRUST FUND

Allendale adopted a development fee ordinance on July 22, 1997 which had been approved by COAH on June 4, 1997. The ordinance permits collection of residential development fees equal to 1.5% of the equalized assessed value of new residential construction and additions, and mandatory nonresidential development fees equal to 2.5% of the equalized assessed value of new nonresidential construction and additions.

A new spending plan has been prepared consistent with this Plan (See Appendix T). The Spending Plan, which discusses anticipated revenues, collection of revenues, and the use of revenues, was prepared in accordance with COAH's applicable substantive rules. All collected revenues will be placed in the Borough's Affordable Housing Trust fund and will be dispensed for the use of eligible affordable housing activities including, but not limited to:

- Rehabilitation program;
- New construction of affordable housing units and related development costs;
- Extensions or improvements of roads and infrastructure directly serving affordable housing development sites;
- Acquisition and/or improvement of land to be used for affordable housing;
- Purchase of affordable housing units for the purpose of maintaining or implementing affordability controls,
- Maintenance and repair of affordable housing units;
- Repayment of municipal bonds issued to finance low- and moderate-income housing activity; and
- Any other activity as specified in the approved spending plan.

The Borough is required to fund eligible programs in a Court-approved housing element and fair share plan, as well as provide affordability assistance.

At least 30% of collected development fees shall be used to provide affordability assistance to low- and moderate-income households in affordable units included in a municipal Fair Share Plan. At least one-third (1/3) of the affordability assistance must be expended on very-low income units. Additionally, no more than 20% of the revenues collected from development fees each year shall 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. Per the Settlement Agreement, the Borough requests the Court's approval that the expenditures of funds contemplated under the Borough's HEFSP and Spending Plan constitute "commitment" for expenditure pursuant to *N.J.S.A. 52:27D-329.2* and *-329.3*, with the four-year time period for expenditure designated pursuant to those provisions beginning to run with the entry of a final judgment approving the Borough's HEFSP and Spending Plan in accordance with the provisions of *In re Tp. Of Monroe, 442 N.J. Super. 565 (Law Div. 2015)* (aff'd *442 N.J. Super. 563*).

COST GENERATION

Allendale Borough's Land Development Ordinance has been reviewed to eliminate unnecessary cost generating standards; it provides for expediting the review of development applications containing affordable housing. Such expedition may consist of, but is not limited to, scheduling of pre-application conferences and special monthly public hearings. Furthermore, development applications containing affordable housing shall be reviewed for consistency with the Land Development Ordinance, Residential Site Improvement Standards (*N.J.A.C. 5:21-1 et seq.*) and the mandate of the FHA regarding unnecessary cost generating features. Allendale shall comply with COAH's requirements for unnecessary cost generating requirements, *N.J.A.C. 5:93-10.1*, procedures for development applications containing affordable housing, *N.J.A.C. 5:93-10.4*, and requirements for special studies and escrow accounts where an application contains affordable housing, *N.J.A.C. 5:97-10.3*.

MONITORING

In accordance with the Settlement Agreement with FSHC, the Borough will publish monitoring reports at regular intervals, including the following:

- Annual reporting (on September 15 of each year) of affordable housing trust fund spending and the creation of affordable units.
- A midpoint review on July 1, 2020 of the Borough's progress in implementing its fair share plan.
- A review every three years (on September 15, 2020 and 2023) of the Borough's progress toward meeting its very-low income obligation.

The monitoring requirements are further detailed in the Borough's affordable housing ordinance.



SATISFACTION OF SETTLEMENT AGREEMENT REQUIREMENTS

Requirement (and Agreement Paragraph ¶)	Manner / Location Addressed
¶5: Present Need / Rehabilitation Mechanism	See page 30 and Appendix D.
¶6+7: Satisfaction of Prior Round, RDP, and Unmet Need	See pages 30 through 64.
¶8: Evidence of Stable Funding for 220 and 200 West Crescent Avenue; Entity Responsible for Undertaking and Monitoring Construction & Overall Development Activity; Pro-Forma and Implementation Schedule; Mandatory Set-Aside Requirement	See Spending Plan and resolution of intent to fund (Appendix T), as well as the Construction Schedule and Pro-Forma for the Municipally Sponsored Development (Appendix M). Funding documents for the Eastern Christian Group Home can be found in Appendix O Mandatory Set-Aside Requirement is stated in the Affordable Housing Ordinance (Appendix P and described on page 55 of the Plan.
¶9: Very Low Income Requirement	See page 31. Very-low income units from future development will also be created pursuant to the Borough's Affordable Housing Ordinance (Appendix P)
¶10: Rental, Family, and Age Restricted Crediting Requirements	See pages 30 & 31
¶11: Community and Regional Organizations Added to Affirmative Marketing Plan	See page 65 and the Affirmative Marketing Plan and Resolution in Appendix U
¶12: Affordability Controls and Very-Low Income Set Aside.	See the Affordable Housing Ordinance (Appendix P). Additionally, the description of each compliance mechanism states that the UHAC will be followed with very-low exception.
¶13: Unit Accessibility	See the Affordable Housing Ordinance (Appendix P)
¶16: Spending Plan	See Appendix T
¶18 & 19: Monitoring & Midpoint & Annual Review & very-low monitoring	See revised Development Fee Ordinance included in the Affordable Housing Ordinance in Appendix P.



2018

Appendices to the Housing Element & Fair Share Plan

ADOPTED ON JUNE 20, 2018

ENDORSED ON JUNE 28, 2018

Allendale Borough, Bergen County, New Jersey

Prepared By:

Clarke Caton Hintz | 100 BARRACK STREET | TRENTON, NJ | 08608



APPENDIX A

**MUNICIPAL RESOLUTIONS ADOPTING
AND ENDORSING THE HOUSING
ELEMENT AND FAIR SHARE PLAN**

**RESOLUTION
LAND USE BOARD
BOROUGH OF ALLENDALE
BERGEN COUNTY, NJ**

DATE: 06/20/2018

RESOLUTION# LUB 18-13

Carried Defeated Tabled

Land Use Board	Motion	Second	Yes	No	Abstain	Absent
Bergen			✓			
Davis			✓			
Daloisio	✓		✓			
Kistner			✓			
O'Toole			✓			
Sasso			✓			
Sirico		✓	✓			
White			✓			
Quinn			✓			
Kearl – Alternate						
Lovisolo - Alternate						

**ADOPTION OF A THIRD ROUND
HOUSING ELEMENT AND FAIR SHARE PLAN**

WHEREAS, the Planning Board of the Borough of Allendale, Bergen County, State of New Jersey (“Planning Board”) adopted a Housing Element and Fair Share Plan on December 29, 2008 pursuant to N.J.S.A. 40:55D- 28 and N.J.A.C. 5:96 and 5:97; and

WHEREAS, the Borough Council endorsed the 2008 Plan on December 29, 2008; and petitioned the Council on Affordable Housing (“COAH”) for Third Round substantive certification on December 31, 2008; and

WHEREAS, on October 14, 2009, COAH granted the Borough Third Round substantive certification; and

WHEREAS, on April 15, 2010, the Borough adopted an amended Third Round Plan to increase the number of affordable housing units generated at the Crescent Commons site; and

WHEREAS, although the Borough petitioned COAH on May 7, 2010 with its amended Third Round Plan, COAH failed to act on the plan amendment prior to the Appellate Division’s 2010 invalidation of COAH’s Growth Share regulations; and

WHEREAS, on October 8, 2010 the New Jersey Supreme Court invalidated COAH’s Third Round rules and ordered COAH to adopt new rules based upon its Prior Round rules and methodologies (see In re Adoption of N.J.A.C. 5:96 and 5:97, 215 N.J. 578 (2013)); and

WHEREAS, COAH failed to adopt new rules, and on March 10, 2015, the Supreme Court transferred responsibility to review and approve housing elements and fair share plans from COAH to designated Mount Laurel trial judges within the Superior Court; and

WHEREAS, on July 7, 2015, the Borough submitted a Declaratory Judgment Action to the New Jersey Superior Court; and

**RESOLUTION
LAND USE BOARD
BOROUGH OF ALLENDALE
BERGEN COUNTY, NJ**

DATE: 06/20/2018

RESOLUTION# LUB 18-13

WHEREAS, on January 10, 2018, the Honorable Menelaos W. Toskos, J.S.C., issued a Court Order approving a Settlement Agreement between the Borough and Fair Share Housing Center that established the Borough's fair share obligation, granted a vacant land adjustment of the Borough's Third Round obligation, and preliminarily approved the Borough's compliance mechanisms; and

WHEREAS, the Borough's and Land Use Board's consultants Mary Beth Lonergan, PP, AICP, and Daniel Hauben, PP, AICP, of Clarke Caton Hintz, PC, have prepared a Third Round Housing Element and Fair Share Plan; and

WHEREAS, upon notice duly provided pursuant to N.J.S.A. 40:55D-13, the Land Use Board held a public hearing on the Housing Element and Fair Share Plan on June 20, 2018; and

WHEREAS, the Land Use Board has determined that the Housing Element and Fair Share Plan is consistent with the goals and objective of the Borough of Allendale's February 2011 Master Plan and 2017 Master Plan Re-examination Report, and that adoption and implementation of the Housing Element and Fair Share Plan are in the public interest and protect public health and safety and promote the general welfare.

NOW THEREFORE, BE IT RESOLVED by the Land Use Board of the Borough of Allendale that the Housing Element and Fair Share Plan is hereby adopted.

Approved:

ALLENDALE LAND USE BOARD



KEVIN QUINN, Chairman

Attest:



JOSEPH DALOISIO, Secretary

Adopted: June 20, 2018

**RESOLUTION
BOROUGH OF ALLENDALE
BERGEN COUNTY, NJ**

DATE: 06/28/2018

RESOLUTION# 18-169

Council	Motion	Second	Yes	No	Abstain	Absent
Bernstein			✓			
Homan			✓			
O'Connell			✓			
Sasso		✓	✓			
Strauch	✓		✓			
Wilczynski			✓			
Mayor White	---	---				

**A RESOLUTION OF THE BOROUGH COUNCIL OF THE BOROUGH OF
ALLENDALE ENDORSING A THIRD ROUND HOUSING ELEMENT AND FAIR
SHARE PLAN**

WHEREAS, the Joint Land Use Board of the Borough of Allendale, Bergen County, State of New Jersey (“Joint Land Use Board”) adopted a Housing Element and Fair Share Plan on December 29, 2008 pursuant to N.J.S.A. 40:55D- 28 and N.J.A.C. 5:96 and 5:97; and

WHEREAS, the Borough Council endorsed the 2008 Plan on December 29, 2008; and petitioned the Council on Affordable Housing (“COAH”) for Third Round substantive certification on December 31, 2008; and

WHEREAS, on October 14, 2009, COAH granted the Borough Third Round substantive certification; and

WHEREAS, on April 15, 2010, the Borough adopted an amended Third Round Plan to increase the number of affordable housing units generated at the Crescent Commons site; and

WHEREAS, although the Borough petitioned COAH on May 7, 2010 with its amended Third Round Plan, COAH failed to act on the plan amendment prior to the Appellate Division’s 2010 invalidation of COAH’s Growth Share regulations; and

WHEREAS, on October 8, 2010 the New Jersey Supreme Court invalidated COAH’s Third Round rules and ordered COAH to adopt new rules based upon its Prior Round rules and methodologies (see In re Adoption of N.J.A.C. 5:96 and 5:97, 215 N.J. 578 (2013)); and

WHEREAS, COAH failed to adopt new rules, and on March 10, 2015, the Supreme Court transferred responsibility to review and approve housing elements and fair share plans from COAH to designated Mount Laurel trial judges within the Superior Court; and

WHEREAS, on July 7, 2015, the Borough submitted a Declaratory Judgment Action to the New Jersey Superior Court; and

**RESOLUTION
BOROUGH OF ALLENDALE
BERGEN COUNTY, NJ**

DATE: 06/28/2018

RESOLUTION# 18-169

WHEREAS, on January 10, 2018, the Honorable Menelaos W. Toskos, J.S.C., issued a Court Order approving a Settlement Agreement between the Borough and Fair Share Housing Center that established the Borough's fair share obligation, granted a vacant land adjustment of the Borough's Third Round obligation, and preliminarily approved the Borough's compliance mechanisms; and

WHEREAS, the Borough's and Joint Land Use Board's consultants Mary Beth Lonergan, PP, AICP, and Daniel Hauben, PP, AICP, of Clarke Caton Hintz, PC, have prepared a Third Round Housing Element and Fair Share Plan; and

WHEREAS, upon notice duly provided pursuant to N.J.S.A. 40:55D-13, the Joint Land Use Board held a public hearing on the Housing Element and Fair Share Plan and adopted the Plan on June 20, 2018; and

WHEREAS, COAH's Prior Round rules at N.J.A.C. 5:91-2.2(a), requires that the Borough Council endorse the Third Round Housing Element and Fair Share Plan adopted by the Joint Land Use Board.

NOW THEREFORE, BE IT RESOLVED the Borough Council of the Borough of Allendale, Bergen County, State of New Jersey, hereby endorses the Housing Element and Fair Share Plan as adopted by the Joint Land Use Board on June 20, 2018.

I hereby certify the above to be a true copy of a Resolution adopted by the Governing Body of the Borough of Allendale on June 28, 2018.



Anne Dodd, RMC
Municipal Clerk



APPENDIX B

**SETTLEMENT AGREEMENT WITH FSHC &
ORDER APPROVING AGREEMENT**



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

September 14, 2017

Raymond Wiss, Esq.
Wiss & Bourgey, P.C.
345 Kidnerkamack Road
Westwood, NJ 07675

**Re: In the Matter of the Borough of Allendale, County of Bergen,
Docket No. BER-L-6162-15**

Dear Mr. Wiss:

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

Background

In accordance with Mt. Laurel IV, Allendale Borough was deemed to be a 'certified' municipality as it received third round substantive certification from the Council on Affordable Housing ("COAH") on October 14, 2009. Allendale filed the above-captioned matter on July 7, 2015 seeking a declaration of its compliance with the Mount Laurel doctrine and Fair Housing Act of 1985, N.J.S.A. 52:27D-301 et seq. in accordance with In re N.J.A.C. 5:96 and 5:97, supra. As required by the Court, the Borough submitted its preliminary compliance plan summary in December 2015 and submitted a revised plan summary in January 2016. The Borough received temporary immunity from the Honorable Menelaos W. Toskos, J.S.C., which immunity has been extended through October 31, 2017. FSHC and the Borough participated in a number of court case management conferences and specifically met on August 24, 2016 and May 22, 2017 to attempt to settle the matter. Through that process, the Borough and FSHC, under the guidance of the special master, Elizabeth C. McKenzie, PP, AICP, agreed to settle the litigation and to present that settlement to the trial court with jurisdiction over this matter to review, recognizing that the settlement of Mount Laurel litigation is favored because it avoids delays and the expense of trial and results more quickly in the construction of homes for lower-income households.

Settlement terms

The Borough and FSHC hereby agree to the following terms:

1. FSHC agrees that the Borough, through the adoption of a Housing Element and Fair Share Plan ("the Plan") consistent with this Agreement, and the proposed implementation of the Plan and this Agreement, satisfies its obligations under the Mount Laurel doctrine and Fair Housing Act of 1985, N.J.S.A. 52:27D-301 et seq., for the Prior Round (1987-1999) and Third Round (1999-2025).
2. At this time and at this particular point in the process resulting from the Supreme Court's Mount Laurel IV decision, when fair share obligations have yet to be definitively

determined, it is appropriate for the parties to arrive at a settlement regarding a municipality's Third Round present and prospective need instead of doing so through plenary adjudication of the present and prospective need.

3. FSHC contends that Allendale's affordable housing obligations are as follows:

Rehabilitation Share (per Kinsey Report ¹)	21
Prior Round Obligation (pursuant to N.J.A.C. 5:93)	137
Third Round (1999-2025) Obligation (per Kinsey Report, subsequently adjusted through this settlement agreement to 308 units)	513

The Parties have agreed, by this Agreement, to reduce Allendale's Third Round Obligation to 308 units, as more particularly provided herein.

The Borough's Third Round obligation of 308 units will be adjusted through a vacant land adjustment ("VLA") to a 54-unit realistic development potential ("RDP") and a 254-unit unmet need.

4. For purposes of this agreement, the Third Round obligation shall be deemed to include both the Prospective Need obligation (from 2015-2025) and the Expanded Gap Period Present Need new construction obligation, which is a measure of households formed from 1999-2015 that need affordable housing, that was recognized by the Supreme Court in In re Declaratory Judgment Actions Filed By Various Municipalities, 227 N.J. 508 (2017).
5. The Borough's efforts to meet its present need include the following: participation in Bergen County's Home Improvement Program and funding a rental rehabilitation program to be administered by contract with Bergen County Community Development. This is sufficient to satisfy the Borough's present need obligation of 21 units.
6. As noted above, the Borough has a Prior Round obligation of 137 units, which has been fully met through the completed compliance mechanisms as outlined in the following table:

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

Allendale Borough's Prior Round Compliance Mechanisms: 137-Unit Prior Round	Credits	Bonuses	Total
RCA's – Funds Transferred			
Jersey City	40	0	40
Borough of Ridgefield	4	0	4
Inclusionary Developments – Completed			
Allendale Brook Estate – Family Affordable Sales	9	0	9
Saddle Dale – Family Affordable Sales	3	0	3
Garden Homes/Whitney – Off-Site Supportive Shared Living Rentals on Crescent Commons	11	11	22
100% Affordable Developments – Completed			
Allendale Senior Housing – Senior Affordable Rentals (includes completed 1-unit expansion)	16	0	16
Alternative Living Arrangements – Completed			
Orchard Commons – Supportive Shared Living Rentals (6 units/10 bedrooms)	10	10	20
Crescent Commons – Supportive Shared Living Rentals (11 of 13)	11	11	22
Crescent Commons – Permanent Supportive Rentals	3	3	6
Total	107	35	142
Prior Round Surplus			5

Prior Round Minimum Rental, Maximum Rental Bonus, and Maximum Age-Restricted Requirements

Age-Restricted Cap: $(0.25 \times 137 - 44 \text{ RCAs}) = 0.25 \times 93 = 23$

Rental Minimum / Bonus Cap: $(0.25 \times 137) = 34.25$, round up to 35

7. The Borough has implemented or will implement the following mechanisms to address its Third Round obligation of 308 units:

As noted above, the Borough's Third Round (1999-2025) obligation will be adjusted through a VLA. The municipality has a Third Round realistic development potential (RDP) of 54 units, as calculated in Exh. A. That RDP will be satisfied as outlined in the table below.

Allendale Borough's Third Round Compliance Mechanisms: 54-Unit RDP	Credits	Bonuses	Total
Prior Round Surplus			
Built Surplus	5	0	5
Inclusionary Developments – Under Construction			
Garden Homes/Whitney – On-Site Family Affordable Rentals	12	12	24

Allendale Borough's Third Round Compliance Mechanisms: 54-Unit RDP		Credits	Bonuses	Total
Former Farm – Family Affordable Rentals		2	2	4
100% Affordable Developments – Completed, Proposed				
Crescent Commons – Family Affordable Sales, Built		6	0	6
220 West Crescent Avenue – Affordable Rentals, Proposed		4	cap	4
Alternative Living Arrangements – Affordable Units: Completed, Proposed				
Crescent Commons – Supportive Shared Living Rentals (2 of 13), Built		2	cap	2
Eastern Christian Group Home I – 5 BRs, Built		5	cap	5
Eastern Christian Group Home II – 5 BRs, Agreement		5	cap	5
Total		41	14	55

Third Round Minimum Rental, Maximum Rental Bonus, and Maximum Age-Restricted Requirements 54-Unit RDP

Age-Restricted Cap: $(0.25 \times \text{RDP}) = 0.25 \times 54 = 13.5$, round down to 13

Rental Minimum / Bonus Cap: $(0.25 \times \text{RDP}) = 0.25 \times 54 = 13.5$, round up to 14

Family Rental Minimum: $(0.5 \times \text{rental minimum}) = 0.5 \times 14 = 7$

Family Minimum: $(0.5 \times (\text{RDP} - \text{bonuses})) = 0.5 \times (54 - 14) = 0.5 \times 40 = 20$

The RDP of 54, subtracted from the Third Round obligation of 308 units, results in an unmet need of 254 units, which shall be addressed through the following mechanisms, as more fully described in the fair share plan to be adopted by the Borough:

Proposed Unmet Need Mechanisms, Allendale Borough						
ID	Block	Lot	Location	Owner	Comments	Area (Acres)
1	301	37	200 HEIGHTS ROAD	ROCKLAND ELECTRIC CO	1. Northern portion is part of the Ramsey Golf and Country Club. Unmet Need Overlay Zoning: 10 du/ac 2. Southern half of parcel contains an electric substation and related equipment.	14.09
2	406	21.01	ALBERT ROAD	RAMSEY GOLF & COUNTRY CLUB	Unmet Need Overlay Zoning: 10 du/ac	7.86
3	702	14	40 BOROLINE ROAD	ALLENDALE CORPORATE CENTER, LLC	Unmet Need Overlay Zoning: 12 du/ac	9.48

Proposed Unmet Need Mechanisms, Allendale Borough						
ID	Block	Lot	Location	Owner	Comments	Area (Acres)
4	1803	1	320 FRANKLIN TURNPIKE	CHURCH OF THE GUARDIAN ANGEL	Unmet Need Overlay Zoning: 12 du/ac	11.30
5	Mandatory Affordable Housing Set-Aside Ordinance				Triggered if Borough adopts multi-family rezoning, "d" variance, etc., at 6 du/ac	Borough-wide
6	Affordable Housing Development Fee Ordinance				Existing	Borough-wide
7	Third Round RDP surplus				Proposed	surplus

8. The Borough will provide a realistic opportunity for the development of affordable housing that will be developed or created through means other than inclusionary zoning in the following ways:
- 220 West Crescent Avenue – (Affordable Rentals) – municipally sponsored per NJAC 5:93-5.5; and
 - Eastern Christian Group Home II (ALA) – alternative living arrangement per NJAC 5:93-5.8.

In accordance with N.J.A.C. 5:93-5.5, the Borough recognizes that it must provide evidence that the municipality has adequate and stable funding for any non-inclusionary affordable housing developments. The municipality is required to provide a pro forma of both total development costs and sources of funds and documentation of the funding available to the municipality and/or project sponsor, and any applications still pending. In the case where an application for outside funding is still pending, the municipality shall provide a stable alternative source, such as municipal bonding, in the event that the funding request is not approved. The Borough meets this obligation as follows: The Borough anticipates that affordable housing developers will apply for outside affordable housing subsidies from federal, state and county sources that may include Low Income Housing Tax Credits, Bergen County HOME funds, Federal Home Loan Bank funds, and private financing. The Borough shall adopt a resolution of its intent to fund each of the programs listed above including through its affordable housing trust account and, if needed, through municipal bonding.

In accordance with N.J.A.C. 5:93-5.5, for non-inclusionary developments, a construction or implementation schedule, or timetable, shall be submitted for each step in the development process: including preparation of a site plan, granting of municipal approvals, applications for State and Federal permits, selection of a contractor and construction. The schedule shall provide for construction to begin within two years of the entry of an order of the court approving the Borough's Plan. The municipality shall indicate the entity responsible for undertaking and monitoring the construction and overall development activity. The Borough meets those obligations as follows:

- 220 West Crescent Avenue – (Affordable Rentals) – construction schedule in accordance with NJAC 5:93-5.5 will be included in the Borough’s revised third round plan; and
 - Eastern Christian Group Home II (ALA) – a deed restriction shall be placed on the group home.
9. The Borough agrees to require 13% of all units referenced in this plan, with the exception of units subject to preliminary or final site plan approval or constructed prior to July 17, 2008, to be very low income units, with half of the very low income units being available to families. The municipality will comply with those requirements in the preparation and implementation of its revised third round plan.
10. The Borough shall meet its Third Round obligation in accordance with the following standards as agreed to by the Parties and reflected in the table in paragraph 7 above:
- a. Third Round bonuses will be applied in accordance with N.J.A.C. 5:93-5.15(d).
 - b. At least 50 percent of the units addressing the Third Round RDP and unmet need shall be affordable to very-low-income and low-income households with the remainder affordable to moderate-income households.
 - c. At least twenty-five percent of the Third Round RDP and unmet need shall be met through rental units, including at least half in rental units available to families.
 - d. At least half of the units addressing the Third Round RDP and unmet need in total must be available to families.
 - e. The Borough agrees to comply with an age-restricted cap of 25% and to not request a waiver of that requirement. This shall be understood to mean that in no circumstance may the municipality claim credit toward its fair share obligation for age-restricted units that exceed 25% of all units developed or planned to meet its cumulative prior round and third round fair share obligation.
11. The Borough shall add to the list of community and regional organizations in its affirmative marketing plan, pursuant to N.J.A.C. 5:80-26.15(f)(5), Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, Bergen County NAACP, Bergen County Urban League, and Bergen County Housing Coalition, and shall, as part of its regional affirmative marketing strategies during its implementation of this plan, provide notice to those organizations of all available affordable housing units. The Borough also agrees to require any other entities, including developers or persons or companies retained to do affirmative marketing, to comply with this paragraph.
12. All units shall include the required bedroom distribution, be governed by controls on affordability and affirmatively marketed in conformance with the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et seq. or any successor regulation, with the exception that in lieu of 10 percent of affordable units in rental projects being required to be at 35 percent of median income, 13 percent of affordable units in such projects shall be required to be at 30 percent of median income, and all other applicable law. The Borough as part of its HEFSP shall adopt and/or update appropriate implementing

ordinances in conformance with standard ordinances and guidelines developed by COAH and approved by the Court to ensure that this provision is satisfied.

13. All new construction units shall be adaptable in conformance with P.L.2005, c.350/N.J.S.A. 52:27D-311a and -311b and all other applicable law.
14. As an essential term of this settlement, within one hundred-twenty (120) days of the Court's entry of an order approving this Settlement Agreement, the Borough shall prepare and adopt an updated Housing Element and Fair Share Plan consistent with this Agreement and introduce and adopt an ordinance providing for the amendment of the Borough's Affordable Housing Ordinance and Zoning Ordinance to implement the terms of this settlement agreement and the zoning contemplated herein.
15. The parties agree that if a decision of a court of competent jurisdiction in Bergen County, or a determination by an administrative agency responsible for implementing the Fair Housing Act, or an action by the New Jersey Legislature, would result in a calculation of an obligation for the Borough for the period 1999-2025 that would be lower by more than twenty (20%) percent than the total prospective Third Round need obligation established in this agreement, and if that calculation is memorialized in an unappealable final judgment, the Borough may seek to amend the judgment in this matter to reduce its fair share obligation accordingly. Notwithstanding any such reduction, the Borough shall be obligated to implement the mechanisms proposed in this settlement agreement, and that will be adopted as part of the Borough's revised Housing Element and Fair Share Plan, including by leaving in place any site specific zoning adopted or relied upon in connection with the Plan approved pursuant to this settlement agreement; taking all steps necessary to support the development of any 100% affordable developments referenced herein; maintaining all mechanisms to address unmet need; and otherwise fulfilling fully the fair share obligations as established herein. The reduction of the Borough's obligation below that established in this agreement does not provide a basis for seeking leave to amend this agreement or seeking leave to amend an order or judgment pursuant to R. 4:50-1. If the Borough prevails in reducing its prospective need for the Third Round, the Borough may carry over any resulting extra credits to future rounds in conformance with the then-applicable law.
16. The Borough shall prepare a spending plan, which will be submitted to the Court for review and approval within 120 days of the entry of an order by the Court approving this Agreement. FSHC may comment on or object to this spending plan. The Borough reserves the right to request the Court's approval that the expenditures of funds contemplated under the agreement constitute "commitment" for expenditure pursuant to N.J.S.A. 52:27D-329.2 and -329.3, with the four-year time period for expenditure designated pursuant to those provisions beginning to run with the entry of a final judgment approving this settlement in accordance with the provisions of In re Tp. Of Monroe, 442 N.J. Super. 565 (Law Div. 2015) (aff'd 442 N.J. Super. 563). On the first anniversary of the execution of this agreement, and every anniversary thereafter through the end of this agreement, the Borough agrees to provide annual reporting of trust fund activity to the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services, or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services. The reporting shall include an

accounting of all housing trust fund activity, including the source and amount of funds collected and the amount and purpose for which any funds have been expended.

17. Within 30 days of the entry of an order approving this settlement agreement at a duly-noticed Fairness Hearing, the Borough agrees to pay FSHC's reasonable attorney's fees of \$4,000.
18. On the first anniversary of the execution of this agreement, and every anniversary thereafter through the end of this agreement, the Borough agrees to provide annual reporting of the status of all affordable housing activity within the municipality through posting on the municipal website with a copy of such posting provided to Fair Share Housing Center, using forms previously developed for this purpose by the Council on Affordable Housing or any other forms endorsed by the Special Master and FSHC.
19. The Fair Housing Act includes two provisions regarding action to be taken by the Borough during the ten-year period of protection provided in this agreement. The Borough agrees to comply with those provisions as follows:
 - a. For the midpoint realistic opportunity review due on July 1, 2020, as required pursuant to N.J.S.A. 52:27D-313, the Borough will post on its municipal website, with a copy provided to Fair Share Housing Center, a status report as to its implementation of its Plan and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity and whether any mechanisms to meet unmet need should be revised or supplemented. Such posting shall invite any interested party to submit comments to the municipality, with a copy to Fair Share Housing Center, regarding whether any sites no longer present a realistic opportunity and should be replaced and whether any mechanisms to meet unmet need should be revised or supplemented. Any interested party may by motion request a hearing before the court regarding these issues.
 - b. For the review of very low income housing requirements required by N.J.S.A. 52:27D-329.1, within 30 days of the third anniversary of this agreement, and every third year thereafter, the Borough will post on its municipal website, with a copy provided to Fair Share Housing Center, a status report as to its satisfaction of its very low income requirements, including the family very low income requirements referenced herein. Such posting shall invite any interested party to submit comments to the municipality and Fair Share Housing Center on the issue of whether the municipality has complied with its very low income housing obligation under the terms of this settlement.
20. FSHC is hereby deemed to have party status in this matter and to have intervened in this matter as a defendant without the need to file a motion to intervene or an answer or other pleading. The parties to this agreement agree to request the Court to enter an order declaring FSHC is an intervenor, but the absence of such an order shall not impact FSHC's rights.
21. This settlement agreement must be approved by the Court following a fairness hearing as required by Morris Cty. Fair Hous. Council v. Boonton Twp., 197 N.J. Super. 359, 367-69 (Law Div. 1984), aff'd o.b., 209 N.J. Super. 108 (App. Div. 1986); East/West Venture v. Borough of Fort Lee, 286 N.J. Super. 311, 328-29 (App. Div. 1996). The Borough shall present its planner as a witness at this hearing. FSHC agrees not to challenge the Borough's Plan as to be revised, so long as it is consistent with the terms of this

agreement, at the fairness hearing. FSHC contends that the municipality should receive "the judicial equivalent of substantive certification and accompanying protection as provided under the FHA," as addressed in the Supreme Court's decision in In re N.J.A.C. 5:96 & 5:97, 221 N.J. 1, 36 (2015). The Borough contends that it is entitled to a Judgment of Compliance and Repose through July 1, 2025. Both parties agree to let the trial judge make a final determination as to the form of judgment entered at the fairness hearing and/or compliance hearing and to not appeal any such determination. The judgment and its protections from builder remedy lawsuits shall remain in effect through July 1, 2025. If the settlement agreement is rejected by the Court at a fairness hearing it shall be null and void.

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

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

TO FSHC:

Kevin D. Walsh, Esq.
Fair Share Housing Center
510 Park Boulevard
Cherry Hill, NJ 08002
Phone: (856) 665-5444
Telecopier: (856) 663-8182
E-mail: kevinwalsh@fairsharehousing.org

TO THE BOROUGH:

Mayor Liz White
500 West Crescent Avenue
Allendale, NJ 07401
Telecopier: 201-825-1913
Email: lizwhite@allendalenj.gov

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

Anne Dodd, RMC
Borough Clerk
500 West Crescent Avenue
Allendale, NJ 07401
Telecopier: 201-825-1913
Email: AnneDodd@Allendalenj.gov

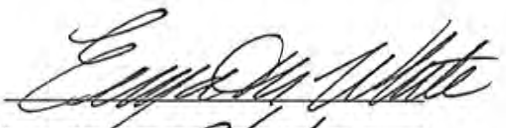
Please sign below if these terms are acceptable.

Sincerely,



Kevin D. Walsh, Esq.
Counsel for Intervenor/Interested Party
Fair Share Housing Center

On behalf of the Borough of Allendale, with the authorization
of the governing body:



Dated: 9/15/17

FILED

JAN 10 2018

**MENELAOS W. TOSKOS
J.S.C.**

RAYMOND R. WISS, ESQ. – (Attorney ID: 021361976)
WISS & BOUREGY, P.C.
345 Kinderkamack Road
Westwood, NJ 07675
(201) 497-6680
Attorneys for Declaratory Plaintiff, Borough of Allendale

**IN THE MATTER OF THE
APPLICATION OF THE BOROUGH OF
ALLENDALE, COUNTY OF BERGEN**

**SUPERIOR COURT OF NEW JERSEY
LAW DIVISION: BERGEN COUNTY**

DOCKET NO.: BER-L-6162-15

CIVIL ACTION – MOUNT LAUREL

**ORDER APPROVING SETTLEMENT
AGREEMENT BETWEEN THE
BOROUGH OF ALLENDALE AND FAIR
SHARE HOUSING CENTER**

THIS MATTER having been opened to the Court by Wiss & Bouregy, P.C., Raymond R. Wiss, Esq. appearing on behalf of declaratory plaintiff, Borough of Allendale (hereinafter “the Borough” or “Allendale”) via Declaratory Judgment Complaint filed on July 7, 2015 to approve the Borough’s Housing Element and Fair Share Plan (hereinafter “Fair Share Plan”) in response to In Re Adoption of N.J.A.C. 5:96, 221 N.J. 1 (2015) (“Mount Laurel IV”); and the Court having granted the Borough immunity from Mount Laurel lawsuits from the time of the filing of the Borough’s Declaratory Judgment action (hereinafter “DJ Action”); and the Court having appointed Elizabeth McKenzie, A.I.C.P., P.P., as the Special Mount Laurel Court Master (hereinafter the “Court Master”); and Fair Share Housing Center (“FSHC”) having participated in the Township’s DJ Action as an “interested party” and not as a formal Intervenor, and FSHC’s expert, David Kinsey, Ph.D., P.P., F.A.I.C.P., having issued an expert report that calculated fair share obligations for all of the municipalities in the state; and Raymond R. Wiss, Esq., of Wiss & Bouregy, P.C., and Josh Bauers, Esq., of FSHC, having entered into mediation supervised by the Court Master to

try to agree on the magnitude of the Borough's third round fair share obligation and how the Borough would comply with same; and the Borough and FSHC having agreed upon a form of Settlement Agreement (Exhibit J-2 and referred to hereinafter as the "FSHC Settlement Agreement"), which was executed by Kevin D. Walsh, Esq., on behalf of FSHC; and the Borough Council having adopted a resolution on September 14, 2017 (Exhibit J-5) authorizing the Mayor of Allendale to execute the FSHC Settlement Agreement, which she subsequently did; and that at this point in the process resulting from the Mount Laurel IV decision, it is appropriate for FSHC and the Borough to have arrived at a settlement regarding the Borough's third round present and prospective need, instead of doing so through plenary adjudication of the third round present and prospective need and prior round need; and the Court having set a date of November 29, 2017 for a Fairness Hearing to entertain approval of the settlement between FSHC and the Borough, and to determine whether said settlement is fair, reasonable and adequately protects the interests of low and moderate-income households and to determine whether the Borough's proposed means of addressing its agreed-upon fair share obligations, including its request for a vacant land adjustment that divides the Borough's obligation into a realistic development potential (RDP) and an unmet need, are preliminarily approved by the Superior Court; and the Borough having provided proper public and actual notice of the Fairness Hearing; and no objections to the settlement having been received; and counsel for the Borough having prepared an Affidavit of Public Notice, Exhibit J-4 to document that proper notice of the Fairness Hearing has been given; and the Court Master having submitted a report to the Court on November 16, 2017 (Exhibit J-1) regarding the proposed settlement between FSHC and the Borough and recommending approval of the settlement and preliminary approval of the Borough's proposed compliance Plan; and the Fairness Hearing having been held on November 29, 2017, during which Exhibits J-1 to J-5 were presented to the Court,

and the Court having considered the testimony taken during the Fairness Hearing, as well as to the comments of counsel; and the Court having reviewed all of the documents submitted into evidence during the Fairness Hearing; and the Court being satisfied that the parties are entitled to the relief sought; and good cause having been shown;

IT IS HEREBY ORDERED ON THIS 10 day of *January* 2018 as follows:

1. The Court finds and determines, pursuant to the judicial standards prescribed by the Appellate Division in East/West Venture v. Bor. Of Fort Lee, 289 N.J. Super. 311 (App. Div. 1996), and through analysis of the FSHC Settlement Agreement (Exhibit J-2) and the Court Master's report (Exhibit J-1), and on the basis of the testimony taken during a Fairness Hearing conducted on November 29, 2017, that the settlement between FSHC and the Borough is fair, reasonable and adequately protects the interest of low and moderate-income households, and the Court hereby approves the FSHC Settlement Agreement and the Borough's preliminary compliance mechanisms included within it, presented as Exhibit J-2.

2. Within 120 days of the entry of this Order, or such later date as may be agreed to by the Borough and FSHC, the Borough shall (a) prepare a Housing Element and Fair Share Plan, including a Spending Plan, reflecting all of the terms and conditions of the FSHC Settlement Agreement (Exhibit J-2) as well as the 'Recommended Requirements for Final Affordable Housing Compliance Plan' prepared by the Master in her Nov. 16, 2017 Report and attached hereto, along with any and all necessary supporting documents; (b) submit the Housing Element and Fair Share Plan, and any and all supporting documents, to the Court Master and FSHC for review and comment; (c) have the Housing Element and Fair Share Plan adopted by the Borough Planning Board; (d) have the Housing Element and Fair Share Plan endorsed by the Borough Council and have all required Resolutions and Ordinances needed to implement the Housing

Element and Fair Share Plan adopted by the Borough Council; and (e) submit the Housing Element and Fair Share Plan, and all required supplementary documentation, including the Spending Plan, and all adopted Resolutions and Ordinances implementing the Housing Element and Fair Share Plan, to the Court, the Court Master and interested parties for final review and recommendation by the Court Master and for approval by the Court. Within 60 days of the completion of all of these tasks, the Court will schedule a Compliance Hearing for the Court to consider approval of the Borough's submission and the issuance of a Judgment of Compliance and Repose, which will provide the Borough and its Planning Board with immunity from Mount Laurel lawsuits through July 1, 2025.

3. The temporary immunity from Mount Laurel lawsuits that is currently in place for the Borough and its Planning Board will remain in place through the Borough's Compliance Hearing in Superior Court.

4. As a result of the Settlement between the Borough and FSHC, the Borough's Present Need or Rehabilitation Obligation is 21, the Borough's Prior Round Obligation is 137 and the Borough's Third Round Fair Share Obligation is 308.

5. The parties agree that the Borough lacks sufficient land to meet its obligation and therefore agree that the Borough's RDP is 54 units.

6. The Borough intends to satisfy its RDP as follows:

- a. Excess affordable units from prior round (5 affordable units)
- b. Units approved and currently under construction at the following 2 sites: Garden Homes/Whitney (12 affordable family rental units) and Former Farm (2 affordable family rental units)
- c. Completed or proposed 100% Affordable Developments at the following 2 sites: Crescent Commons (6 affordable family sale units) and 220 West Crescent Avenue (4 affordable units)

- d. Completed or proposed alternative living arrangement units/bedrooms in the following 3 projects: Crescent Commons (2 of 13 affordable units), Eastern Christian Group Home I (5 bedroom credits) and Eastern Christian Group Home II ((5 bedroom credits))
- e. Third Round Rental Bonus Credits (14 rental bonus credits)

7. In addition, the Borough shall take the following measures to address its 254-unit unmet need:

- (a) Overlay zoning at densities of 10-12 units per acre on the following four (4) sites totaling 42-43 acres of land – 200 Heights Road, Albert Road, 40 Boroline Road and 320 Franklin Turnpike;
- (b) Adoption of a Borough-wide Mandatory Set Aside Ordinance requiring any site that benefits from a rezoning, variance or redevelopment plan approved by the Borough, that results in multi-family residential development at a minimum density of six (6) dwelling units per acre, to produce affordable housing at a set-aside rate of 20 percent for for-sale affordable units and at a set-aside rate of 15 percent for rental affordable units;
- (c) Continued implementation of the Borough's Development Fee Ordinance, with said Ordinance to be amended to reflect the jurisdiction of this Court, rather than COAH, and
- (d) Potential surplus affordable units resulting from the implementation of the Borough's plan for satisfying the RDP.

8. Counsel for the Borough shall provide all parties on the Service/Notice List with a copy of this Order within seven (7) days of receipt.



HONORABLE MENELAOS W. TOSKOS, J.S.C.

ELIZABETH C. MCKENZIE, P.P., P.A.

COMMUNITY PLANNING AND DEVELOPMENT

9 MAIN STREET

FLEMINGTON, NEW JERSEY 08822

TELEPHONE (908) 782-5564

TELEFAX (908) 782-4056

ecmcke@gmail.com

November 16, 2017

The Honorable Menelaos Toskos, J.S.C.
New Jersey Superior Court, Law Division
Bergen County Justice Center
10 Main Street, 4th Floor
Hackensack, New Jersey 07601

Re: In the Matter of the Application of the Borough of
Allendale, Docket No. BER-L-6162-15

Dear Judge Toskos:

The purpose of this letter is to provide the Court with a review and recommendations regarding the settlement reached between the plaintiff Borough of Allendale ("Allendale" or "Borough") and interested party Fair Share Housing Center ("FSHC") in the above-captioned matter as to the extent of Allendale's third round low and moderate income housing fair share obligation and how the Borough proposes to address that obligation. This litigation has no intervening parties.

Although FSHC has been an interested party in this case, and not an intervenor, the Settlement Agreement includes a provision (at paragraph 20) granting FSHC status henceforth as a defendant/intervenor. The parties agree to the entry of an Order declaring FSHC to be an intervening party, but the absence of such Order is not intended to impact the rights conferred by the Agreement.

The Settlement Agreement fully describes not only the agreed-upon affordable housing fair share obligation for Allendale, but also, in paragraphs 5-8, how such obligation will be addressed in the fully developed, adopted and implemented Housing Element and Fair Share Plan that is required to be prepared as a condition of the Settlement Agreement.

I am unaware of the filing of any written objection(s) to the settlement.

ELIZABETH C. MCKENZIE, P.P., P.A.

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This letter reviews the salient points of the Settlement Agreement reached between Allendale and FSHC and addresses the question of whether the outline of Allendale's proposed Housing Element and Fair Share Plan ("the Plan"), as described in paragraphs 5-8 of the executed Settlement Agreement is facially compliant with the Fair Housing Act, the terms of the Settlement Agreement, and applicable COAH and UHAC Rules.

It is my finding and recommendation to the Court that the Settlement Agreement is indeed fair to the interests of the region's low and moderate income households. Moreover, it is my opinion that the Borough's proposals for addressing its fair share obligation (as that obligation has been negotiated between the Borough and FSHC) will be able to satisfy Allendale's fair share obligation in a constitutionally compliant manner.

Attached to this letter is a summary of the recommended requirements for the preparation of the final Housing Element and Fair Share Plan. The adopted final Plan, and all of the adopted implementing ordinances and resolutions that will accompany it, will become the basis for an eventual final Compliance Hearing and, it is hoped, the grant of a Judgment of Compliance and Repose to Allendale extending through July 1, 2025.

Terms of Settlement

FSHC and the Borough have agreed, for settlement purposes, that Allendale's third round fair share obligation shall be 308 units (covering both the "gap period" present need for new construction and the prospective fair share obligation), with a rehabilitation share of 21 units and a prior round obligation of 137 units.

The agreed-upon third round fair share obligation is based on a report and calculations prepared by the expert for FSHC, David N. Kinsey, PhD, PP, FAICP, in May of 2016, in which Allendale was allocated a third round fair share obligation covering the entire period from 1999 to 2025 of 513 units. In an effort to settle

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the litigation, however, and in recognition of Allendale's consistent efforts to create additional affordable housing opportunities throughout the "gap period", including by expending municipal funds to do so, the parties have agreed to a number that is 40 percent less than the number Kinsey had calculated. The 308 unit third round fair share obligation established by the settlement provides an incentive for Allendale to move forward with the planning and production of affordable housing instead of continuing to litigate the extent of its fair share obligation.

Allendale has demonstrated its eligibility for a further adjustment to its third round new construction obligation based on insufficient vacant developable land and readily re-developable sites to accommodate the entirety of the agreed-upon 308 unit third round obligation within the repose period. A vacant land adjustment does not reduce the fair share obligation, but it separates that obligation into the number of units that can realistically be expected to be built within the repose period (the Realistic Development Potential or "RDP") and the remainder, that portion of the obligation for which the Borough will continue to be liable, but which is not expected to be satisfied before July 1, 2025 (the Unmet Need).

Allendale's Plan proposes to address a third round RDP of 54 units with 5 excess affordable units from the prior round (presumably affordable family sales units); 14 affordable family rental units approved and currently under construction on two separate sites; 12 completed or proposed alternative living arrangement units/bedrooms in three separate projects; 6 completed affordable family sales units; 4 proposed affordable family or age-restricted rental units on a site owned by Allendale at 220 West Crescent Avenue; and 14 rental bonuses.

The balance of the 308 unit third round obligation, the 254 unit Unmet Need, is proposed to be addressed through a combination of:

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1. Overlay zoning at densities of 10-12 units per acre on four (4) sites totaling 42-43 acres of land.
2. Adoption of a Borough-wide Mandatory Set Aside Ordinance. The Mandatory Set-Aside Ordinance will require any site that benefits from a rezoning, variance or redevelopment plan approved by the Borough, that results in multi-family residential development at a minimum density of six (6) dwelling units per acre, to produce affordable housing at a set-aside rate of 20 percent for for-sale affordable units and at a set-aside rate of 15 percent for rental affordable units. It is recommended that the language of the MSAO provide that sites shall not be permitted to be subdivided (into smaller developments) to avoid compliance with its terms. The adoption of the MSAO would not give any developer the right to any such rezoning, variance, redevelopment designation or approval or other relief, nor would it establish any obligation on the part of Allendale to grant such rezoning, variance, redevelopment designation or approval or other relief. What it provides is a mechanism for the Borough to capture affordable housing opportunities in the future, as previously unanticipated redevelopment occurs.
3. Continued implementation of the Borough's Development Fee Ordinance (although the Ordinance should be amended to reflect the Court's and not COAH's jurisdiction).
4. Potential surplus affordable units resulting from the implementation of the Plan for satisfying the RDP.

The 137 unit prior round obligation has been fully satisfied with 44 units created elsewhere in the housing region through the transfer of funds via Regional Contribution Agreements with Jersey City and the Borough of Ridgefield (during the time such agreements were still valid); 16 affordable age restricted rental units at Allendale Senior Housing; 12 affordable family sales units; 22 supportive shared living (group home) bedrooms (out of a total of 24) at Crescent Commons; 10 supportive shared living (group home) bedrooms at Orchard Commons; 3 units of permanent

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supportive living rentals at Crescent Commons; and 35 rental bonuses.

The 21 unit rehabilitation share will be addressed through the Borough's continuing participation in the Bergen County Home Improvement Program in addition to the Borough's funding of a rental rehabilitation program to be implemented by Bergen County Community Development, an experienced administrator of affordable housing programs, pursuant to an inter-local services agreement.

There are a number of important additional terms and conditions that are included in the Settlement Agreement. These will all be discussed as part of the evaluation of the fairness of the settlement. The ensuing section of this letter briefly evaluates the components of the Borough's preliminary Plan as described in the Settlement Agreement.

Evaluation of Plan Components

Prior Round and Third Round Fair Share Obligations

Allendale's prior round (1987-1999) fair share obligation of 137 units has been fully satisfied in a constitutionally compliant manner and consistent with COAH's prior round Rules. The prior round Plan focuses heavily, although certainly not exclusively, on age-restricted units and special needs bedrooms, which are important components of the need for affordable housing, but do not address the needs of families with children. Fortunately, the Borough's third round Plan contains more of a balance of family units, notably family rental units, in addition to more special needs units and, perhaps, a handful of additional age-restricted units at 220 West Crescent Avenue.

The Plan for addressing the third round fair share obligation is designed to satisfy all of the parameters set forth in the Settlement Agreement as to the age-restricted cap, rental obligation, family rental obligation, very low income and family

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very low income obligations and the required low/moderate/very low income split.

Most of the sites being used to satisfy the RDP are either built, approved or under construction, with two exceptions, both of which involve either development of municipally-owned land or a funding agreement with an affordable housing provider. The two unbuilt sites appear to be suitable for their intended purpose - they have access to public utilities and roadways; the surrounding land uses are not incompatible; they are neither historic sites nor preserved farms; there is no reason to believe that they cannot be developed in compliance with acceptable municipal standards and RSIS requirements (with provisions for *de minimis* exceptions or the use of alternative parking standards where appropriate); and, clearly, they are (or were) available for such development.

As part of the final adopted Housing Element and Fair Share Plan, the Borough will need to provide, in an Appendix to the Plan, all of the mapping and analysis supporting the vacant land adjustment and RDP calculation. It will also need to provide more detailed documentation as to the bedroom and income distributions of the affordable units in the projects that have already been built, along with the start dates/lengths of time covered by the affordability controls for each unit and copies of the applicable affordable housing agreements or deed restrictions for each development. Additionally, the final Plan will need to include a brief confirmation of the suitability of any proposed but unbuilt affordable housing site addressing the RDP and of any site that is proposed to receive overlay zoning for inclusionary residential development or re-development to address the Unmet Need, based on the criteria that COAH had established in its prior round Rules. Finally, the Plan should include a discussion of any sites that were proposed for inclusionary residential development by their owners or contract purchasers and rejected by the Borough. In Allendale's case, I do not believe that there were any, and, if so, a simple statement to that effect is sufficient. Based on the currently available information, and

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subject to the caveats set forth in this paragraph, it is my opinion that the Borough's Plan is solid and will fulfill the terms of the Settlement Agreement.

Rehabilitation Share Implementation

As previously indicated, the Borough proposes to address its rehabilitation share through the Bergen County Home Improvement Program supplemented with a rental rehabilitation program that will be administered by Bergen County Community Development under contract to Allendale. This is an appropriate and valid mechanism for meeting the rehabilitation share.

Documentation (in the form of a Rehabilitation Manual) will need to be provided regarding the rental rehabilitation program to ensure that it will be consistent with COAH's third round rules for rehabilitation (which were upheld by the Courts even though most other aspects of COAH's third round rules were not), to wit: requiring 10 year affordability controls; involving at least one major system; and involving an average expenditure on hard costs per unit of at least \$10,000. Additionally, the proposed means of advertising the program must be identified.

The Spending Plan will also need to include assurances as to the program's ability to be adequately funded, and a Resolution of Intent to Fund Shortfall must also be adopted. Based on the information presented to date, however, the approach to meeting the rehabilitation share that is outlined in the Settlement Agreement is satisfactory.

Evaluation of Fairness of Settlement

The various components of the Allendale settlement are evaluated here in light of the criteria set forth in East/West Venture v. Borough of Fort Lee, 286 N.J. Super 311, 328 (App. Div. 1996) for approving a settlement of Mount Laurel litigation.

East/West was addressing a settlement between a municipality and a builder/plaintiff. We have a different situation in this case.

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The municipality is the plaintiff and FSHC has been an interested party (granted status as an intervenor in the Settlement Agreement) advocating on behalf of low and moderate income households. Despite the differing roles of the participants in this case as compared to a traditional builder's remedy lawsuit, the overarching concern of the Court in East/West is applicable to any settlement of a case involving a municipality's constitutional obligation to create a realistic opportunity for the construction of its fair share of affordable housing, and that is whether or not the "the settlement adequately protects the interests of the lower-income persons on whose behalf the affordable units proposed by the settlement are to be built".

In East/West, the determination of whether or not that standard was being met was based upon a five-part analysis, which is applied here to the Allendale settlement:

1. ***Consideration of the number of affordable units being constructed.*** The Settlement Agreement contemplates a 308 unit third round (1999-2025) new construction fair share obligation, including both the prospective (2015-2025) third round fair share obligation and the new construction obligation associated with an expanded calculation of the present need (1999-2015). The Plan proposes to address this obligation through a balanced variety of mechanisms, previously outlined in this letter, that will fulfill the entire RDP and appropriately address the Unmet Need.

A comparison of the third round obligation agreed to as part of the settlement (308 units) to the most recent sets of calculations for Allendale proposed by other experts in the field is useful in evaluating the fairness of the settlement number.

An April, 2017, Econsult report had assigned Allendale a rehabilitation share of 14 units as well as a third round fair share obligation of 180 units, consisting of both the

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present need (1999-2015) new construction obligation and the prospective need (2015-2025).

In July of 2016, Richard Reading, the Court-appointed Regional Special Master in several vicinages, had also calculated Allendale's rehabilitation share to be 14 units. Reading's prospective (2015-2025) third round fair share allocation for Allendale was 249 units, about 80 percent of the settlement number. The Reading allocation, however, did not include any new construction obligation for the "gap period" (1999-2015), now required by the Supreme Court to be included in the determination of the third round obligation.

In light of the disparity in the fair share numbers generated by various experts and the ongoing uncertainty as to the determination of municipal third round fair share obligations in Bergen County, Allendale's agreement with FSHC to settle now on a number that is 60 percent of that proffered by FSHC's expert in May of 2016, but still higher than the last Reading number and significantly higher than the most recent number projected by Econsult, is clearly fair to the region's low and moderate income households in the current context, and will result in a substantial contribution to the region's stock of low and moderate income housing.

2. ***The methodology by which the number of affordable units provided is derived.*** The rehabilitation share was calculated by the expert for FSHC, Dr. Kinsey, based on surrogate data derived from the U.S. Census, in a manner similar to, although not exactly the same as, the approach used in COAH's prior round Rules.

The methodology used by Dr. Kinsey to calculate municipal third round fair share obligations was designed to follow, quite literally, the methodology used by COAH in 1994 to determine cumulative 1987-1999 prior round fair share obligations.

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In April, 2017, Dr. Kinsey had modified his earlier calculations to separate out the calculation of the prospective need (2015-2025) from the calculation of the new construction obligation for the "gap period" (1999-2015), in response to the Supreme Court's directive. As a result, his calculation of the total 1999-2025 fair share obligation for Allendale went up from the 513 units cited in his May, 2016, report (the basis for the number agreed upon in the Settlement Agreement) to 642 units. While this recalculation has no effect at all on the terms of the settlement, it is noteworthy as an indication of the continuing uncertainty surrounding municipal third round fair share obligations that exists more than two and a half years after the Supreme Court's decision, In re N.J.A.C. 5:96 and 5:97, 221 N.J. 1 (2015).

While Kinsey's decisions with respect to the data sources relied upon, factors considered and assumptions made in the process of updating COAH's prior round methodology can certainly be (and have been) debated, there is no question that the methodology used by Kinsey finds its roots in a methodology that has been upheld by the Courts.

3. **Other contributions by the plaintiff.** The terms of the Settlement Agreement include the following:
 - a) Agreement that at least half of all affordable housing units shall be available to family households. (*paragraph 10.d.*)
 - b) Agreement that the Borough will require at least 13 percent of all of the affordable housing units in its Plan, excluding those already constructed or granted preliminary or final approval as of July 1, 2008, to be affordable to very low income households earning 30 percent or less of the regional median household income by household size and that at least half of these units will be available to families. (*paragraph 9*)

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- c) Agreement that at least 25 percent of the obligation shall be met with rental units, of which at least 50 percent shall be available to families. (*paragraph 10.c.*)
- d) Agreement that no more than 25 percent of affordable units used to fulfill the cumulative prior round and third round fair share obligations (this would include both the RDP and the Unmet Need) shall be age-restricted. (*paragraph 10.e.*)
- e) Agreement that rental bonuses shall be applied in accordance with N.J.A.C. 5:93. (*paragraph 10.a.*)
- f) Agreement that at least 50 percent of all affordable units in each inclusionary site shall be affordable to low and very low income households with the remainder affordable to moderate income households. (*paragraph 10.b.*)
- g) Agreement to abide by the affirmative marketing and affordability regulations set forth at N.J.A.C. 5:80-26.1, et seq. (UHAC) except that in lieu of the requirement at N.J.A.C. 5:80-26.3(d) for 10 percent of all low and moderate income rental units to be affordable to households earning 35 percent or less of median income, the requirement shall be that 13% of all low and moderate income rental units shall be affordable to households earning 30 percent or less of median income. (*paragraph 12*)
- h) Agreement to add to the Affirmative Marketing Plan the following regional and community organizations that will also receive notice of the availability of affordable housing units in Allendale: Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, the Bergen County NAACP, the Bergen County Urban League, and the Bergen County Housing Coalition. (*paragraph 11*)

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i) Agreement that all new construction units will be adaptable in conformance with P.L.2005,c.350/N.J.S.A. 52:27D-311(a) and 311(b) and other applicable law.
(paragraph 13)

j) Agreement that the Borough will pay a sum of \$4,000.00 to Fair Share Housing Center within 30 days of the Court's entry of an Order approving the fairness of the settlement.
(paragraph 17)

4. **Other components of the settlement that contribute to the satisfaction of the constitutional obligation.** Allendale's Plan exceeds its 25 percent minimum rental obligation. Rental affordable units tend to be more accessible to very low, low and moderate income households than for sale units, as it is often difficult for such households to qualify for mortgages. Allendale also proposes to satisfy both its very low income and very low income family obligations.
5. **Other factors that may be relevant to the fairness of the settlement.** The Settlement Agreement provides that, in the event that there is an administrative or legislative or judicial determination of municipal third round fair share obligations that would directly apply within the Bergen County vicinage, which determination is memorialized in an unappealable final judgment, and if that determination would reduce Allendale's fair share obligation for the period from 1999-2025 by more than 20 percent of the 1999-2025 new construction number on which it has settled with FSHC), Allendale may seek to amend the Judgment to reduce its fair share number, provided that it shall retain the zoning of all of the inclusionary sites in its Court-approved Plan, take all steps necessary to support the development of the 100 percent affordable projects in its Court-approved Plan, and implement all other affordable housing programs and initiatives in its Court-approved Plan, but may carry over any extra units and credits earned to a future round. This provision ensures that Allendale will not be disadvantaged

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in the future for having settled its case and that prospective developers and prospective occupants of inclusionary residential developments will not be disadvantaged by the removal of the affordable housing programs and projects that have been approved by the Court.

The Settlement Agreement also includes "look-back" provisions every three (3) years with respect to the provision of very low income (and family very low income) housing and at the midway point (or, in this case, by July 1, 2020) with respect to the realistic opportunity afforded by any un-built sites in the Plan. It also includes annual reporting requirements on affordable housing progress and on affordable housing trust fund activity and the Borough's implementation of its Spending Plan, once that document has been prepared and approved by the Court.

Reporting requirements will include posting on the municipal website, with copies provided to Fair Share Housing Center, and, with respect to the affordable housing trust fund/Spending Plan activity, also to COAH, Local Government Services or other agency designated by the State of New Jersey. These reporting requirements will ensure that the public is continuously informed of Allendale's progress in implementing its Plan, so that an aggrieved party can file a complaint with the Court, if necessary, but will also ensure that the Court does not have to be involved in the ongoing monitoring and evaluation of Allendale's affordable housing compliance.

In conclusion, the Court is being asked to make a determination as to the fairness of the settlement reached between Allendale and FSHC based on whether the interests of the region's low and moderate income households will be served if the Settlement Agreement is approved and implemented.

This letter recommends the Court's approval of the fairness of the settlement on the grounds that the interests of low and

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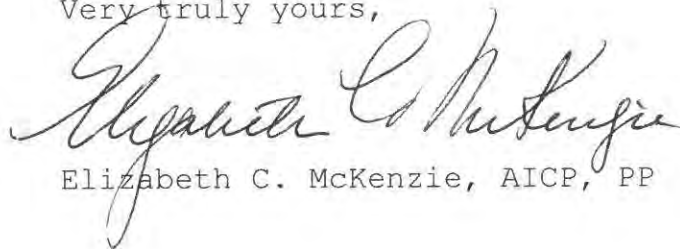
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moderate income households will be advanced by its terms. This letter also recommends the Court's preliminary approval of the Borough's Plan, conditioned on the preparation and adoption of a final third round Housing Element and Fair Share Plan that is fully consistent with all of the terms of the Settlement Agreement; that includes all necessary crediting documentation as to existing affordable units (as previously noted); that includes the requisite confirmation of site suitability for the proposed new inclusionary and 100 percent affordable sites, including those addressing the Unmet Need; and that provides details of the Borough's rehabilitation program. Additionally, the Borough will be required to prepare and adopt a new Spending Plan and to prepare, introduce and adopt all of the ordinances and resolutions needed to ensure implementation of the final Plan as envisioned by the terms of the settlement, all within 120 days of the Court's approval of the fairness of the settlement.

Attached to this letter is a summary of the documents and supplementary materials that are recommended to be required prior to the grant of a final Judgment of Compliance and Repose.

I hope that this letter is helpful to the Court and to the parties.

Very truly yours,



Elizabeth C. McKenzie, AICP, PP

Enclosure

cc: Raymond R. Wiss, Esquire
Kevin D. Walsh, Esquire
Joshua D. Bauers, Esquire
Adam M. Gordon, Esquire
Mary Beth Lonergan, PP, AICP

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RECOMMENDED REQUIREMENTS FOR
FINAL AFFORDABLE HOUSING COMPLIANCE PLAN
Borough of Allendale, Bergen County
November 16, 2017

The Settlement Agreement includes a summary of the crediting allocations and proposals for meeting the Borough's affordable housing fair share obligations that will be included in Allendale's final adopted Housing Element and Fair Share Plan. The Housing Element and Fair Share Plan will need to be prepared reflecting all of the terms of the Settlement Agreement and in full compliance with the statutory requirements for such documents.

Once the amended Housing Element and Fair Share Plan has been prepared, it must be reviewed by FSHC and the Special Master for compliance with the terms of the executed Settlement Agreement, the Fair Housing Act and applicable UHAC regulations, and then adopted.

1. The Housing Element will need to include, in an Appendix, all of the background data and mapping for the vacant land analysis and RDP calculation. As well, it will need to include confirmation of the suitability of each un-built affordable housing or inclusionary residential site addressing the RDP and the Unmet Need, as well as consideration of any site that was proposed for inclusionary residential development but that was not included in the Plan (and the reasons therefor, if applicable).

An analysis of how the Housing Element and Fair Share Plan complies or will comply with all of the terms of the executed Settlement Agreement must be included. This is particularly important with respect to the documentation of the income and bedroom distributions and continued creditworthiness of all of the existing affordable units in the Plan, including the start dates and lengths of the affordability controls applicable to these units, as well as copies of the Affordable Housing Agreement and/or deed restriction for each development.

2. The Fair Share Plan must include all of the adopted ordinances and resolutions needed to implement the Plan, including all as-of-right and overlay zoning amendments; an

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updated and amended Affordable Housing Ordinance reflecting all of the provisions of the Settlement Agreement; an amended Development Fee Ordinance reflecting the Court's (and not COAH's) jurisdiction; an Affirmative Marketing Plan resolution with an amended Affirmative Marketing Plan attached to it that specifically reflects the affirmative marketing provisions of the Settlement Agreement; the documentation described in the body of the letter to which this list is attached regarding the Borough's rental Rehabilitation Program; an updated and amended Spending Plan indicating how the Borough intends to allocate funds and detailing with specificity how it proposes to expend funds for affordability assistance, especially funds earmarked for very low income affordability assistance; a resolution of intent to fund any shortfall in the costs of any municipally sponsored affordable housing programs; the resolution and/or contract appointing the Administrative Agent(s); the ordinance creating the position of, and resolution appointing, the Municipal Affordable Housing Liaison; a resolution from the Planning Board adopting the Housing Element and Fair Share Plan, and, if a Final Judgment is sought before all of the implementing ordinances and resolutions can be adopted, a resolution of the governing body endorsing the Housing Element and Fair Share Plan.

3. In accordance with N.J.A.C. 5:93-5.5, the Borough is required to provide evidence that there is adequate and stable funding for any 100 percent affordable housing developments in its Plan. The Borough is required to provide a *pro forma* of total development costs and anticipated sources of funds available to the municipality and/or project sponsor, including from any still pending funding applications. In cases where an application for outside funding is still pending, the municipality must provide a stable alternative source of funds, such as municipal bonding, in the event that the funding application is not approved. The Borough must also provide, for each 100 percent affordable housing development in its Plan, a construction or implementation schedule, or timetable, for each step in the development process: preparation of the site plan; obtaining required municipal approvals and State and Federal permits; selection of the contractor; and start of construction. The schedule must provide for construction to begin within two years of the Court's entry of the final Judgment approving the Borough's Plan. The municipality must also name the entity responsible for undertaking and monitoring the construction and overall development activity.

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These requirements apply to the affordable housing development proposed for the 220 West Crescent Avenue site. For the new Eastern Christian Children's Retreat (ECCR) group home, the Borough will be required to provide a copy of the deed restriction and agreement with ECCR.

4. The Settlement Agreement provides that the Borough will have a period of 120 days in which to comply with all of these requirements. Upon the Borough's timely compliance with the foregoing, and subject to a favorable review and recommendation as to the final submission by FSHC and the Special Master, and its approval by the Court, I am confident that Allendale will be entitled to receive the final Judgment of Compliance and Repose through July 1, 2025, that it seeks.



APPENDIX C
VACANT LAND ADJUSTMENT



Allendale Borough – RDP Contributing Sites

May 24, 2017

Clarke Caton Hintz

Architecture
 Planning
 Landscape Architecture

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 Trenton NJ 08608
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 Carl Hintz, AICP, ASLA

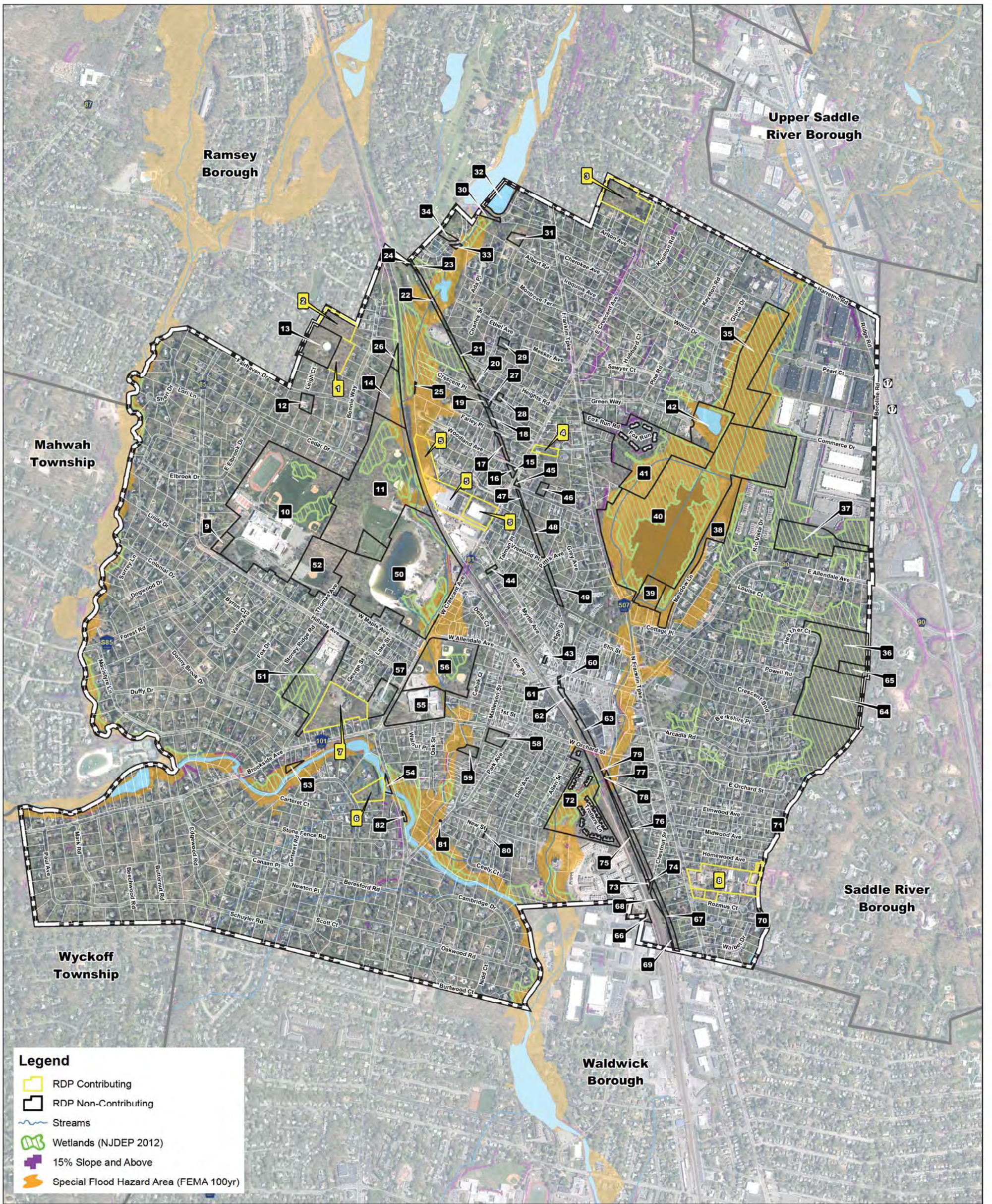
ID	Block	Lot	Location	Owner	Area (Acres)	Unconstrained Area (Acres)	Dwelling Units/ Acre	Total Units	RDP (Total Units x 20% Set-aside)	Comments
1	203	1	REAR BONNIE WAY	BOROUGH OF ALLENDALE	1.90	1.90	8	15.2	3.04	Borough Owned
2	303	1	REAR BONNIE WAY	BOROUGH OF ALLENDALE	2.63	2.62	8	20.96	4.19	Borough Owned
3	506	4	221 E. CRESCENT AVENUE	BURNETT (ETC/TRSTES), ANNETTE	4.89	4.88	8.2	40.00	8.0	Former Farm
4	910	6	115 W. CRESCENT AVENUE	SCOTT, CHARLES W	0.75	0.75	6	4.50	0.90	Half of an occupied, developed single-family property
5	1005	3, 11, 20	220 W. CRESCENT AVENUE	BLACK MILLWORK CO., INC.	9.4	7.45	14	104.3	20.86	Black Millwork Redevelopment
6	1503.01	14	42 CARTERET ROAD	POSKANZER, BARRY & SUSAN	1.95	1.70	6	10.20	2.04	Vacant lot in single-family neighborhood
7	1604	15	55 GEORGE STREET	TRINITY EPISCOPAL	6.57	2.00	6	12.00	2.40	Developable area in rear of lot
8	2004	20.10, 20.11, 21, 33, 34, 36	FRANKLIN TURNPIKE, ROZMUS CT., HOMEWOOD AVENUE	ROHSLER NURSERY PARTNERS, LP	7.80	7.74	8	61.92	12.3	Farm/ Nursery
Totals					35.89	29.04		269.08	53.73	

Allendale Borough – RDP Non-Contributing Sites
May 15, 2017

ID	BLOCK	LOT	Location	Owner	Area (Acres)	Unconstrained Acres	Comments
9	103	1	300 HILLSIDE AVE	FABER, DANIEL & PHYLLIS	0.91	0.84	Sold to the North Highlands Regional H.S. District in 2014. Part of High School Property
10	201	8	280 HILLSIDE AVE	NORTHERN HIGHLANDS REG HIGH SCHOOL	40.68	37.64	Developed with a school building and athletic fields.
11	201	9	RR WEST SIDE	BOROUGH OF ALLENDALE	31.13	23.29	On ROSI.
12	201	10	HILLSIDE AVE RR	BOROUGH OF ALLENDALE	2.14	2.14	On ROSI.
13	203	1.01	REAR LEIGH COURT	BOROUGH OF ALLENDALE	4.44	4.44	Water tank.
14	204	1	REAR BONNIE WAY	BOROUGH OF ALLENDALE	4.36	2.67	On ROSI. 100 Year Floodway, Wetlands
15	301	1	WOODLAND AVE	RONALDO L.L.C.	0.05	0.05	Lot size is too small.
16	301	2	WOODLAND AVE	ROCKLAND ELECTRIC	0.21	0.21	Undevelopable. Electric transmission lines. Narrow Lot Configuration.
17	301	28	WOODLAND AVE. & FARLEY PL	ROCKLAND ELECTRIC	0.38	0.38	Undevelopable. Electric transmission lines. Narrow Lot Configuration.
18	301	29	FARLEY PLACE	ROCKLAND ELECTRIC	0.37	0.37	Undevelopable. Electric transmission lines. Narrow Lot Configuration.
19	301	30	CRESCENT PLACE	ROCKLAND ELECTRIC	0.21	0.21	Undevelopable. Electric transmission lines. Narrow Lot Configuration.
20	301	31	CRESCENT PL	ROCKLAND ELECTRIC	0.18	0.18	Undevelopable. Electric transmission lines. Narrow Lot Configuration.
21	301	32	REAR CRESCENT PLACE	ROCKLAND ELECTRIC	0.73	0.62	Undevelopable. Electric transmission lines. Narrow Lot Configuration.
22	301	33	REAR CRESCENT PL.	ROCKLAND ELECTRIC	0.88	0.60	Undevelopable. Electric transmission lines. Narrow Lot Configuration.
23	301	34	REAR CRESCENT PL.	ROCKLAND ELECTRIC	0.12	0.12	Undevelopable. Electric transmission lines. Narrow Lot Configuration.
24	301	35	REAR CRESCENT PL.	ROCKLAND ELECTRIC	0.03	0.03	Undevelopable. Electric transmission lines. Narrow Lot Configuration.
25	301	45	REAR FARLEY PLACE	UNKNOWN	0.04	0.00	Lot size is too small. 100 Year Floodway, Wetlands.
26	303	14	REAR BONNIE WAY RR	BOROUGH OF ALLENDALE	0.47	0.23	Lot size is too small. Wetlands.
27	402	9	17 CRESCENT PL	MALARCZUK, GEORGE & LIEW, SHIRLEYN	0.10	0.10	Lot size is too small.
28	403	8	14 CRESCENT PL	DRAPER, BARBARA E.	0.16	0.16	Lot size is too small.
29	404	13	41 BEATRICE ST	BALLAERA, JOSEPH	0.35	0.35	Lot size is too small.
30	408	14	271 LAKEVIEW DR	NESS, WILLIAM G & DONNA J	0.38	0.28	Lot size is too small. 100 Year Floodway, Wetlands, Steep Slopes.
31	408	16	4 ALBERT RD.	SEBASTIAN, JOHN	0.58	0.58	Building permit issued for single-family detached house
32	409	1	SPRING LAKE	RAMSEY GOLF & COUNTY CLUB	2.28	0.06	100 Year Floodway.
33	410	7	CANTERBURY DR	ZOCCOLI, CHARLES C	0.13	0.03	Lot size is too small. 100 Year Floodway, Wetlands.
34	411	5	LAKEVIEW DR	RAMSEY COUNTRY CLUB	0.37	0.36	Lot size is too small.
35	605	16	REAR GLORIA DR	BOROUGH OF ALLENDALE	12.82	0.16	On ROSI. 100 Year Floodway, Wetlands.
36	701	19	<Null>	<Null>	7.99	0.25	Wetlands.
37	702	8	10 BOROLINE ROAD	BOROUGH OF ALLENDALE	7.33	1.70	On ROSI. Wetlands.
38	801	1.09	MEADOW LANE	BOROUGH OF ALLENDALE	7.27	0.15	On ROSI. 100 Year Floodway, Wetlands.

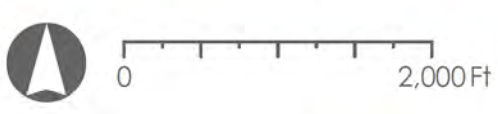
ID	BLOCK	LOT	Location	Owner	Area (Acres)	Unconstrained Acres	Comments
39	801	14	1 COTTAGE PL	BOROUGH OF ALLENDALE	2.59	0.00	On ROSI. 100 Year Floodway, Wetlands.
40	801	18	FRANKLIN TPKE	BOROUGH OF ALLENDALE	58.05	0.52	On ROSI. 100 Year Floodway, Wetlands.
41	801	31	<Null>	<Null>	16.82	7.86	HOA common space.
42	801	42	REAR GREEN WAY	BOROUGH OF ALLENDALE	5.61	0.90	On ROSI. 100 Year Floodway, Wetlands.
43	902	6	134 W. ALLENDALE AVE.	AVAD LLC	0.09	0.09	Lot size is too small.
44	905	19	173 MYRTLE AVE	KARVELLAS, MICHAEL	0.18	0.18	Lot size is too small.
45	910	1	ALL TROLLEY TRACKS	ROCKLAND ELECTRIC CO C/O DALLAND	0.09	0.09	Lot size is too small.
46	910	18	IVERS RD	CALVARY LUTHERN CHURCH	0.44	0.44	Lot size is too small.
47	912	1	IVERS ROAD	ROCKLAND ELECTRIC	0.17	0.17	Undevelopable. Electric transmission lines. Narrow Lot Configuration.
48	912	3	REAR PITTS AVE	ROCKLAND ELECTRIC	0.90	0.90	Undevelopable. Electric transmission lines. Narrow Lot Configuration.
49	915	1	PITTS AVENUE	ROCKLAND ELECTRIC	0.77	0.77	Undevelopable. Electric transmission lines. Narrow Lot Configuration.
50	1003	6	300 W. CRESCENT AVE.	BOROUGH OF ALLENDALE	36.02	30.54	On ROSI.
51	1102	14	105 HILLSIDE AVE	BOARD OF EDUCATION	10.45	7.01	Developed with a school building.
52	1104	1	280 HILLSIDE AVE	BOARD OF EDUCATION NO REG H S DIST	7.83	7.83	BOE owned property. Part of High School Property.
53	1406	19	REAR BROOKSIDE AVE	UNKNOWN	0.30	0.02	100 Year Floodway.
54	1503.01	5	611 W CRESCENT AVE	MARTIN, BARBARA J	0.29	0.01	100 Year Floodway, Wetlands.
55	1603	1	100 BROOKSIDE AVE.	BOARD OF EDUCATION	6.68	6.43	Developed with a school building.
56	1603	2	CRESCENT AVE	BOROUGH OF ALLENDALE	11.39	2.75	On ROSI.
57	1604	15.01	500 W CRESCENT AVE	BOROUGH OF ALLENDALE	2.82	2.82	Contains administrative building.
58	1704	1	PARK AVE	BOROUGH OF ALLENDALE	1.07	1.07	Not Developable. On ROSI list.
59	1705	9.02	140 MALLISON ST.	SZYMCZAK, MARK & SABRINA	0.59	0.42	Existing single family home
60	1712	1	DE MERCURIO DR	ROCKLAND ELECTRIC	0.07	0.07	Undevelopable. Electric transmission lines. Narrow Lot Configuration.
61	1712	2	REAR DE MERCURIO DR	ROCKLAND ELECTRIC	0.04	0.04	Undevelopable. Electric transmission lines. Narrow Lot Configuration.
62	1712	3	REAR ORCHARD ST	ROCKLAND ELECTRIC	0.36	0.36	Undevelopable. Electric transmission lines. Narrow Lot Configuration.
63	1712	4	W ORCHARD ST	ROCKLAND ELECTRIC	0.90	0.87	Undevelopable. Electric transmission lines. Narrow Lot Configuration.
64	1906	17	NO FRONTAGE	PASSAIC RIVER COALITION	12.32	0.54	Wetlands. ROSI.
65	1906	18	NO FRONTAGE	BOROUGH OF ALLENDALE	1.36	0.00	Wetlands.
66	2001	1	165A CHESTNUT ST	BOROUGH OF ALLENDALE	0.19	0.19	Lot size is too small.
67	2003	19	CHESTNUT ST	ROCKLAND ELECTRIC	1.31	1.31	Undevelopable. Electric transmission lines. Narrow Lot Configuration.
68	2003	20	CHESTNUT ST	SQUIRES, FRANCIS H	0.33	0.33	Lot size is too small.
69	2003	21	CHESTNUT ST	WILKING, HP	0.11	0.02	Lot size is too small.
70	2004	10	NO FRNOTAGE	DAVIES, RICHARD J. & MARY K.	0.24	0.24	Lot size is too small.
71	2008	11	ELMWOOD AVE	GUARNACCIA, MICHAEL E & REGINA P.	0.28	0.28	Lot size is too small.

ID	BLOCK	LOT	Location	Owner	Area (Acres)	Unconstrained Acres	Comments
72	2101	9	<Null>	<Null>	11.04	5.92	HOA common space.
73	2103	1	CHESTNUT ST	SQUIRES, FRANCIS M	0.10	0.10	Lot size is too small.
74	2103	2	CHESTNUT ST	ROCKLAND ELECTRIC	0.02	0.02	Undevelopable. Electric transmission lines. Narrow Lot Configuration.
75	2103	3	CHESTNUT ST	ROCKLAND ELECTRIC CO	1.06	1.05	Undevelopable. Electric transmission lines. Narrow Lot Configuration.
76	2103	4	CHESTNUT ST	ROCKLAND ELECTRIC	1.93	1.73	Undevelopable. Electric transmission lines. Narrow Lot Configuration.
77	2103	32	WEST ORCHARD	ROCKLAND ELECTRIC	0.14	0.00	Undevelopable. Electric transmission lines. Narrow Lot Configuration.
78	2103	33	REAR WEST ORCHARD ST	ROCKLAND ELECTRIC	0.01	0.00	Undevelopable. Electric transmission lines. Narrow Lot Configuration.
79	2103	34	WEST ORCHARD ST	ROCKLAND ELECTRIC	0.02	0.01	Undevelopable. Electric transmission lines. Narrow Lot Configuration.
80	2204	15	NEW STREET	UNKNOWN	0.02	0.01	Lot size is too small.
81	2206	6	PARK AVE	BOROUGH OF ALLENDALE	0.01	0.01	100 Year Floodway.
82	2206	11	W CRESCENT AVE	BOROUGH OF ALLENDALE	0.10	0.02	100 Year Floodway, Wetlands, Steep Slopes.



Legend

- RDP Contributing
- RDP Non-Contributing
- Streams
- Wetlands (NJDEP 2012)
- 15% Slope and Above
- Special Flood Hazard Area (FEMA 100yr)



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Architecture
 Planning
 Landscape Architecture

Vacant Land Analysis Map

LOCATION:
 Allendale Borough, Bergen County, NJ

DATE:
 May 2017



Clarke Caton Hintz

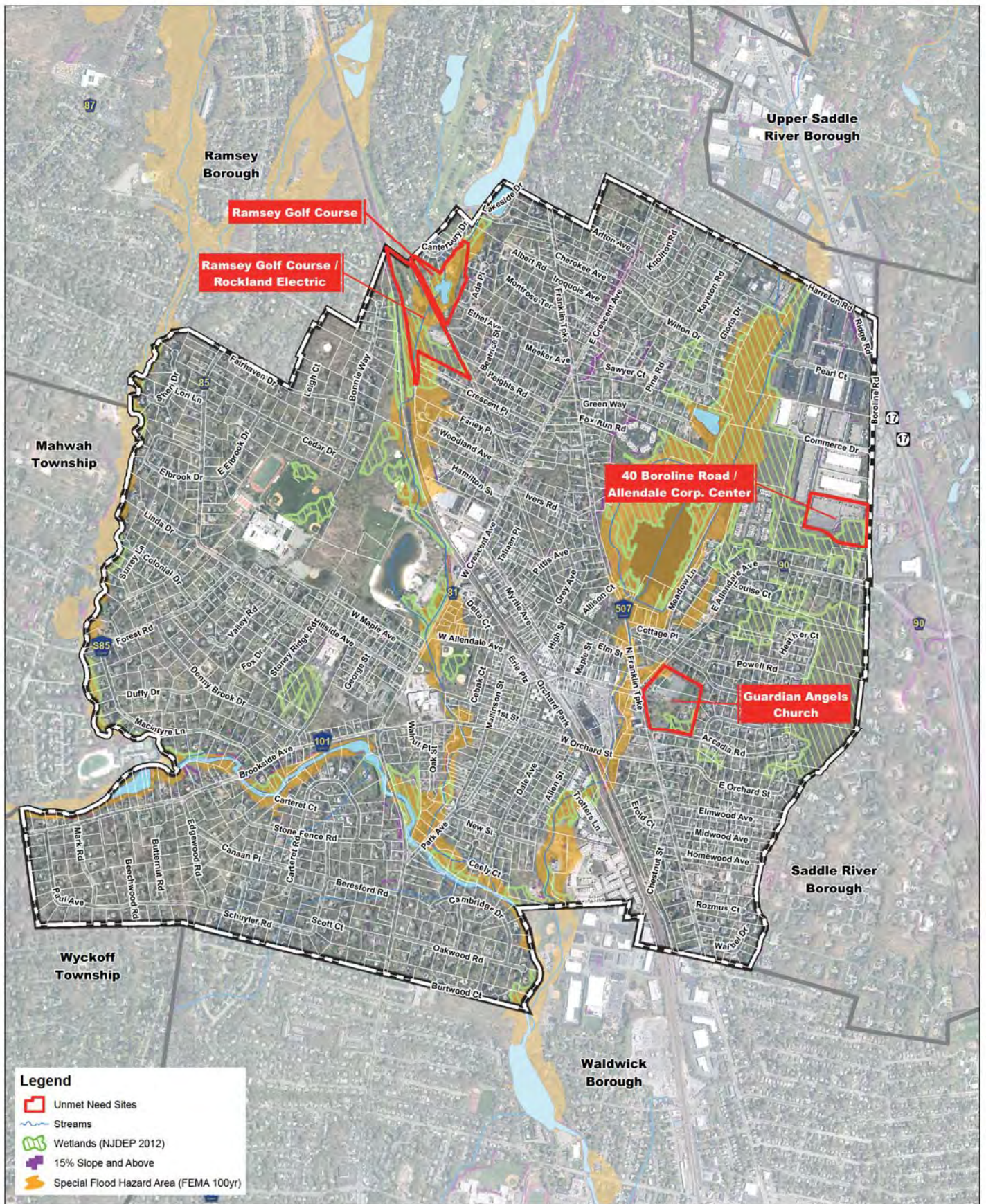
Architecture
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Emeriti
 John Clarke, FAIA
 Carl Hintz, AICP, ASLA

Proposed Unmet Need Mechanisms, Allendale Borough						
ID	Block	Lot	Location	Owner	Comments	Area (Acres)
1	301	37	200 HEIGHTS ROAD	ROCKLAND ELECTRIC CO	1. Northern portion is part of the Ramsey Golf and Country Club. Unmet Need Overlay Zoning: 6 du/ac 2. Southern half of parcel contains an electric substation and related equipment.	14.09
2	406	21.01	ALBERT ROAD	RAMSEY GOLF & COUNTRY CLUB	Unmet Need Overlay Zoning: 6 du/ac	7.86
3	702	14	40 BOROLINE ROAD	ALLENDALE CORPORATE CENTER, LLC	Unmet Need Overlay Zoning: 12 du/ac	9.48
4	1803	1	320 FRANKLIN TURNPIKE	CHURCH OF THE GUARDIAN ANGEL	Unmet Need Overlay Zoning: 12 du/ac	11.30
5	Mandatory Affordable Housing Set-Aside Ordinance				Triggered if Borough adopts multi-family rezoning, "d" variance, etc., at 6 du/ac	Borough-wide
6	Affordable Housing Development Fee Ordinance				Existing	Borough-wide
7	Third Round RDP surplus				Proposed	surplus



Legend

- ▭ Unmet Need Sites
- Streams
- ~ Wetlands (NJDEP 2012)
- 15% Slope and Above
- Special Flood Hazard Area (FEMA 100yr)



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 Architecture
 Planning
 Landscape Architecture

Unmet Need Mechanisms

LOCATION:
 Allendale Borough, Bergen County, NJ

DATE:
 June 2018



APPENDIX D
REHABILITATION MANUAL



BERGEN COUNTY HOME IMPROVEMENT PROGRAM



POLICY AND PROCEDURES MANUAL

Administered by the
Bergen County
Division of Community Development
One Bergen County Plaza-4th Floor
Hackensack, NJ 07601
Tel (201) 336-7200 Fax (201) 336-7247

1.0 Introduction

The Bergen County Home Improvement Program (HIP) provides deferred payment loans to homeowners at 60% of the County's median income occupying a single or two-family home, in the Bergen County entitlement, for the purpose of housing rehabilitation.

A 3% interest loan in the amount of assistance required for the rehabilitation work will be made to the homeowner by the Division of Community Development. No payments are required until the home is sold or title to the property changes.

In order to ensure repayment of the loan, the Division will place a lien on the property in the amount of the loan. The lien must be signed by every person listed on the Deed of Conveyance and recorded before any rehabilitation work can begin. Additionally, all persons listed on the Deed of Conveyance must execute a promissory note.

The HIP is funded through the Community Development Block Grant (CDBG) Program of the United States Department of Housing and Urban Development (HUD). The Bergen County Division of Community Development administers these programs for the seventy members of Bergen County's Urban County entitlement.

The purpose of this document is to establish policies, guidelines and procedures, which will govern the Bergen County HIP. The Bergen County Division of Community Development administers the grant and is responsible for using CDBG monies to rehabilitate owner-occupied dwellings. The HIP is subject to all laws, regulations, ordinances, and codes of the US Department of Housing and Urban Development, the State of New Jersey and the County of Bergen.

1.1 Specific Goals of the Program

The goals of the Home Improvement Program are:

- To provide housing assistance to extremely low, very low and low-income households.
- To preserve Bergen County's existing housing stock.
- To strengthen the Bergen County's tax base.
- To abate code violations.
- To prevent the spread of blight in Bergen County.

- To reduce lead based paint hazards

2.0 Program Description

The program is designed to assist homeowners at 60% of the County's median income (as defined by HUD) in the rehabilitation of their single family and two-family homes by providing deferred loans to eligible homeowners.

Housing rehabilitation loans are provided to households to assist in eliminating housing code violations. Other existing violations are also addressed. Assistance is given to homeowners on a first come, first serve basis. However, should emergencies arise, such as loss of heat during the heating season; the homeowner(s) will be reviewed for immediate assistance with their emergency condition.

Eligible improvements include: plumbing, heating, electrical work, insulation, roofs, doors, windows, floors, walls, ceilings, exterior and interior painting, steps, porches, structural repairs, bathroom repairs, kitchen repairs, siding, leaders, gutters, sidewalk repair and driveway repair. Kitchen stoves and refrigerators may be eligible if these appliances are likely to remain with the property upon sale of the home.

Ineligible improvements include but are not limited to: washers, dryers, window air conditioners, furniture, drapes, television sets and swimming pools.

All applicants or beneficiaries of rehabilitation assistance are restricted to the full income guidelines established by the most current "Income Limits for Low-Income and Very Low Income Families" (adjusted for family size) produced by HUD. The latest income limits can be obtained from <http://www.huduser.org/datasets/il.html>.

For purposes of rehabilitation activity, an annual income review requires the examination of source documents, which include:

1. Wages, salaries, overtime pay, commissions, fees, tips, and bonuses and other compensation for personal services (before payroll deductions); Pay stubs may be required to verify;
2. Net income from a business or professions (i.e. self-employment income from own non-farm business; including proprietorships and partnerships). Expenditures for business expansion or amortization of capital indebtedness cannot be used as deductions in determining net income; however, an allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue

Service regulations. Any withdrawal of cash or assets from the operation of a business or profession is included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family;

3. Interest dividends and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness cannot be used as a deduction in determining net income. An allowance for depreciation is permitted only as authorized in number 2 (above) of this section. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the Family.
 - Where the Family has Net Family Assets in excess of \$5,000 Annual Income includes the greater of the actual income derived from Net Family Assets or a percentage of the value of such Assets based on the current passbook savings rate as determined by HUD and
 - Personal asset value is the real value of savings accounts, checking accounts, IRAs, Mutual Funds, other stocks, bonds or money market accounts, savings certificates and any other investment accounts, minus reasonable costs that would be incurred in converting assets to cash. Personal asset value may not be greater than \$30,000 for applicants under the age of 62 years and not greater than \$50,000 for applicants 62 years or older.
4. The full amount of periodic payments received from social security, annuities, insurance policies, Retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or a prospective monthly amount for the delay start of a periodic payment.
5. Payments in lieu of earnings, such as unemployment, worker's compensation and severance pay.
6. If the Welfare Assistance payment includes an amount specifically designed for shelter and utilities that is subject to adjustment by the Welfare Assistance agency in accordance with the actual cost of shelter and utilities, the amount of Welfare Assistance income to be included as income shall consist of:
 - The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus

- The maximum amounts that the Welfare Assistance agency could in fact allow the Family for shelter and utilities. If the Family's Welfare Assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph is the amount resulting from one application of the percentage;
7. Periodic and determinable allowances such as alimony and child support payments; and regular contribution or gifts received from organizations or persons not residing in the dwelling. Alimony and child support amounts awarded as part of a divorce or separation agreement are included as income unless the applicant (1) certifies that the income is not being provided and (2) takes all reasonable legal actions to collect amounts due; and
 8. All regular pay, special pay, and allowances of a member of the Armed Forces (whether or not living in the dwelling) who is head of the Family, spouse, or other person whose dependents are residing in the unit. Except as provided in number nine (9) of income exclusions (The special pay to a family member serving in the Armed Forces who is exposed to hostile fire).

The following sources of income **will not** be considered part of a household's income when determining eligibility for the HIP.

1. The ^{first} \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission, or the Court of Claims (25 U.S.C. 1407-1408), or from funds the Secretary of Interior holds in trust for an Indian Tribe;
2. Amounts of scholarships funded under Title IV of the Higher Education act of 1965, including awards under the Federal work-study;
3. Income from employment of children (including foster children) under the age of 18 years;
4. Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);
5. Lump-sum additions of Family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlements for personal or property losses;
6. Amounts received by the family, that are specifically for or in

reimbursement of the cost of medical expenses for any family member;

7. Income of a live-in aides as defined in 24 CFR 5.403;
8. The full amount of student financial aid paid directly to the student or to the educational institution and amounts paid by the Government to a veteran for use in meeting the costs of tuition, fees, books, equipment, materials, supplies, transportation, and miscellaneous personal expenses of the student. Any amount of such scholarship or payment to a veteran not used for the above purposes that is available for subsistence is to be included in income;
9. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire; (i) Amounts received under training programs funded by HUD; (ii) Amounts received by a Disabled person that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS); or (iii) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses (special equipment, clothing, transportation, child care, etc.) And which are made solely to allow participation in a specific program;
10. Amounts received under training programs funded by HUD;
 - Amounts received by a Disabled person that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
 - Amounts received by a participant in other publicly assisted programs that are specifically for, or in reimbursement of, out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and that are made solely to allow participation in a specific program;
 - Amounts received under a resident service stipend (as defined in 24 CFR 5,609(c)(8)(iv));
 - Incremental earnings and benefits resulting to any family member from participation in qualifying state or local employment training programs (including training not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded

by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment-training program;

11. Temporary, nonrecurring or sporadic income (including gifts); or
12. Reparation payments paid by a foreign governments pursuant to claims under the laws of that government by persons who were persecuted during the Nazi era;
13. Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the United States Housing Act of 1937. A notice will be published in the Federal Register and distributed to owners identifying the benefits that qualify for this exclusion. Updates will be published when necessary.
14. Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household or spouse).
15. Adoption assistance payments in excess of \$480 per adopted child;
16. For public housing only, the earnings and benefits to any family member resulting from the participation in a program providing employment training and supportive services in accordance with the Family Support Act of 1988, section 22 of the 18\937 Act (43 U.S.C. 1437t), or any comparable federal, state, or local law during the exclusion period.
17. Deferred periodic amounts from SSI and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts.
18. Amounts received by the family in the form of refunds or rebated under state or local law for property taxes paid on the dwelling unit.
19. Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep this developmentally disabled family member at home;
20. Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or

benefits under a category of assistance programs that includes assistance under any program to which the exclusions of 24 CFR 5.609(c) apply including:

- The value of the allotment made under the Food Stamp Act of 1977;
- Payments received under the Domestic Volunteer Service Act of 1973 (employment through VISTA; Retired Senior Volunteer Program, Foster Grandparents Program, youthful offenders incarceration alternatives, and senior companions);
- Payments received under the Alaskan Native Claims Settlement ACT;
- Income derived from the disposal of funds of the Grand River Band of Ottawa Indians;
- Payments, rebates or credits received under Federal Low Income Home Energy Assistance Program (includes any winter differentials given to the elderly);
- Payments received under the Main Indian Claims Settlement Act of 1980 (25 U.S.C. 1785);
- Amounts of scholarships funded under Title IV of the Higher Education act of 1965, including awards under the Federal work-study program or under the Bureau of Indian Affairs student assistance programs, or veterans benefits;
- Payments received under Title V of the Older Americans Act (Green Thumb, Senior Aides, Older American Community Service Employment Program);
- Payments received after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the In Re Agent Orange product liability litigation, M.D.L. No. 381 (E.D.N.Y.);
- Earned Income Tax Credit refund payments received on or after January 1, 1991, including advance earned income tax credit payments;
- The value of any child care provided or reimbursed under the Child Care and Development Block Grant Act of 1990;

- Payments received under programs funded in whole or in part under the Job Training Partnership Act (employment and training programs for Native Americans and migrant and seasonal farm workers, Job Corps, veterans employment programs, State job training programs and career interns programs).
- Income derived from certain sub-marginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 259e);
- Payments received under programs funded in whole or in part under the Job Training Partnership Act.

3.0 Application Process

3.1 Loan Application Process

Homeowners who have been preliminarily deemed eligible will be given the Rehabilitation Assistance Application. The homeowner is instructed to complete the application and bring it along with the following verifications: Copy of Deed of Conveyance, Proof of Homeowners Insurance and Income Tax Returns to the Division on the interview date.

The submitted application and applicable verification will be reviewed by a Loan Advisor. The Loan Advisor will ensure that the application receives a project number and is entered in the HIP database. As necessary, forms will be issued to verify information such as household contribution, employment, rental income, student status, etc. In addition, program procedures will be explained in sufficient detail to provide the homeowner with a basic understanding of the program and what is expected in the ensuing months. All income must be documented by pay stubs, tax return, award letters, bank statements, tax bills, deeds, employment verification, etc. (See Section 3.3 for Definition of Income and Section 4.4 for definition of Household size.)

Following the income review, the Loan Advisor will order a title search for all loan homeowners, as applicable. The Loan Advisor must ascertain whether a deficiency in title exists. Payment of Municipal taxes and flood zone applicability will also be examined for all homeowners.

Income reviews, which conclude without the receipt of required application documentation, are followed by a mailing to the homeowner, requesting that the missing information be supplied. Except for service emergencies, processing will be delayed until the office receives a complete application.

Homeowners determined to be ineligible will be given a notification of ineligibility explaining the reasons for their ineligibility.

Once determined, the Loan Advisor at the bottom of the Income Determination Worksheet posts household income. The Loan Advisor must also review each eligible case, to determine if the property is located within a flood plain using flood zone maps. If the property is located in a flood plain, the homeowner must provide proof of flood insurance. If proof of flood insurance is not provided, the case must be rejected.

The Loan Advisor must inform homeowners, in writing, of their eligibility or rejection. Any homeowner who has been rejected from the program must be informed immediately in writing of the reason for rejection.

Each homeowner will have thirty (30) days to appeal his or her rejection from the Program.

If for any reason, the rehabilitation project has not been undertaken within six (6) months of eligibility determination, the homeowner must be re-certified as income eligible. Eligibility will begin as of the date of the notice of eligibility letter.

3.2 Required Documentation

The Loan Advisor is responsible for ensuring that all required documents are included in the case file.

Documents required determining eligibility:

- (A) Signed Federal and State Tax Return for each applicable household member who is required to file for the most recent year. If any of the homeowners do not prepare a tax return, they must state the reason in a notarized letter:
- (B) All W-2 Forms (for all household members).
- (C) Request for Transcript of Tax Return Form 4506-T
- (D) Tax Authorization Form 8821.
- (E) Two (2) recent pay stubs (for all household members).
- (F) Proof of Interest Income (for all household members).
- (G) An award letter from Social Security, Veterans Administration, Pension, Public Assistance or Unemployment Compensation (when applicable).
- (H) Documentation of any other income such as taxable child support, alimony, disability, sale or ownership of other real estate, rental income and rental expenses.
- (I) In the event the homeowner is a widow or widower, a copy of the spouse's death certificate is required.
- (J) In the event the homeowner is divorced, a copy of the divorce decree is required.
- (K) Copies of birth certificates for all children under the age of eighteen (18).

- (L) A copy of the deed to the property showing book and page number.
- (M) A copy of the most recent tax receipt and verification that the property taxes are paid to date.
- (N) Copy of homeowners insurance.
- (O) Copy of flood insurance. If applicable the insurance shall be \$70,000 for a single family dwelling unit and \$200,000 for other residential dwelling units or the amount of all mortgages or liens on the property, whichever is less.
- (P) Verification that all mortgages and liens on the property are current. In the event the homeowner has declared bankruptcy a bankruptcy judge may grant permission for the placement of a lien against the property. Failure to receive this document will preclude the homeowner from receiving assistance.
- (Q) Certified statement disclosing any judgments against any of the owners.

Documents required after eligibility is determined

- (R) Signed acknowledgement of receipt of lead based paint hazard notification brochure by all owners and tenants in an assisted structure.
- (S) Proof of contractor's proper training in lead hazard removal.

Documents required after the execution of contracts:

- (Q) Signed acknowledgement of receipt of two (2) Truth in Lending Notices by owner(s) and two (2) Right of Recession Notices.
- (R) Verification by Loan Advisor that 3 day recession period has expired and the County has reasonably satisfied itself that the homeowner has not exercised his or her right of recession.
- (S) Verification that all necessary permits have been submitted to the County prior to commencement of work.
- (T) Notice to Proceed.
- (U) Amended Agreement (if any).
- (V) Contractors Insurance Certificate.

- (W) Contract Package
- (X) Recommendation Sheet
- (Y) Mortgage Lien and Acknowledgement of the Imposition of a Lien
- (Z) Financial Ledger and applicable vouchers and Purchase Requisition

3.3 Definition of Income

For the purpose of determining whether a family or household is extremely low, very low or low-income, Bergen County may select one of three definitions for each activity as outlined in CDBG program regulation 570.3. Bergen County has determined that for eligibility purposes it will use Adjusted Gross Income as defined for purposes of reporting under Internal Revenue Service (IRS) from 1040 for individual Federal annual income tax purposes as defined in CDBG Program regulation 570.3(1)(iii).

In the event the homeowner does not file an Internal Revenue Service (IRS) from 1040, income will be determined by estimating the annual income of a family or household by projecting the prevailing rate of income of each person at the time assistance is provided for the individual, family, or household (as applicable). Estimated annual income shall include income from all family or household members, as applicable. Income or asset enhancement derived from the CDBG-assisted activity shall not be considered in calculating estimated annual income using any and all other means of income determinations defined in CDBG Program regulation 570.3(2).

3.4 Definition of Household Size

Household size is defined as the number of persons physically residing in the household. Household means all the persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

Should a persons name be contained on the Deed but not reside in the household they will be required to submit a notarized document indicating this.

3.5 Loan Approval

Loans will only be granted to eligible homeowners upon approval of credit and assurance that property taxes are current. In order to receive funds a homeowner must meet all of the following requirements.

- The homeowner must be an owner/occupant of a single or two family home.
- The homeowner household income must not exceed 60% of the of the Newark Metropolitan Area Median income which is consistent with the established HUD income limits.
- The homeowner must reside in one of the municipalities located within the Bergen County entitlement. In a multi dwelling property an application may be deemed ineligible should a tenant not wish to complete a tenant application.
- Taxes, water and sewer charges and mortgage payments must be current. Verification of the status of all payments will be made.
- Homeowner's whose property is determined to be located in a special flood hazard area, must provide proof of purchase of flood insurance protection equal to the terms and amount of the loan prior to provision of rehabilitation.
- The building must be in need of rehabilitation.

3.6 Homeowner Contribution

It is the policy of this program to urge that homeowners monetarily contribute to the total cost of rehabilitation wherever possible. Amounts to be contributed by the homeowner shall be determined by the homeowner and be paid out to contractors.

3.7 Deferred Loan Amounts

All homeowners who are below the extremely low, very low or low-income limit will be eligible for a deferred loan not to exceed \$17,500 for one unit and \$25,000 for two units. The deferred loan is interest free and does not require a monthly debt service.

Homeowners who are disabled, proof supplied by a Physician's certification shall be entitled to additional funding to make barrier free improvements or other physical or health related improvements to their home. The deferred loan limit will be increased not to exceed \$25,000 for one unit and \$40,000 for two units. The additional funds will be used for disability related improvements.

3.8 Loan Amount - Exception

At a minimum, rehabilitation must eliminate all known existing BOCA building code violations or any other regulatory requirement established by the NJ Department of Community Affairs (DCA) and eliminate all other municipal property code violations to the extent they are an allowable expense of CDBG funds and within the Program's funding limits.

Improvement items will be prioritized, with code violations given highest priority. In exceptional cases, if the abatement of code violations exceeds the loan cap of \$17,500 for one unit or \$25,000 for two units the homeowner will not qualify for HIP unless the following:

- a. The homeowner signs an affidavit stating the homeowner will be exclusively responsible for abating the balance of code violations - simultaneously while the contracted work is ongoing. The homeowner will be required to sign-off as to their responsibility and such documents should be placed in the case file.
- b. The homeowner obtains other funding sources to abate the remaining violations. This must be verifiable and documented for the case file.
- c. Should the homeowner not abate the remaining violations, their ability to receive a Certificate of Approval will be in jeopardy. No Certificate of Approval will be issued until all work is completed.

Loan amounts may be exceeded only at the discretion of the Community Development (CD) Director where there are extenuating circumstances involving threats to health and safety. Detailed documentation is required to prove the existence of extenuating circumstances (i.e. insufficient available liquid assets).

3.9 Emergency Assistance

Any homeowner that is considered to have a condition in their home that is posing an immediate health or safety threat to the household will be reviewed for immediate assistance to address their emergency condition. They include but are not limited to:

- Lack of heat
- Lack hot water
- Roof leaks

- Electrical problems that are determined to be dangerous
- Broken pipes
- Problems with sanitary facilities

In the event the Division receives a call advising that an emergency conditions exist the Loan Advisor and Cost Estimator must visit the home within the same day as the emergency notification. The Loan Advisor must take an application for the homeowner to complete and determine eligibility.

The amount of documentation initially required to determine income may be reduced due to time constraints. Homeowners' and a tenant's income may be determined by examining:

- a. The most recent tax return;
- b. Two current pay stubs from all members of the household who are working;
- c. Current bank statements
- d. Proof of current income from pensions, Social Security, unemployment, or any other source of income.
- e. Proof of home ownership which may be obtained by examining:
 - a. Current property tax bills
 - b. Current mortgage statements
 - c. Current homeowner's insurance

The Cost Estimator reviews the necessary repairs and estimates cost. In the case of an emergency the homeowner ~~must~~ select their ~~own~~ contractor. The Cost Estimator will prepare a description of the emergency repairs; obtain approval from the Senior Cost Estimator and the CD Director for amounts up to \$5,000. Any amount in excess of \$5,000 must be processed through normal HIP payment procedures.

After the completion of the emergency repairs the homeowner may chose to participate further in the program. In this case the amount of emergency repairs will be deducted from the maximum deferred loan amount and a more thorough review of income will be completed.

If this second review demonstrates that the homeowners not eligible for assistance the homeowner may appeal this decision to the CD Director. If the appeal is unsuccessful, the homeowner must repay the amount of the rehabilitation loan within ten days of such determination. In order to

ensure repayment of the loan, the homeowner will sign the Acknowledgement of Liability at the time of closing.

3.10 Mortgage Placement

Mortgages for housing rehabilitation funded by the HIP should be either in first or second position, to insure that funds can be recaptured. The determination of mortgage position will be made before the loan is issued.

If at the time of application, a homeowner has two existing mortgages and requests a third via their participation in the HIP, an analysis of equity will be conducted. The value of the property will be estimated by multiplying the County's Tax Assessor's assessed value by the equalization ratio. The resulting figure will be compared with level of principal that has been paid by the homeowner. The sum of the loans/mortgages/liens will not exceed 100% of the estimated value of the property.

Loans which are to be secured by a third position mortgage must be reviewed with the Loan Advisor and approved by the CD Director.



APPENDIX E

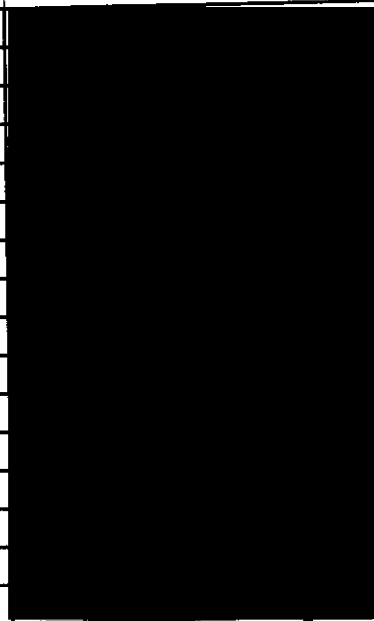
HAS AND MADELINE CORPORATION

RENT AND SALES RECORDS

REPORT FOR:
 CLARKE CATON HINTZ
 JANUARY 18, 2018

A	B	C	D	E	F	G
ALLEDALE HOUSING INC. 2018 RENT SUMMARY- ALL THREE PROPERTIES						
	UNIT	ORCHARD	10/17-9/18 RENT	TENANT	HOUSING	UTILITIES
			Lease Term Oct-Sept			
1	289A		\$ 727.00	\$ 338.00	\$ 389.00	O
2	289B		\$ 727.00	\$ 477.00	\$ 250.00	O
3	291A		\$ 727.00	\$ 234.00	\$ 493.00	O
4	291B		\$ 727.00	\$ 189.00	\$ 538.00	O
5	293A		\$ 727.00	\$ 278.00	\$ 449.00	O
6	293B		\$ 727.00	\$ 268.00	\$ 459.00	O
7	295A		\$ 727.00			O
8	295B		\$ 727.00	\$ 202.00	\$ 525.00	O
9	297		\$ 1,063.00	\$ 45.00	\$ 1,018.00	T
10	299		\$ 1,063.00	\$ 242.00	\$ 821.00	T
	TOTAL			\$ 2,273.00	\$ 4,942.00	
FOUR TWO BEDROOMS AND TWO ONE BEDROOM UNITS AT ORCHARD						
	UNIT	ROBERTS	10/17-9/18 RENT	TENANT	HOUSING	
			Lease Term Oct-Sept			
1	Rm #3		\$ 676.00	\$ 256.00	\$ 420.00	O
2	Rm #2		\$ 676.00	\$ 294.00	\$ 382.00	O
3	Rm #1		\$ 676.00	\$ 257.00	\$ 419.00	O
	TOTAL		\$ 2,028.00	\$ 807.00	\$ 1,221.00	
THREE BEDROOM GROUP HOME AT ROBERTS						
	UNIT	CRESCENT	2018 RENT	TENANT	HOUSING	UTILITIES
			Lease Term Jan-Dec			
1	201		\$ 972.00	\$ 242.00	\$ 730.00	T
2	202		\$ 1,002.00	\$ 383.00	\$ 619.00	T
3	203A		\$ 524.00	\$ 524.00	\$ -	O
4	203B		\$ 500.00	\$ 500.00	\$ -	O
5	301		\$ 923.00	\$ 385.00	\$ 538.00	T
6	302		\$ 1,002.00	\$ 174.00	\$ 828.00	T
7	303		\$ 1,232.00	\$ 1,232.00	\$ -	T
8	401A		\$ 524.00	\$ 524.00	\$ -	O
9	401B		\$ 524.00	\$ 524.00	\$ -	O
10	402A		\$ 662.00	\$ 248.00	\$ 414.00	O
11	402B		\$ 662.00	\$ 280.00	\$ 382.00	O
12	402B		\$ 662.00	\$ 231.00	\$ 431.00	O
13	403A		\$ 662.00	\$ 312.00	\$ 350.00	O
14	403B		\$ 662.00	\$ 524.00	\$ -	O
15	404A		\$ 524.00	\$ 524.00	\$ -	O
16	404B		\$ 524.00	\$ 524.00	\$ -	O
17	405A		\$ 404.00	\$ 404.00	\$ -	O
18	405B		\$ 404.00	\$ 404.00	\$ -	O
19	400 APT 1		\$ 1,002.00	\$ 279.00	\$ 723.00	T
20	400 APT 2		\$ 923.00	\$ 259.00	\$ 664.00	T
21	400 APT 3		\$ 1,002.00	\$ 648.00	\$ 354.00	T
22	400 APT 4		\$ 1,002.00	\$ 84.00	\$ 918.00	T
23	400 APT 5		\$ 1,002.00	\$ 79.00	\$ 923.00	T
24	400 APT 6		\$ 1,002.00	\$ 292.00	\$ 710.00	T
	TOTAL		\$ 17,640.00	\$ 9,056.00	\$ 8,584.00	
TEN ONE BEDROOM UNITS AND SEVEN TWO BEDROOM UNITS AT CRESCENT						

**REPORT FOR: CLARKE CATON HINTZ
 JANUARY 18, 2018**

A	B	C	D
UNIT	TENANT	RENT	UTILITIES
1		\$ 750.00	T
2		\$ 790.00	T
3		\$ 750.00	T
4		\$ 825.00	T
5		\$ 715.00	T
6		\$ 715.00	T
7		\$ 825.00	T
8		\$ 790.00	T
9		\$ 750.00	T
10		\$ 790.00	T
11		\$ 790.00	T
12		\$ 715.00	T
13		\$ 825.00	T
14		\$ 715.00	T
15		\$ 715.00	T
16		\$ 790.00	T
TOTAL		\$ 12,250.00	
SIXTEEN ONE BEDROOM UNITS AT CEBAK COURT			

Allendale Borough - Unit Report as of September 29, 2017

Unit Address	Zip	Initial Restriction Date	Term	Expiration Date	Base \$	Project	Funding	Block	Lot	BR	Mix	Current Owner	Current Owner Purchase Date	Current Owner purchase price
SADDLE DALE PARK														
96 ELM STREET	07401	9/29/99	30	9/29/29	\$116,000	SADDLE DALE PARK	Inclusionary	1809	8C0096	3	M	[REDACTED]	5/12/16	\$177,000
98 ELM STREET	07401	10/25/99	30	10/25/29	\$56,622	SADDLE DALE PARK	Inclusionary	1809	8C0098	2	L	[REDACTED]	10/25/99	\$56,622
100 ELM STREET	07401	11/22/99	30	11/22/29	\$46,542	SADDLE DALE PARK	Inclusionary	1809	8C00100	1	L	[REDACTED]	7/15/11	\$68,873
BROOK ESTATES														
82 CARRIAGE COURT	07401	11/8/02	30	11/15/32	\$66,180	BROOK ESTATES				2	L	[REDACTED]	11/8/02	\$66,180
86 CARRIAGE COURT	07401	12/15/01	30	12/15/31	\$86,757	BROOK ESTATES				1	M	[REDACTED]	12/15/01	\$86,757
90 CARRIAGE COURT	07401	12/17/01	30	12/17/31	\$76,820	BROOK ESTATES				3	L	[REDACTED]	12/17/01	\$76,820
94 CARRIAGE COURT	07401	5/16/02	30	5/16/32	\$121,154	BROOK ESTATES				3	M	[REDACTED]	5/16/02	\$121,154
98 CARRIAGE COURT	07401	6/3/02	30	6/3/32	\$54,783	BROOK ESTATES				1	L	[REDACTED]	6/3/02	\$54,783
102 CARRIAGE COURT	07401	5/29/02	30	5/29/32	\$104,546	BROOK ESTATES				2	M	[REDACTED]	5/29/02	\$104,546
3 TROTTERS LANE	07401	5/15/02	30	5/15/32	\$72,820	BROOK ESTATES				3	L	[REDACTED]	5/15/02	\$72,820
7 TROTTERS LANE	07401	11/4/02	30	11/4/32	\$54,783	BROOK ESTATES				1	L	[REDACTED]	11/4/02	\$54,783
11 TROTTERS LANE	07401	10/15/02	30	10/15/32	\$104,546	BROOK ESTATES				2	M	[REDACTED]	10/15/02	\$104,546
CRESCENT COMMONS														
101 CRESCENT COMMONS CT	07401	6/12/14	30	6/12/44	\$178,242	CRESCENT COMMONS	DCA HOME	904	10.01C0001	3	M	[REDACTED]	6/12/14	\$178,242
104 CRESCENT COMMONS CT	07401	7/3/14	30	7/3/44	\$105,928	CRESCENT COMMONS	DCA HOME	904	10.01C0004	2	L	[REDACTED]	7/3/14	\$105,928
105 CRESCENT COMMONS CT	07401	6/17/14	30	6/17/44	\$90,055	CRESCENT COMMONS	DCA HOME	904	10.01C0005	2	L	[REDACTED]	6/17/14	\$90,055

From: Angela Mattiace
To: eknox@njhmfa.gov
Cc: [Liz White](#); [Mary Beth Loneragan](#); [Michelle Ryan](#)
Subject: Allendale Unit Report
Date: Friday, October 20, 2017 11:08:49 AM

Liz,

After review of the Unit Report for the Borough of Allendale dated September 29, 2017, it has come to my attention that as part of Crescent Commons there are only 3 units listed when in fact there are 6 Affordable Units in total. Please find the 6 units listed below:

Ct.	904/10.01 C001	[REDACTED]	101 Crescent Commons
	6/12/2014	\$178,242	6/12/2044
	904/10.01 C002	[REDACTED]	102 Crescent Commons
Ct.	5/20/2014	\$142,211	5/20/2044
	904/10.01 C003	[REDACTED]	103 Crescent Commons
Ct.	6/25/2014	\$119,534	
	6/25/2044		
	904/10.01 C004	[REDACTED]	104 Crescent Commons
Ct.	7/3/2014	\$105,928	7/3/2044
	904/10.01 C005	[REDACTED]	105 Crescent
Commons Ct.	6/17/2014	\$ 90,055	6/17/2044
	904/10.01 C006	[REDACTED]	106 Crescent Commons
Ct.	6/6/2014	\$123,213	6/6/2044

Should you have any questions or require any additional information, please advise.

Thank you,
Angela Mattiace
Tax Assessor



APPENDIX F
ALLENDALE BROOK

Consideration : 104546.00
Realty Transfer Fee : 103.00
State Portion : 0.00
County Portion : 103.00
Municipality Portion : 0.00

21049 00011
375655 Deed - Low/Moderate Income
Kathleen A. Donovan Recording Fee 50.00
Bergen County Clerk
Recorded 10/16/2002 10:15

Prepared by: Donald L. Minassian, Esq.
Donald L. Minassian, Esq.

AFFORDABLE HOUSING UNIT DEED

THIS DEED, is made this 15th day of October, in the year 2002, between ALLENDALE BROOK ASSOCIATES, L.L.C., a New Jersey Limited Liability Company, having an office at 887 Kinderkamack Road, River Edge, New Jersey 07661, referred to in this document as "Grantor", and [REDACTED] residing or located at 11 Trotters Lane, Allendale, New Jersey 07401, referred to in this document as "Grantee". (The words "Grantor" and "Grantee" include all Grantors and all Grantees under this Deed).

In return for the payment to the Grantor by the Grantee of ONE HUNDRED FOUR THOUSAND FIVE HUNDRED FORTY-SIX AND NO/100 (\$104,546.00) DOLLARS, the Grantor grants and conveys to the Grantee a certain condominium Unit, located in the Borough of Allendale, County of Bergen and State of New Jersey, specifically described as follows: Unit No. 11, Building No. 1, situated in Allendale Brook Estates Condominium, and commonly known as 11 Trotters Lane, Allendale, New Jersey 07401, (referred to in this Unit Deed as the "Unit"), together with an undivided 1.054% percentage interest in the Common Elements of said Condominium. The conveyance evidenced by this Deed is made under the provisions of and is subject to the New Jersey Condominium Act (N.J.S.A. 46:8B-1, et seq.) and the Planned Real Estate Development Full Disclosure Act (N.J.S.A. 45:22A-21, et seq.), as amended, and any applicable regulations adopted under either law. The conveyance evidenced by this Deed is also made in accordance with the terms, limitations, conditions, covenants, restrictions, easements, agreements and other provisions set forth in that certain Master Deed for Allendale Brook Estates Condominium dated November 23, 1999, and recorded December 20, 1999, in the Office of the Clerk of Bergen County, in Book 8234 of Deeds at Page 331, as the same may now or hereafter be lawfully amended and/or supplemented.

The Unit is now designated as Lot 9C0011 in Block 2101 on the municipal tax map of the Borough of Allendale (or as Account No. _____).

Being a part of the premises conveyed to the Grantor by Deed from Stella Feher, widow, conveying an undivided one-half (1/2) interest and Stella Feher and Valerie Bornstein, as Co-Executrices of the Estate of John Feher, conveying an undivided one-half (1/2) interest dated May 17, 1999, and recorded May 18, 1999, in the Office of the Clerk of Bergen County in Deed Book 8168, at Page 715, et seq.

The Unit is subject to the Master Deed mentioned above and all its exhibits, including all easements, terms, conditions, reservations, rights-of-way, air rights, covenants of record, governmental statutes, ordinances and regulations, possible added assessments for the year of sale as set or levied under N.J.S.A. 54:4-63.1, et seq., and all facts that an accurate survey may disclose.

This Unit Deed entitles the Grantee to have and to hold for its proper use and benefit forever the premises, and all the premises are subject to, as described in this document.

The Grantor promises that the Grantor has done nothing which encumbers or adversely affects title to the Condominium Unit or the Common Elements of the Condominium. This promise is called a "Covenant As To Grantor's Acts" (N.J.S.A. 46:4-6). This promise means that Grantor has not allowed anyone else to obtain any legal rights which affect the property.

The Grantee's right, title and interest in this Unit and the use, sale, resale and rental of this property are subject to the terms, conditions, restrictions, limitations and provisions as set forth in the AFFORDABLE HOUSING AGREEMENT, which is about to be filed in the Office of the Clerk of Bergen County and will also be on file with the Affordable Housing Board of the Borough of Allendale.

In accordance with N.J.A.C. 5:92-12.3 and N.J.A.C. 5:92-12.17, the Borough of

BK 8519PG182

To be recorded with Deed pursuant to P.L. 1968, c. 49, as amended by P.L. 1991, c. 308 (N.J.S.A. 46:15-5 et seq.)

STATE OF NEW JERSEY
COUNTY OF BERGEN

SS:

FOR RECORDER'S USE ONLY	
Consideration \$	104,546.00
Realty Transfer Fee \$	157.50
Date	10-16-02
By	TH

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

(1) PARTY OR LEGAL REPRESENTATIVE (See Instructions #3, 4 and 5 on reverse side.)

Deponent Allendale Brook Associates, L.L.C. (Name), being duly sworn according to law upon his/her oath

deposes and says that he/she is the Grantor in a deed dated 10/15/02,
(State whether Grantor, Grantee, Legal Representative, Corporate Officer, Officer of Title Co., Lending Institution, etc.)

transferring real property identified as Block No. 2101 Lot No. 9 C011

located at 11 Trotters Lane, Allendale, New Jersey, Bergen County
(Street Address, Municipality, County)

and annexed hereto.

(2) CONSIDERATION (See Instruction #6.)

Deponent states that, with respect to deed hereto annexed, the actual amount of money and the monetary value of any other thing of value constituting the entire compensation paid or to be paid for the transfer of title to the lands, tenements or other realty, including the remaining amount of any prior mortgage to which the transfer is subject or which is to be assumed and agreed to be paid by the grantee and any other lien or encumbrance thereon not paid, satisfied or removed in connection with the transfer of title is \$ 104,546.00

(3) FULL EXEMPTION FROM FEE Deponent claims that this deed transaction is fully exempt from the Realty Transfer Fee imposed by P.L. 1968, c. 49 for the following reason(s): Explain in detail. (See Instruction #7.) Mere reference to exemption symbol is not sufficient.

(4) PARTIAL EXEMPTION FROM FEE

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. (See Instructions #8 and #9.)

Deponent claims that this deed transaction is exempt from the increased portion of the Realty Transfer Fee imposed by P.L. 1975, c. 176 for the following reason(s):

- A) **SENIOR CITIZEN** (See Instruction #8.)
 Grantor(s) 62 yrs. of age or over.*
 One- or two-family residential premises.
- B) **BLIND** (See Instruction #8.)
 Grantor(s) legally blind.*
 One- or two-family residential premises.
 Owned and occupied by grantor(s) at time of sale.
 No owners as joint tenants other than spouse or other qualified exempt owners.
- DISABLED** (See Instruction #8.)
 Grantor(s) permanently and totally disabled.*
 One- or two-family residential premises.
 Receiving disability payments.
 Owned and occupied by grantor(s) at time of sale.
 Not gainfully employed.
 No owners as joint tenants other than spouse or other qualified exempt owners.

* IN THE CASE OF HUSBAND AND WIFE, ONLY ONE GRANTOR NEED QUALIFY

- C) **LOW AND MODERATE INCOME HOUSING** (See Instruction #8.)
 Affordable According to HUD Standards.
 Meets Income Requirements of Region.
- D) **NEW CONSTRUCTION** (See Instruction #9.)
 Entirely new improvement.
 Not previously used for any purpose.

Deponent makes this Affidavit to induce the County Clerk or Register of Deeds to record the deed and accept the fee submitted herewith in accordance with the provisions of P.L. 1968, c. 49.

Subscribed and sworn to before me
this 15th day of Oct. 2002

Donald L. Minassian
DONALD L. MINASSIAN
ATTORNEY AT LAW OF NEW JERSEY

Thomas Caleca
Name of Deponent (sign above line)
Allendale Brook Associates, L.L.C.
887 Kinderkamack Road
River Edge, New Jersey
Address of Deponent

Thomas Caleca, Managing Member
Name of Grantor (type above line)
887 Kinderkamack Road
River Edge, New Jersey
Address of Grantor at Time of Sale

FOR OFFICIAL USE ONLY This space for use of County Clerk or Register of Deeds.			
Instrument Number	_____	County	_____
Deed Number	_____	Book	_____
Deed Dated	_____	Date Recorded	_____

IMPORTANT - BEFORE COMPLETING THIS AFFIDAVIT, PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE HEREOF. This format is prescribed by the Director, Division of Taxation in the Department of the Treasury, as required by law, and may not be altered without the approval of the Director.

ORIGINAL - To be retained by County.
DUPLICATE - To be forwarded by County to Division of Taxation on partial exemption from fee (N.J.A.C. 18:16 - 8.12)
TRIPPLICATE - Is your file copy.

ORIGINAL AND DUPLICATE COPY MUST BE SUBMITTED WITH DEED TO COUNTY RECORDING OFFICER

BK 8519PG186

END OF DOCUMENT

State of New Jersey
Council On Affordable Housing TO BE RECORDED IN DEED BOOK
New Jersey Department of Community Affairs

R+R: 210/19/0001

AFFORDABLE HOUSING AGREEMENT
Contains Deed Restrictions

Prepared by: Thomas J. Romans, Esq.
Attorney for Purchaser
A DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

Law Offices
Thomas J. Romans, Esq.
Landmark Building
27 Warren Street
Hackensack, NJ 07601-5412

Pursuant to the transfer of ownership of an affordable housing unit for the price of \$ 104,546.00, this AGREEMENT is entered into on this 15th day of October, 2002 between [REDACTED] owner of the properties designated in **Section II PROPERTY DESCRIPTION**, hereafter "OWNER", and **New Jersey Department of Community Affairs**, hereafter "AUTHORITY", which Authority is an instrumentality of Allendale (referred to as the "MUNICIPALITY"), both parties having agreed that the covenants, conditions and restrictions contained herein shall be imposed on the Affordable Housing unit described in **Section II PROPERTY DESCRIPTION** for a period of at least 30 years beginning on October 15, 2002 and ending at the first non-exempt transfer of title after October 15, 2032 unless extended by municipal resolution as described in **Section III TERM OF RESTRICTION**.

WHEREAS, municipalities within the State of New Jersey are required by the Fair Housing Act (P.L. 1985, c.222) hereinafter "Act", to provide for their fair share of housing that is affordable to households with low or moderate incomes in accordance with provisions of the Act; and

WHEREAS, the Act requires that municipalities ensure that such designated housing remains affordable to low and moderate income households for a minimum period of at least 6 years; and

WHEREAS, the Act establishes the Council on Affordable Housing (hereinafter "Council") to assist municipalities in determining a realistic opportunity for the planning and development of such affordable housing; and

WHEREAS, pursuant to the Act, the housing unit (units) described in **Section II PROPERTY DESCRIPTION** hereafter and/or an attached Exhibit A of this Agreement has (have) been designated as low and moderate income housing as defined by the Act; and

WHEREAS, the purpose of this Agreement is to ensure that the described housing unit(s) affordable to low and moderate income eligible households for that period of time described in **Section III TERM OF RESTRICTION**.

NOW, THEREFORE, it is the intent of this Agreement to ensure that the affordability controls are contained directly in the property deed for the premises and incorporated into and recorded with the property deed so as to bind the owner of the described premises and notify all future purchasers of the housing unit that the housing unit is encumbered with affordability controls; and by entering into this Agreement, the Owner of the described premises agrees to restrict the sale of the housing unit to low and moderate income eligible households at a maximum resale price determined by the Authority for the specified period of time.

I. DEFINITIONS

For purposes of this Agreement, the following terms shall be defined as follows:

"Affordable Housing" shall mean residential units that have been restricted for occupancy by Households whose total Gross Annual Income is measured at less than 80% of the median income level established by an authorized income guideline for geographic region and family size.

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

"Agreement" shall mean this written Affordable Housing Agreement between the Authority and the owner of an Affordable Housing unit which places restrictions on Affordable Housing units so that they remain affordable to and occupied by Low and Moderate Income-Eligible Households for the period of time specified in this agreement.

"Assessments" shall mean all taxes, levies or charges, both public and private, including those charges by any condominium, cooperative or homeowner's association as the applicable case may be, imposed upon the Affordable Housing unit.

"Authority" shall mean the administrative organization designated by municipal ordinance for the purpose of monitoring the occupancy and resale restrictions contained in this Affordable Housing Agreement. The Authority shall serve as an instrument of the municipality in exercising the municipal rights to the collection of funds as contained in this Agreement.

"Base Price" shall mean the initial sales price of a unit produced for or designated as owner-occupied Affordable Housing.

"Council" shall mean the Council on Affordable Housing (COAH) established pursuant to the Fair Housing Act, N.J.S.A. 52:27D-301 et seq.

"Certified Household" shall mean any eligible Household whose estimated total Gross Annual Income has been verified, whose financial references have been approved and who has received written certification as a Low or Moderate Income-Eligible Household from the Authority.

"Department" shall mean the New Jersey State Department of Community Affairs.

"Exempt Transaction" shall mean the following "non-sales" title transactions: (1) Transfer of ownership between husband and wife; (2) Transfer of ownership between former spouses ordered as a result of a judicial decree of divorce or judicial separation (but not including sales to third parties); (3) Transfer of ownership through an Executor's deed to a Class A Beneficiary; and, (4) Transfer of ownership by court order. All other title transfers shall be deemed non-exempt.

"Fair Market Price" shall mean the unrestricted price of a low or moderate income housing unit if sold at a current real estate market rate.

"First Purchase Money Mortgage" shall mean the most senior mortgage lien to secure repayment of funds for the purchase of an Affordable Housing unit providing that such mortgage is not in excess of the applicable maximum allowable resale price and is payable to a valid First Purchase Money Mortgagee.

"First Purchase Money Mortgagee" shall mean an institutional lender or investor, licensed or regulated by the Federal or a State government or any agency thereof, which is the holder and/or assigns of the First Purchase Money Mortgage.

"Foreclosure" shall mean the termination through legal processes of all rights of the mortgagor or the mortgagor's heirs, successors, assigns or grantees in a restricted Affordable Housing unit covered by a recorded mortgage.

"Gross Annual Income" shall mean the total amount of all sources of a Household's income including, but not limited to salary, wages, interest, tips, dividends, alimony, pensions, social security, business and capital gains, tips and welfare benefits. Generally, gross annual income will be based on those sources of income reported to the Internal Revenue Service (IRS) and/or that can be utilized for the purpose of mortgage approval.

"Hardship Waiver" shall mean an approval by the Authority at a non-exempt transfer of title to sell an affordable unit to a household that exceeds the income eligibility criteria after the Owner has demonstrated that no Certified Household has signed an agreement to purchase the unit. The Owner shall have marketed the unit for 90 days after a Notice of Intent to Sell has been received by the Authority and the Authority shall have 30 days thereafter to approve a Hardship Waiver. The Hardship Waiver shall permit a low income unit to be sold to a moderate income household or a moderate income unit to be sold to a household whose income is at 80% or above the applicable median income guide. The Hardship Waiver is only valid for a single sale.

"Household" shall mean the person or persons occupying a housing unit.

085190187

"Index" shall mean the measured percentage of change in the median income for a Household of four by geographic region using the income guideline approved for use by Council.

"Low Income Household" shall mean a Household whose total Gross Annual income is equal to 50% or less of the median gross income figure established by geographic region and household size using the income guideline approved for use by Council.

"Moderate Income Household" shall mean a Household whose total Gross Annual Income is equal to more than 50% but less than 80% of the median gross income established by geographic region and household size using the income guideline approved for use by Council.

"Owner" shall mean the title holder of record as same is reflected in the most recently dated and recorded deed for the particular Affordable Housing unit. For purposes of the initial sales or rentals of any Affordable Housing unit, Owner shall include the developer/owner of such Affordable Housing units. Owner shall not include any co-signer or co-borrower on any First Purchase Money Mortgage unless such co-signer or co-borrower is also a named title holder of record of such Affordable Housing unit.

"Price Differential" shall mean the total amount of the restricted sales price that exceeds the maximum restricted resale price as calculated by the Index after reasonable real estate broker fees have been deducted. The unrestricted sales price shall be no less than a comparable fair market price as determined by the Authority at the time a Notice of Intent to Sell has been received from the Owner.

"Primary Residence" shall mean the unit wherein a Certified Household maintains continuing residence for no less than nine months of each calendar year.

"Purchaser" shall mean a Certified Household who has signed an agreement to purchase an Affordable Housing unit subject to a mortgage commitment and closing.

"Repayment" shall mean the Owner's obligation to the municipality for payment of 95% of the price differential between the maximum allowable resale price and the fair market selling price which has accrued to the Affordable unit during the restricted period of resale at the first non-exempt sale of the property after restrictions have ended as specified in the Affordable Housing Agreement.

"Repayment Mortgage" shall mean the second mortgage document signed by the Owner that is given to the municipality as security for the payment due under the Repayment Note.

"Repayment Note" shall mean the second mortgage note signed by the owner that requires the repayment to the municipality of 95% of the price differential which has accrued to the low or moderate income unit during the period of resale controls at the first non-exempt sale of the property after restrictions have ended as specified in the Affordable Housing Agreement.

"Resale Price" shall mean the Base Price of a unit designated as owner-occupied affordable housing as adjusted by the Index. The resale price may also be adjusted to accommodate an approved home improvement.

"Total Monthly Housing Costs" shall mean the total of the following monthly payments associated with the cost of an owner-occupied Affordable Housing unit including the mortgage payment (principal, interest, private mortgage insurance), applicable assessments by any homeowners, condominium, or cooperative associations, real estate taxes, and fire, theft and liability insurance.

II. PROPERTY DESCRIPTION

This agreement applies to the Owner's interest in the real property commonly known as:

Block 2101 Lot 9 Municipality Allendale
County Bergen # of Bedrooms 2
Complete Street Address & Unit # 11 Trotters
Lane, Bldg 1 - Unit 11
City Allendale State NJ Zip 07401

If additional Affordable Housing units are to be covered by this Agreement, a description of each additional unit is attached as Exhibit A and is incorporated herein.

III. TERM OF RESTRICTION

A. The terms, restrictions and covenants of this Affordable Housing Agreement shall begin on the later of the date a Certificate of Occupancy is issued or the date on which closing and transfer of title takes place for initial ownership.

B. The terms, restrictions and covenants of this Affordable Housing Agreement shall terminate upon the occurrence of either of the following events:

1. At the first non-exempt sale after 10 (ten) years from the beginning date established pursuant to Paragraph A above for units located in municipalities receiving State Aid pursuant to P.L. 1978, L.14 (N.J.S.A. 52:27D-178 et seq.) that exhibit one of the characteristics delineated in N.J.A.C. 5:93-5.3(b); or at the first non-exempt sale after 30 (thirty) years from the beginning date established pursuant to Paragraph A above for units located in all other municipalities; or

2. The date upon which the event set forth in **Section IX FORECLOSURE** herein shall occur.

C. The terms, restrictions and covenants of this Affordable Housing Agreement may be extended by municipal resolution as provided for in N.J.A.C. 5:93-9. Such municipal resolution shall provide for a period of extended restrictions and shall be effective upon filing with the Council and the Authority. The municipal resolution shall specify the extended time period by providing for a revised ending date. An amendment to the Affordable Housing Agreement shall be filed with the recording office of the county in which the Affordable Housing unit or units is/are located.

D. At the first non-exempt title transaction after the established ending date, the Authority shall execute a document in recordable form evidencing that the Affordable Housing unit has been released from the restrictions of this Affordable Housing Agreement.

IV. RESTRICTIONS

A. The Owner of an owner-occupied Affordable Housing unit for sale shall not sell the unit at a Resale Price greater than an established Base Price plus the allowable percentage of increase as determined by the Index applicable to the municipality in which the unit is located. However, in no event shall the approved resale price be established at a lower level than the last recorded purchase price.

B. The Owner shall not sell the Affordable Housing unit to anyone other than a Purchaser who has been certified utilizing the income verification procedures established by the Authority to determine qualified Low and Moderate Income-Eligible Households.

C. An Owner wishing to enter a transaction that will terminate controls as specified heretofore in **Section III TERM OF RESTRICTION** shall be obligated to provide a Notice of Intent to Sell to the Authority and the Council. An option to buy the unit at the maximum restricted sales price as calculated by the Index shall be made available to the Municipality, the Department, the Agency, or a qualified non-profit organization as determined by the Council for a period of ninety (90) days from the date of delivery of the Notice of Intent to Sell. The option to buy shall be by certified mail and shall be effective on the date of mailing to the Owner.

1. If the option to buy is not exercised within ninety (90) days pursuant to Paragraph C above, the Owner may elect to sell the unit to a certified income-eligible household at the maximum restricted sales price as calculated by the Index provided the unit continues to be restricted by an Affordable Housing Agreement and a Repayment Lien for a period of up to thirty (30) years.

2. Alternately, the Owner may also elect to sell to any purchaser at a fair market price. In this event, the Owner shall be obligated to pay the municipality 95% of the Price Differential generated at the time of closing and transfer of title of the Affordable Housing unit after restrictions have ended as specified heretofore in **Section III TERM OF RESTRICTION**.

3. If the Owner does not sell the unit within one (1) year of the date of delivery of the Notice of Intent to Sell, the option to buy shall be restored to the municipality and subsequently to the Department, the Agency or a Non-Profit approved by the Council. The Owner shall then be required to submit a new Notice of Intent to Sell the affordable unit to the Authority.

D. The Affordable Housing unit shall be sold in accordance with all rules, regulations, and requirements duly promulgated by the Council (N.J.A.C. 5:93-1 et seq.), the intent of which is to ensure that the Affordable Housing unit remains affordable to and occupied by Low and Moderate Income-Eligible Households throughout the duration of this Agreement.

V. REQUIREMENTS

A. This Agreement shall be recorded with the recording office of the county in which the Affordable Housing unit or units are located. The Agreement shall be filed no earlier than the recording of an applicable Master Deed and no later than the closing date of the initial sale.

B. When a single Agreement is used to govern more than one Affordable Housing unit, the Agreement shall contain a description of each Affordable Housing unit governed by the Agreement as described in **Section II PROPERTY DESCRIPTION and/or Exhibit A** of the Agreement and an ending date to be imposed on the unit as described in **Section III TERM OF RESTRICTION** of the Agreement.

C. A Repayment Mortgage and a Repayment Note shall be executed between the Owner and the municipality wherein the unit(s) is(are) located at the time of closing and transfer of title to any purchaser of an Affordable Housing Unit. The Repayment Mortgage shall provide for the repayment of 95% of the Price Differential at the first non-exempt transfer of title after the ending date of restrictions as specified in **Section III TERM OF RESTRICTION**. The Repayment Mortgage shall be recorded with the records office of the County in which the unit is located.

VI. DEEDS OF CONVEYANCE AND LEASE PROVISIONS

All Deeds of Conveyance and Contracts to Purchase from all Owners to Certified Purchasers of Affordable Housing units shall include the following clause in a conspicuous place.

"The Owner's right, title and interest in this unit and the use, sale, resale and rental of this property are subject to the terms, conditions, restrictions, limitations and provisions as set forth in the AFFORDABLE HOUSING AGREEMENT which is on file in the Office of the Clerk of _____ County and is also on file with the Authority".

Any Master Deed that includes an Affordable Housing unit shall also reference the affordable unit and the Affordable Housing Agreement and any variation in services, fees, or other terms of the Master Deed that differentiates the affordable unit from all other units covered in the Master Deed.

VII. COVENANTS RUNNING WITH LAND

The provisions of this Affordable Housing Agreement shall constitute covenants running with the land with respect to each Affordable Housing unit affected hereby, and shall bind all Purchasers and Owners of each Affordable Housing unit, their heirs, assigns and all persons claiming by, through or under their heirs, executors, administrators and assigns for the duration of this Agreement as set forth herein.

VIII. OWNER RESPONSIBILITIES

In addition to fully complying with the terms and provisions of this Affordable Housing Agreement, the Owner acknowledges the following responsibilities:

- A. Affordable Housing units shall at all times remain the Primary Residence of the Owner. The Owner shall not rent any Affordable Housing unit to any party whether or not that party qualifies as a Low or Moderate income household without prior written approval from the Authority.
- B. All home improvements made to an Affordable Housing Unit shall be at the Owner's expense except that expenditures for any alteration that allows a unit to be resold to a larger household size because of an increased capacity for occupancy shall be considered for a recalculation of Base Price. Owners must obtain prior approval for such alteration from the Authority to qualify for this recalculation.
- C. The Owner of an Affordable Housing unit shall keep the Affordable Housing unit in good repair.
- D. Owners of Affordable Housing units shall pay all taxes, charges, assessments or levies, both public and private, assessed against such unit, or any part thereof, as and when the same become due.
- E. Owners of Affordable Housing units shall notify the Authority in writing no less than ninety (90) days prior to any proposed sale of an intent to sell the property. Owners shall not execute any purchase agreement, convey title or otherwise deliver possession of the Affordable Housing unit without the prior written approval of the Authority.
- F. An Owner shall request referrals of eligible households from pre-established referral lists maintained by the Authority.
- G. If the Authority does not refer an eligible household within sixty (60) days of the Notice of Intent to Sell the unit or no Agreement to Purchase the unit has been executed, the Owner may propose a Contract to Purchase the unit to an eligible household not referred through the Authority. The proposed Purchaser must complete all required Household Eligibility forms and submit Gross Annual Income information for verification to the Authority for written certification as an eligible sales transaction.
- H. At resale, all items of property which are permanently affixed to the unit and/or were included when the unit was initially restricted (e.g. refrigerator, range, washer, dryer, dishwasher, wall to wall carpeting) shall be included in the maximum allowable Resale Price. Other items of property may be sold to the Purchaser at a reasonable price that has been approved by the Authority at the time of signing the Agreement to Purchase. The purchase of central air conditioning installed subsequent to the initial sale of the unit and not included in the Base Price may be made a condition of the unit resale provided the price has been approved by the Authority. Unless otherwise permitted by the Council, the purchase of any property other than central air conditioning shall not be made a condition of the unit resale. The Owner and the Purchaser must personally certify at the time of closing that no unapproved transfer of funds for the purpose of selling and receiving property has taken place at Resale.
- I. The Owner shall not permit any lien, other than the First Purchase Money Mortgage, second mortgages approved by the Authority and liens of the Authority to attach and remain on the property for more than sixty (60) days.
- J. If an Affordable Housing unit is part of a condominium, homeowner's or cooperative association, the Owner, in addition to paying any assessments required by the Master Deed of the Condominium or By-laws of an Association, shall further fully comply with all of the terms, covenants or conditions of said Master Deed or By-Laws, as well as fully comply with all terms, conditions and restrictions of this Affordable Housing Agreement.

- K. The Owner shall have responsibility for fulfilling all requirements in accordance with and subject to any rules and regulations duly promulgated by the Council (N.J.A.C. 5:93-1 et seq.), for determining that a resale transaction is qualified for a Certificate of Exemption. The Owner shall notify the Authority in writing of any proposed Exempt Transaction and supply the necessary documentation to qualify for a Certificate of Exemption. An Exempt Transaction does not terminate the resale restrictions or existing liens and is not considered a certified sales transaction in calculating subsequent resale prices. A Certificate of Exemption shall be filed with the deed at the time of title transfer.
- L. The Owner shall have responsibility for fulfilling all requirements in accordance with and subject to any rules and regulations duly promulgated by the Council (N.J.A.C. 5:93-1 et seq.), for determining that a resale transaction is qualified for a Hardship Waiver. The Owner may submit a written request for a Hardship Waiver if no Certified Household has executed an agreement to purchase within ninety (90) days of notification of an approved resale price and referral of potential purchasers. Prior to issuing a Hardship Waiver, the Municipality shall have 30 days in which to sign an agreement to purchase the unit at the approved resale price and subsequently rent or convey it to a Certified Household. The Municipality may transfer this option to the Department, the Agency, or a qualified non-profit organization as determined by the Council. For approval of a Hardship Waiver, an Owner must document efforts to sell the unit to an income eligible household. If the waiver is granted, the Owner may offer a low income unit to a moderate income household or a moderate income unit to a household whose income exceeds 80% of the applicable median income guide. The Hardship Waiver shall be filed with the deed at the time of closing and is only valid for the designated resale transaction. It does not affect the resale price. All future resales are subject to all restrictions stated herein.
- M. The Owner shall be obligated to pay a reasonable service fee to the Authority at the time of closing and transfer of title in the amount specified by the Authority at the time a restricted resale price has been determined after receipt of a Notice of Intent to Sell. Such fee shall not be included in the calculation of the maximum resale price.

IX. FORECLOSURE

The terms and restrictions of this Agreement shall be subordinate only to the First Purchase Money Mortgage lien on the Affordable Housing property and in no way shall impair the First Purchase Money Mortgagee's ability to exercise the contract remedies available to it in the event of any default of such mortgage as such remedies are set forth in the First Purchase Money Mortgage documents for the Affordable Housing unit.

Any Affordable Housing owner-occupied property that is acquired by a First Purchase Money Mortgagee by Deed in lieu of Foreclosure, or by a Purchaser at a Foreclosure sale conducted by the holder of the First Purchase Money Mortgagee shall be permanently released from the restrictions and covenants of this Affordable Housing Agreement. All resale restrictions shall cease to be effective as of the date of transfer of title pursuant to Foreclosure with regard to the First Purchase Money Mortgagee, a lender in the secondary mortgage market including but not limited to the FNMA, Federal Home Loan Mortgage Corporation, GNMA, or an entity acting on their behalf and all subsequent purchasers, Owners and mortgagees of that particular Affordable Housing unit (except for the defaulting mortgagor, who shall be forever subject to the resale restrictions of this Agreement with respect to the Affordable Housing unit owned by such defaulting mortgagor at time of the Foreclosure sale).

Upon a judgment of Foreclosure, the Authority shall execute a document to be recorded in the county recording office as evidence that such Affordable Housing unit has been forever released from the restrictions of this Agreement. Execution of foreclosure sales by any other class of creditor or

mortgagee shall not result in a release of the Affordable Housing unit from the provisions and restrictions of this Agreement.

In the event of a Foreclosure sale by the First Purchase Mortgagee, the defaulting mortgagor shall be personally obligated to pay to the Authority any excess funds generated from such Foreclosure sale. For purposes of this agreement, excess funds shall be the total amount paid to the sheriff by reason of the Foreclosure sale in excess of the greater of (1) the maximum permissible Resale Price of the Affordable Housing unit as of the date of the Foreclosure sale pursuant to the rules and guidelines of the Authority and (2) the amount required to pay and satisfy the First Money mortgage, including the costs of Foreclosure plus any second mortgages approved by the Authority in accordance with this Agreement. The amount of excess funds shall also include all payments to any junior creditors out of the Foreclosure sale proceeds even if such were to the exclusion of the defaulting mortgagor.

The Authority is hereby given a first priority lien, second only to the First Purchase Money Mortgagee and any taxes or public assessments by a duly authorized governmental body, equal to the full amount of such excess funds. This obligation of the defaulting mortgagor to pay the full amount of excess funds to the Authority shall be deemed to be a personal obligation of the Owner of record at time of the Foreclosure sale surviving such sale. The Authority shall be empowered to enforce the obligation of the defaulting mortgagor in any appropriate court of law or equity as though same were a personal contractual obligation of the defaulting mortgagor. Neither the First Purchase Money Mortgagee nor the purchaser at the Foreclosure sale shall be responsible or liable to the Authority for any portion of this excess.

No part of the excess funds, however, shall be part of the defaulting mortgagor's equity.

The defaulting mortgagor's equity shall be determined to be the difference between the maximum permitted Resale Price of the Affordable Housing unit as of the date of the Foreclosure sale as calculated in accordance with this Agreement and the total of the following sums: First Purchase Money Mortgage, prior liens, costs of Foreclosure, assessments, property taxes, and other liens which may have been attached against the unit prior to Foreclosure, provided such total is less than the maximum permitted Resale Price.

If there are Owner's equity sums to which the defaulting mortgagor is properly entitled, such sums shall be turned over to the defaulting mortgagor or placed in an escrow account for the defaulting mortgagor if the defaulting mortgagor cannot be located. The First Purchase Money Mortgagee shall hold such funds in escrow for a period of two years or until such earlier time as the defaulting mortgagor shall make a claim for such. At the end of two years, if unclaimed, such funds, including any accrued interest, shall become the property of the Authority to the exclusion of any other creditors who may have claims against the defaulting mortgagor.

Nothing shall preclude the municipality wherein the Affordable Housing unit is located from acquiring an affordable property prior to foreclosure sale at a negotiated price not to exceed the maximum Resale sales price and holding, renting or conveying it to a Certified Household if such right is exercised within 90 days after the property is listed for sale and all outstanding obligations to the First Purchase Money Mortgagee are satisfied.

X. VIOLATION, DEFAULTS AND REMEDIES

In the event of a threatened breach of any of the terms of this Agreement by an Owner, the Authority shall have all remedies provided at law or equity, including the right to seek injunctive relief or specific performance, it being recognized by both parties to this Agreement that a breach will cause irreparable harm to the Authority, in light of the public policies set forth in the Fair Housing Act and the obligation for the provision of low and moderate income housing. Upon the occurrence of a breach of any of the terms of the Agreement by an Owner, the Authority shall have all remedies provided at law or equity, including but not limited to foreclosure, acceleration of all sums due under the mortgage, recoupment of any funds from a sale in violation of the Agreement, injunctive relief to prevent further violation of the Agreement, entry on the premises, and specific performance.

XI. RIGHT TO ASSIGN

The Authority may assign from time to time its rights, and delegate its obligations hereunder without the consent of the Owner. Upon such assignment, the Authority, its successors or assigns shall provide written notice to the Owner.

XII. INTERPRETATION OF THIS AGREEMENT

The terms of this Agreement shall be interpreted so as to avoid financial speculation or circumvention of the purposes of the Fair Housing Act for the duration of this Agreement and to ensure, to the greatest extent possible, that the purchase price, mortgage payments and rents of designated Affordable Housing units remain affordable to Low and Moderate Income-Eligible Households as defined herein.

XIII. NOTICES

All notices required herein shall be sent by certified mail, return receipt requested as follows:

To the Owner:

At the address of the property stated in **Section II PROPERTY DESCRIPTION** hereof.

To the Authority:

At the address stated below:
Attention:

DEPT OF COMMUNITY AFFAIRS
AHMS
P.O. BOX 806
TRENTON, NJ 08625-0806

Or such other address that the Authority, Owner, or municipality may subsequently designate in writing and mail to the other parties.

XIV. SUPERIORITY OF AGREEMENT

Owner warrants that no other Agreement with provisions contradictory of, or in opposition to, the provisions hereof has been or will be executed, and that, in any event, the requirements of this Agreement are paramount and controlling as to the rights and obligations between and among the Owner, the Authority, and their respective successors.

XV. SEVERABILITY

It is the intention of all parties that the provisions of this instrument are severable so that if any provisions, conditions, covenants or restrictions thereof shall be invalid or void under

any applicable federal, state or local law, the remainder shall be unaffected thereby.

In the event that any provision, condition, covenant or restriction hereof, is at the time of recording of this instrument, void, voidable or unenforceable as being contrary to any applicable federal, state or local law, both parties, their successors and assigns, and all persons claiming by, through or under them covenant and agree that any future amendments or supplements to the said laws having the effect of removing said invalidity, voidability or unenforceability, shall be deemed to apply retrospectively to this instrument thereby operating to validate the provisions of this instrument which otherwise might be invalid and it is covenanted and agreed that any such amendments and supplements to the said laws shall have the effect herein described as fully as if they had been in effect at the time of the execution of this instrument.

XVI. CONTROLLING LAW

The terms of this Agreement shall be interpreted under the laws of the State of New Jersey.

XVII. OWNER'S CERTIFICATION

The Owner certifies that all information provided in order to qualify as the owner of the property or to purchase the property is true and correct as of the date of the signing of this Agreement.

XVIII. AGREEMENT

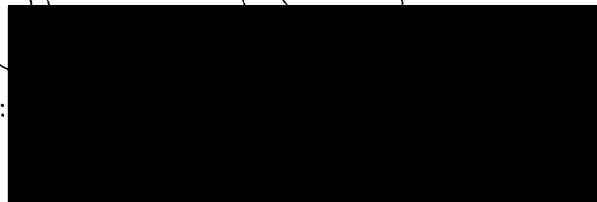
A. The Owner and the Authority hereby agree that all Affordable Housing units described herein shall be marketed, sold, and occupied in accordance with the provisions of this Agreement. Neither the Owner nor the Authority shall amend or alter the provisions of this Agreement without first obtaining the approval of the other party except as described in **Section III, Paragraph C, TERM OF RESTRICTION**. Any such approved amendments or modifications of this Agreement shall be in writing and shall contain proof of approval from the other parties and shall not be effective unless and until recorded with the County Clerk for the County in which the Affordable Housing units are situated.

XIX. ACKNOWLEDGEMENT

A. Owner acknowledges receipt of a true copy of this Agreement at no charge.

Dated: October 15, 2002

By:



Signature (Co-Owner)

STATE OF NEW JERSEY)

)ss

COUNTY OF BERGEN)

BE IT REMEMBERED, that on this 15th day of October, ~~20~~ 2002 before me, the subscriber, Thomas J. Romans, Attorney at Law personally appeared [REDACTED] State of New Jersey who, being by me duly sworn on his/her oath, deposes and makes proof to my satisfaction, that he/she is the Owner (Co-Owner) named in the within instrument; that is the Affordable Housing Agreement of the described Property; that the execution, as well as the making of this instrument, has been duly authorized and is the voluntary act and deed of said Owner.

Sworn to and subscribed before me,
the date aforesaid.

THOMAS J. ROMANS, ESQ.
Attorney at Law of the State of New Jersey



APPENDIX G
SADDLE DALE

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.

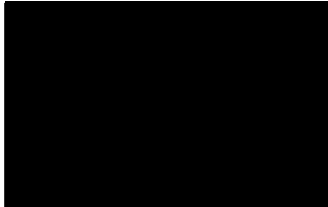
- B. Upon the occurrence of a breach of any Covenants by the Grantee, or any successor in interest or other owner of the Property, the Administrative Agent shall have all remedies provided at law or equity including but not limited to forfeiture, foreclosure, acceleration of all sums due under any mortgage, 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.



Signed, sealed and delivered in the presence of or attested by:



seal]

seal]



_____ [seal]

_____ [seal]

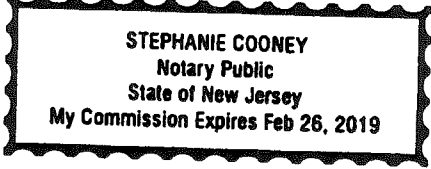
CERTIFICATE OF ACKNOWLEDGEMENT BY INDIVIDUAL

State of New Jersey, County of Bergen

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 27th day of NOVEMBER, 2015, _____ 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 \$ 71,539.00.

Stephanie Cooney
 Officer's signature: Sign above and print stamp or type name below
 Stephanie Cooney





State of New Jersey
SELLER'S RESIDENCY CERTIFICATION/EXEMPTION

(Please Print or Type)

SELLER'S INFORMATION

Name(s)

Current Street Address

City, Town, Post Office Box

State

Zip Code

PROPERTY INFORMATION

Block(s)

Lot(s)

Qualifier

1809

8

Street Address

100 Elm Street

City, Town, Post Office Box

Allendale

State

NJ

Zip Code

07401

Seller's Percentage of Ownership
100%

Total Consideration
\$71,539.00

Owner's Share of Consideration
100%

Closing Date
November 25, 2015

SELLER'S ASSURANCES (Check the Appropriate Box) (Boxes 2 through 14 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.
 Seller did not receive non-like kind property.
8. 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.
9. 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.
10. The deed is dated prior to August 1, 2004, and was not previously recorded.
11. 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.
12. 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.
13. The property transferred is a cemetery plot.
14. 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.

SELLER'S DECLARATIONS

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.
previously recorded or is being recorded simultaneously

11/27/15
Date

11/27/15
Date

S [Redacted] Fact

S [Redacted] 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 Bergen } SS. County Municipal Code 0201

FOR RECORDER'S USE ONLY
Consideration \$ 71,539.00
RTF paid by seller \$ 720.00
Date 12-30-15 By [Signature]

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

MUNICIPALITY OF PROPERTY LOCATION Allendale Boro

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

Deponent, [Redacted] being duly sworn according to law upon his/her oath, deposes and says that he/she is the Grantors in a deed dated November 30, 2015 transferring (Grantor, Legal Representative, Corporate Officer, Officer of Title Company, Lending Institution, etc.) real property identified as Block number 1809 Lot number 8 C0100 located at 100 Elm Street, Allendale, NJ 07401 (Street Address, Town) and annexed thereto.

(2) CONSIDERATION \$ 71,539.00 (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.

(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. *(Instruction #9 on reverse side for A or B)
 - B. { BLIND PERSON Grantor(s) [] legally blind or; *
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)

- [X] Affordable according to H.U.D. standards. [X] Reserved for occupancy.
- [X] Meets income requirements of region. [X] 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.

Subscribed and sworn to before me this 27 day of November, 2015

[Signature]

STEPHANIE COONEY
Notary Public
State of New Jersey
My Commission Expires Feb 26, 2019

XXX-XXX-922
Last three digits in Grantor's Social Security Number Name/Company of Settlement Officer

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 08646-0251
ATTENTION: REALTY TRANSFER FEE UNIT

The Director of the Division of Taxation in the Department of the Treasury has prescribed this form as required by law, and it may not be altered or amended without prior approval of the Director. For information on the Realty Transfer Fee or to print a copy of this Affidavit, visit the Division's website at: www.state.nj.us/treasury/taxation/pt/localtax.shtml.

CHICAGO TITLE INSURANCE COMPANY

SCHEDULE C LEGAL DESCRIPTION

File No.: **AT-20413**

ALL that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Allendale, in the County of Bergen, State of New Jersey:

Being known as and designated as Unit No. 1 situated in Saddle Dale Park Condominium, a condominium, established in accordance with the N.J.S.A. 46:8b-1, et seq., together with an undivided 2.29% interest in the General Common elements of said condominium appurtenant to the aforesaid unit in accordance with and subject to the terms, conditions, covenants, restrictions, reservations easements, agreements, lien as for assessments, and other provisions as set forth in the current Master Deed of Saddle Dale Park Condominiums, dated June 30, 1999, recorded July 1, 1999, in the Office of the Bergen County Clerk in Deed Book 8181, Page 396, as same may now or hereafter be lawfully supplemented and amended.

FOR INFORMATION PURPOSES ONLY: BEING commonly known as 100 Elm Street, Unit No. 1, Allendale, NJ 07401; being also known and designated as Tax Lot No. 8, Tax Block 1809 on the Official Tax Map of Borough of Allendale, NJ.

Consid: 0.00
Rlty: 0.00
Fees: 26.00
Tot: 26.00

Enty: 0.00
State: 0.00
NPTRF: 0.00

Kathleen A. Gordon
COUNTY CLERK

180594

RECORDED-BERGEN COUNTY
99 OCT 29 AM 11:44
99 OCT 29 AM 11:44

~~2014 1809/0~~
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State of New Jersey
Council On Affordable Housing
New Jersey Department of Community Affairs

AFFORDABLE HOUSING AGREEMENT
Contains Deed Restrictions

TO BE RECORDED
IN DEED BOOK

Prepared by: Diane Harris

DIANE HARRIS, New Jersey Dept. of Community Affairs
A DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

Pursuant to the transfer of ownership of an affordable housing unit for the price of \$ 56,622, this AGREEMENT is entered into on this 25 day of OCTOBER, 1999 between [REDACTED] owner of the properties designated in **Section II PROPERTY DESCRIPTION**, hereafter "OWNER", and **New Jersey Department of Community Affairs**, hereafter "AUTHORITY", which Authority is an instrumentality of ALLENDALE (referred to as the "MUNICIPALITY"), both parties having agreed that the covenants, conditions and restrictions contained herein shall be imposed on the Affordable Housing unit described in **Section II PROPERTY DESCRIPTION** for a period of at least 30 years beginning on 25 OCTOBER 1999 and ending at the first non-exempt transfer of title after 25 OCTOBER 2029 unless extended by municipal resolution as described in **Section III TERM OF RESTRICTION**.

WHEREAS, municipalities within the State of New Jersey are required by the Fair Housing Act (P.L. 1985, c.222) hereinafter "Act", to provide for their fair share of housing that is affordable to households with low or moderate incomes in accordance with provisions of the Act; and

WHEREAS, the Act requires that municipalities ensure that such designated housing remains affordable to low and moderate income households for a minimum period of at least 6 years; and

WHEREAS, the Act establishes the Council on Affordable Housing (hereinafter "Council") to assist municipalities in determining a realistic opportunity for the planning and development of such affordable housing; and

WHEREAS, pursuant to the Act, the housing unit (units) described in **Section II PROPERTY DESCRIPTION** hereafter and/or an attached Exhibit A of this Agreement has (have) been designated as low and moderate income housing as defined by the Act; and

WHEREAS, the purpose of this Agreement is to ensure that the described housing units(unit) remain(s) affordable to low and moderate income eligible households for that period of time described in **Section III TERM OF RESTRICTION**.

NOW, THEREFORE, it is the intent of this Agreement to ensure that the affordability controls are contained directly in the property deed for the premises and incorporated into and recorded with the property deed so as to bind the owner of the described premises and notify all future purchasers of the housing unit that the housing unit is encumbered with affordability controls; and by entering into this Agreement, the Owner of the described premises agrees to restrict the sale of the housing unit to low and moderate income eligible households at a maximum resale price determined by the Authority for the specified period of time.

I. DEFINITIONS

For purposes of this Agreement, the following terms shall be defined as follows:

"Affordable Housing" shall mean residential units that have been restricted for occupancy by Households whose total Gross Annual Income is measured at less than 80% of the median income level established by an authorized income guideline for geographic region and family size.

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

"Agreement" shall mean this written Affordable Housing Agreement between the Authority and the owner of an Affordable Housing unit which places restrictions on Affordable Housing units so that they remain affordable to and occupied by Low and Moderate Income-Eligible Households for the period of time specified in this agreement.

"Assessments" shall mean all taxes, levies or charges, both public and private, including those charges by any condominium, cooperative or homeowner's association as the applicable case may be, imposed upon the Affordable Housing unit.

"Authority" shall mean the administrative organization designated by municipal ordinance for the purpose of monitoring the occupancy and resale restrictions contained in this Affordable Housing Agreement. The Authority shall serve as an instrument of the municipality in exercising the municipal rights to the collection of funds as contained in this Agreement.

"Base Price" shall mean the initial sales price of a unit produced for or designated as owner-occupied Affordable Housing.

"Council" shall mean the Council on Affordable Housing (COAH) established pursuant to the Fair Housing Act, N.J.S.A. 52:27D-301 et seq.

"Certified Household" shall mean any eligible Household whose estimated total Gross Annual Income has been verified, whose financial references have been approved and who has received written certification as a Low or Moderate Income-Eligible Household from the Authority.

"Department" shall mean the New Jersey State Department of Community Affairs.

"Exempt Transaction" shall mean the following "non-sales" title transactions: (1) Transfer of ownership between husband and wife; (2) Transfer of ownership between former spouses ordered as a result of a judicial decree of divorce or judicial separation (but not including sales to third parties); (3) Transfer of ownership through an Executor's deed to a Class A Beneficiary; and, (4) Transfer of ownership by court order. All other title transfers shall be deemed non-exempt.

"Fair Market Price" shall mean the unrestricted price of a low or moderate income housing unit if sold at a current real estate market rate.

"First Purchase Money Mortgage" shall mean the most senior mortgage lien to secure repayment of funds for the purchase of an Affordable Housing unit providing that such mortgage is not in excess of the applicable maximum allowable resale price and is payable to a valid First Purchase Money Mortgagee.

"First Purchase Money Mortgagee" shall mean an institutional lender or investor, licensed or regulated by the Federal or a State government or any agency thereof, which is the holder and/or assigns of the First Purchase Money Mortgage.

"Foreclosure" shall mean the termination through legal processes of all rights of the mortgagor or the mortgagor's heirs, successors, assigns or grantees in a restricted Affordable Housing unit covered by a recorded mortgage.

"Gross Annual Income" shall mean the total amount of all sources of a Household's income including, but not limited to salary, wages, interest, tips, dividends, alimony, pensions, social security, business and capital gains, tips and welfare benefits. Generally, gross annual income will be based on those sources of income reported to the Internal Revenue Service (IRS) and/or that can be utilized for the purpose of mortgage approval.

"Hardship Waiver" shall mean an approval by the Authority at a non-exempt transfer of title to sell an affordable unit to a household that exceeds the income eligibility criteria after the Owner has demonstrated that no Certified Household has signed an agreement to purchase the unit. The Owner shall have marketed the unit for 90 days after a Notice of Intent to Sell has been received by the Authority and the Authority shall have 30 days thereafter to approve a Hardship Waiver. The Hardship Waiver shall permit a low income unit to be sold to a moderate income household or a moderate income unit to be sold to a household whose income is at 80% or above the applicable median income guide. The Hardship Waiver is only valid for a single sale.

"Household" shall mean the person or persons occupying a housing unit

"Index" shall mean the measured percentage of change in the median income for a Household of four by geographic region using the income guideline approved for use by Council.

"Low Income Household" shall mean a Household whose total Gross Annual income is equal to 50% or less of the median gross income figure established by geographic region and household size using the income guideline approved for use by Council.

"Moderate Income Household" shall mean a Household whose total Gross Annual Income is equal to more than 50% but less than 80% of the median gross income established by geographic region and household size using the income guideline approved for use by Council.

"Owner" shall mean the title holder of record as same is reflected in the most recently dated and recorded deed for the particular Affordable Housing unit. For purposes of the initial sales or rentals of any Affordable Housing unit, Owner shall include the developer/owner of such Affordable Housing units. Owner shall not include any co-signer or co-borrower on any First Purchase Money Mortgage unless such co-signer or co-borrower is also a named title holder of record of such Affordable Housing unit.

"Price Differential" shall mean the total amount of the restricted sales price that exceeds the maximum restricted resale price as calculated by the Index after reasonable real estate broker fees have been deducted. The unrestricted sales price shall be no less than a comparable fair market price as determined by the Authority at the time a Notice of Intent to Sell has been received from the Owner.

"Primary Residence" shall mean the unit wherein a Certified Household maintains continuing residence for no less than nine months of each calendar year.

"Purchaser" shall mean a Certified Household who has signed an agreement to purchase an Affordable Housing unit subject to a mortgage commitment and closing.

"Repayment" shall mean the Owner's obligation to the municipality for payment of 95% of the price differential between the maximum allowable resale price and the fair market selling price which has accrued to the Affordable unit during the restricted period of resale at the first non-exempt sale of the property after restrictions have ended as specified in the Affordable Housing Agreement.

"Repayment Mortgage" shall mean the second mortgage document signed by the Owner that is given to the municipality as security for the payment due under the Repayment Note.

"Repayment Note" shall mean the second mortgage note signed by the owner that requires the repayment to the municipality of 95% of the price differential which has accrued to the low or moderate income unit during the period of resale controls at the first non-exempt sale of the property after restrictions have ended as specified in the Affordable Housing Agreement.

"Resale Price" shall mean the Base Price of a unit designated as owner-occupied affordable housing as adjusted by the Index. The resale price may also be adjusted to accommodate an approved home improvement.

"Total Monthly Housing Costs" shall mean the total of the following monthly payments associated with the cost of an owner-occupied Affordable Housing unit including the mortgage payment (principal, interest, private mortgage insurance), applicable assessments by any homeowners, condominium, or cooperative associations, real estate taxes, and fire, theft and liability insurance.

II. PROPERTY DESCRIPTION

This agreement applies to the Owner's interest in the real property commonly known as:

Block 1809 Lot 8C0098 Municipality Allendale

County Bergen # of Bedrooms 2

Complete Street Address & Unit # _____

98 Elm Court

City Allendale State NJ Zip 07401

If additional Affordable Housing units are to be covered by this Agreement, a description of each additional unit is attached as Exhibit A and is incorporated herein.

III. TERM OF RESTRICTION

A. The terms, restrictions and covenants of this Affordable Housing Agreement shall begin on the later of the date a Certificate of Occupancy is issued or the date on which closing and transfer of title takes place for initial ownership.

B. The terms, restrictions and covenants of this Affordable Housing Agreement shall terminate upon the occurrence of either of the following events:

1. At the first non-exempt sale after 10 (ten) years from the beginning date established pursuant to Paragraph A above for units located in municipalities receiving State Aid pursuant to P.L. 1978, L.14 (N.J.S.A. 52:27D-178 et seq.) that exhibit one of the characteristics delineated in N.J.A.C. 5:93-5.3(b); or at the first non-exempt sale after 30 (thirty) years from the beginning date established pursuant to Paragraph A above for units located in all other municipalities; or

2. The date upon which the event set forth in Section IX FORECLOSURE herein shall occur.

C. The terms, restrictions and covenants of this Affordable Housing Agreement may be extended by municipal resolution as provided for in N.J.A.C. 5:93-9. Such municipal resolution shall provide for a period of extended restrictions and shall be effective upon filing with the Council and the Authority. The municipal resolution shall specify the extended time period by providing for a revised ending date. An amendment to the Affordable Housing Agreement shall be filed with the recording office of the county in which the Affordable Housing unit or units is/are located.

D. At the first non-exempt title transaction after the established ending date, the Authority shall execute a document in recordable form evidencing that the Affordable Housing unit has been released from the restrictions of this Affordable Housing Agreement.

IV. RESTRICTIONS

A. The Owner of an owner-occupied Affordable Housing unit for sale shall not sell the unit at a Resale Price greater than an established Base Price plus the allowable percentage of increase as determined by the Index applicable to the municipality in which the unit is located. However, in no event shall the approved resale price be established at a lower level than the last recorded purchase price.

B. The Owner shall not sell the Affordable Housing unit to anyone other than a Purchaser who has been certified utilizing the income verification procedures established by the Authority to determine qualified Low and Moderate Income-Eligible Households.

C. An Owner wishing to enter a transaction that will terminate controls as specified heretofore in Section III TERM OF RESTRICTION shall be obligated to provide a Notice of Intent to Sell to the Authority and the Council. An option to buy the unit at the maximum restricted sales price as calculated by the Index shall be made available to the Municipality, the Department, the Agency, or a qualified non-profit organization as determined by the Council for a period of ninety (90) days from the date of delivery of the Notice of Intent to Sell. The option to buy shall be by certified mail and shall be effective on the date of mailing to the Owner.

1. If the option to buy is not exercised within ninety (90) days pursuant to Paragraph C above, the Owner may elect to sell the unit to a certified income-eligible household at the maximum restricted sales price as calculated by the Index provided the unit continues to be restricted by an Affordable Housing Agreement and a Repayment Lien for a period of up to thirty (30) years.

2. Alternately, the Owner may also elect to sell to any purchaser at a fair market price. In this event, the Owner shall be obligated to pay the municipality 95% of the Price Differential generated at the time of closing and transfer of title of the Affordable Housing unit after restrictions have ended as specified heretofore in **Section III TERM OF RESTRICTION**.

3. If the Owner does not sell the unit within one (1) year of the date of delivery of the Notice of Intent to Sell, the option to buy shall be restored to the municipality and subsequently to the Department, the Agency or a Non-Profit approved by the Council. The Owner shall then be required to submit a new Notice of Intent to Sell the affordable unit to the Authority.

D. The Affordable Housing unit shall be sold in accordance with all rules, regulations, and requirements duly promulgated by the Council (N.J.A.C. 5:93-1 et seq.), the intent of which is to ensure that the Affordable Housing unit remains affordable to and occupied by Low and Moderate Income-Eligible Households throughout the duration of this Agreement.

V. REQUIREMENTS

A. This Agreement shall be recorded with the recording office of the county in which the Affordable Housing unit or units are located. The Agreement shall be filed no earlier than the recording of an applicable Master Deed and no later than the closing date of the initial sale.

B. When a single Agreement is used to govern more than one Affordable Housing unit, the Agreement shall contain a description of each Affordable Housing unit governed by the Agreement as described in **Section II PROPERTY DESCRIPTION and/or Exhibit A** of the Agreement and an ending date to be imposed on the unit as described in **Section III TERM OF RESTRICTION** of the Agreement.

C. A Repayment Mortgage and a Repayment Note shall be executed between the Owner and the municipality wherein the unit(s) is(are) located at the time of closing and transfer of title to any purchaser of an Affordable Housing Unit. The Repayment Mortgage shall provide for the repayment of 95% of the Price Differential at the first non-exempt transfer of title after the ending date of restrictions as specified in **Section III TERM OF RESTRICTION**. The Repayment Mortgage shall be recorded with the records office of the County in which the unit is located.

VI. DEEDS OF CONVEYANCE AND LEASE PROVISIONS

All Deeds of Conveyance and Contracts to Purchase from all Owners to Certified Purchasers of Affordable Housing units shall include the following clause in a conspicuous place.

"The Owner's right, title and interest in this unit and the use, sale, resale and rental of this property are subject to the terms, conditions, restrictions, limitations and provisions as set forth in the AFFORDABLE HOUSING AGREEMENT which is on file in the Office of the Clerk of BERGEN County and is also on file with the Authority".

Any Master Deed that includes an Affordable Housing unit shall also reference the affordable unit and the Affordable Housing Agreement and any variation in services, fees, or other terms of the Master Deed that differentiates the affordable unit from all other units covered in the Master Deed.

VII. COVENANTS RUNNING WITH LAND

The provisions of this Affordable Housing Agreement shall constitute covenants running with the land with respect to each Affordable Housing unit affected hereby, and shall bind all Purchasers and Owners of each Affordable Housing unit, their heirs, assigns and all persons claiming by, through or under their heirs, executors, administrators and assigns for the duration of this Agreement as set forth herein.

VIII. OWNER RESPONSIBILITIES

In addition to fully complying with the terms and provisions of this Affordable Housing Agreement, the Owner acknowledges the following responsibilities:

A. Affordable Housing units shall at all times remain the Primary Residence of the Owner. The Owner shall not rent any Affordable Housing unit to any party whether or not that party qualifies as a Low or Moderate income household without prior written approval from the Authority.

B. All home improvements made to an Affordable Housing Unit shall be at the Owner's expense except that expenditures for any alteration that allows a unit to be resold to a larger household size because of an increased capacity for occupancy shall be considered for a recalculation of Base Price. Owners must obtain prior approval for such alteration from the Authority to qualify for this recalculation.

C. The Owner of an Affordable Housing unit shall keep the Affordable Housing unit in good repair.

D. Owners of Affordable Housing units shall pay all taxes, charges, assessments or levies, both public and private, assessed against such unit, or any part thereof, as and when the same become due.

E. Owners of Affordable Housing units shall notify the Authority in writing no less than ninety (90) days prior to any proposed sale of an intent to sell the property. Owners shall not execute any purchase agreement, convey title or otherwise deliver possession of the Affordable Housing unit without the prior written approval of the Authority.

F. An Owner shall request referrals of eligible households from pre-established referral lists maintained by the Authority.

G. If the Authority does not refer an eligible household within sixty (60) days of the Notice of Intent to Sell the unit or no Agreement to Purchase the unit has been executed, the Owner may propose a Contract to Purchase the unit to an eligible household not referred through the Authority. The proposed Purchaser must complete all required Household Eligibility forms and submit Gross Annual Income information for verification to the Authority for written certification as an eligible sales transaction.

H. At resale, all items of property which are permanently affixed to the unit and/or were included when the unit was initially restricted (e.g. refrigerator, range, washer, dryer, dishwasher, wall to wall carpeting) shall be included in the maximum allowable Resale Price. Other items of property may be sold to the Purchaser at a reasonable price that has been approved by the Authority at the time of signing the Agreement to Purchase. The purchase of central air conditioning installed subsequent to the initial sale of the unit and not included in the Base Price may be made a condition of the unit resale provided the price has been approved by the Authority. Unless otherwise permitted by the Council, the purchase of any property other than central air conditioning shall not be made a condition of the unit resale. The Owner and the Purchaser must personally certify at the time of closing that no unapproved transfer of funds for the purpose of selling and receiving property has taken place at Resale.

I. The Owner shall not permit any lien, other than the First Purchase Money Mortgage, second mortgages approved by the Authority and liens of the Authority to attach and remain on the property for more than sixty (60) days.

J. If an Affordable Housing unit is part of a condominium, homeowner's or cooperative association, the Owner, in addition to paying any assessments required by the Master Deed of the Condominium or By-laws of an Association, shall further fully comply with all of the terms, covenants or conditions of said Master Deed or By-Laws, as well as fully comply with all terms, conditions and restrictions of this Affordable Housing Agreement.

BK 8220 PG 633

- K. The Owner shall have responsibility for fulfilling all requirements in accordance with and subject to any rules and regulations duly promulgated by the Council (N.J.A.C. 5:93-1 et seq.), for determining that a resale transaction is qualified for a Certificate of Exemption. The Owner shall notify the Authority in writing of any proposed Exempt Transaction and supply the necessary documentation to qualify for a Certificate of Exemption. An Exempt Transaction does not terminate the resale restrictions or existing liens and is not considered a certified sales transaction in calculating subsequent resale prices. A Certificate of Exemption shall be filed with the deed at the time of title transfer.
- L. The Owner shall have responsibility for fulfilling all requirements in accordance with and subject to any rules and regulations duly promulgated by the Council (N.J.A.C. 5:93-1 et seq.), for determining that a resale transaction is qualified for a Hardship Waiver. The Owner may submit a written request for a Hardship Waiver if no Certified Household has executed an agreement to purchase within ninety (90) days of notification of an approved resale price and referral of potential purchasers. Prior to issuing a Hardship Waiver, the Municipality shall have 30 days in which to sign an agreement to purchase the unit at the approved resale price and subsequently rent or convey it to a Certified Household. The Municipality may transfer this option to the Department, the Agency, or a qualified non-profit organization as determined by the Council. For approval of a Hardship Waiver, an Owner must document efforts to sell the unit to an income eligible household. If the waiver is granted, the Owner may offer a low income unit to a moderate income household or a moderate income unit to a household whose income exceeds 80% of the applicable median income guide. The Hardship Waiver shall be filed with the deed at the time of closing and is only valid for the designated resale transaction. It does not affect the resale price. All future resales are subject to all restrictions stated herein.
- M. The Owner shall be obligated to pay a reasonable service fee to the Authority at the time of closing and transfer of title in the amount specified by the Authority at the time a restricted resale price has been determined after receipt of a Notice of Intent to Sell. Such fee shall not be included in the calculation of the maximum resale price.

IX. FORECLOSURE

The terms and restrictions of this Agreement shall be subordinate only to the First Purchase Money Mortgage lien on the Affordable Housing property and in no way shall impair the First Purchase Money Mortgagee's ability to exercise the contract remedies available to it in the event of any default of such mortgage as such remedies are set forth in the First Purchase Money Mortgage documents for the Affordable Housing unit.

Any Affordable Housing owner-occupied property that is acquired by a First Purchase Money Mortgagee by Deed in lieu of Foreclosure, or by a Purchaser at a Foreclosure sale conducted by the holder of the First Purchase Money Mortgagee shall be permanently released from the restrictions and covenants of this Affordable Housing Agreement. All resale restrictions shall cease to be effective as of the date of transfer of title pursuant to Foreclosure with regard to the First Purchase Money Mortgagee, a lender in the secondary mortgage market including but not limited to the FNMA, Federal Home Loan Mortgage Corporation, GNMA, or an entity acting on their behalf and all subsequent purchasers, Owners and mortgagees of that particular Affordable Housing unit (except for the defaulting mortgagor, who shall be forever subject to the resale restrictions of this Agreement with respect to the Affordable Housing unit owned by such defaulting mortgagor at time of the Foreclosure sale).

Upon a judgment of Foreclosure, the Authority shall execute a document to be recorded in the county recording office as evidence that such Affordable Housing unit has been forever released from the restrictions of this Agreement. Execution of foreclosure sales by any other class of creditor or

mortgagee shall not result in a release of the Affordable Housing unit from the provisions and restrictions of this Agreement.

In the event of a Foreclosure sale by the First Purchase Mortgagee, the defaulting mortgagor shall be personally obligated to pay to the Authority any excess funds generated from such Foreclosure sale. For purposes of this agreement, excess funds shall be the total amount paid to the sheriff by reason of the Foreclosure sale in excess of the greater of (1) the maximum permissible Resale Price of the Affordable Housing unit as of the date of the Foreclosure sale pursuant to the rules and guidelines of the Authority and (2) the amount required to pay and satisfy the First Money mortgage, including the costs of Foreclosure plus any second mortgages approved by the Authority in accordance with this Agreement. The amount of excess funds shall also include all payments to any junior creditors out of the Foreclosure sale proceeds even if such were to the exclusion of the defaulting mortgagor.

The Authority is hereby given a first priority lien, second only to the First Purchase Money Mortgagee and any taxes or public assessments by a duly authorized governmental body, equal to the full amount of such excess funds. This obligation of the defaulting mortgagor to pay the full amount of excess funds to the Authority shall be deemed to be a personal obligation of the Owner of record at time of the Foreclosure sale surviving such sale. The Authority shall be empowered to enforce the obligation of the defaulting mortgagor in any appropriate court of law or equity as though same were a personal contractual obligation of the defaulting mortgagor. Neither the First Purchase Money Mortgagee nor the purchaser at the Foreclosure sale shall be responsible or liable to the Authority for any portion of this excess.

No part of the excess funds, however, shall be part of the defaulting mortgagor's equity.

The defaulting mortgagor's equity shall be determined to be the difference between the maximum permitted Resale Price of the Affordable Housing unit as of the date of the Foreclosure sale as calculated in accordance with this Agreement and the total of the following sums: First Purchase Money Mortgage, prior liens, costs of Foreclosure, assessments, property taxes, and other liens which may have been attached against the unit prior to Foreclosure, provided such total is less than the maximum permitted Resale Price.

If there are Owner's equity sums to which the defaulting mortgagor is properly entitled, such sums shall be turned over to the defaulting mortgagor or placed in an escrow account for the defaulting mortgagor if the defaulting mortgagor cannot be located. The First Purchase Money Mortgagee shall hold such funds in escrow for a period of two years or until such earlier time as the defaulting mortgagor shall make a claim for such. At the end of two years, if unclaimed, such funds, including any accrued interest, shall become the property of the Authority to the exclusion of any other creditors who may have claims against the defaulting mortgagor.

Nothing shall preclude the municipality wherein the Affordable Housing unit is located from acquiring an affordable property prior to foreclosure sale at a negotiated price not to exceed the maximum Resale sales price and holding, renting or conveying it to a Certified Household if such right is exercised within 90 days after the property is listed for sale and all outstanding obligations to the First Purchase Money Mortgagee are satisfied.

X. VIOLATION, DEFAULTS AND REMEDIES

In the event of a threatened breach of any of the terms of this Agreement by an Owner, the Authority shall have all remedies provided at law or equity, including the right to seek injunctive relief or specific performance, it being recognized by both parties to this Agreement that a breach will cause irreparable harm to the Authority, in light of the public policies set forth in the Fair Housing Act and the obligation for the provision of low and moderate income housing. Upon the occurrence of a breach of any of the terms of the Agreement by an Owner, the Authority shall have all remedies provided at law or equity, including but not limited to foreclosure, acceleration of all sums due under the mortgage, recoupment of any funds from a sale in violation of the Agreement, injunctive relief to prevent further violation of the Agreement, entry on the premises, and specific performance.

XI. RIGHT TO ASSIGN

The Authority may assign from time to time its rights, and delegate its obligations hereunder without the consent of the Owner. Upon such assignment, the Authority, its successors or assigns shall provide written notice to the Owner.

XII. INTERPRETATION OF THIS AGREEMENT

The terms of this Agreement shall be interpreted so as to avoid financial speculation or circumvention of the purposes of the Fair Housing Act for the duration of this Agreement and to ensure, to the greatest extent possible, that the purchase price, mortgage payments and rents of designated Affordable Housing units remain affordable to Low and Moderate Income-Eligible Households as defined herein.

XIII. NOTICES

All notices required herein shall be sent by certified mail, return receipt requested as follows:

To the Owner:

At the address of the property stated in Section II PROPERTY DESCRIPTION hereof.

To the Authority:

At the address stated below:
Attention:

DEPT OF COMMUNITY AFFAIRS
AHMS
P.O. BOX 806
TRENTON, NJ 08625-0806

Or such other address that the Authority, Owner, or municipality may subsequently designate in writing and mail to the other parties.

XIV. SUPERIORITY OF AGREEMENT

Owner warrants that no other Agreement with provisions contradictory of, or in opposition to, the provisions hereof has been or will be executed, and that, in any event, the requirements of this Agreement are paramount and controlling as to the rights and obligations between and among the Owner, the Authority, and their respective successors.

XV. SEVERABILITY

It is the intention of all parties that the provisions of this instrument are severable so that if any provisions, conditions, covenants or restrictions thereof shall be invalid or void under

any applicable federal, state or local law, the remainder shall be unaffected thereby.

In the event that any provision, condition, covenant or restriction hereof, is at the time of recording of this instrument, void, voidable or unenforceable as being contrary to any applicable federal, state or local law, both parties, their successors and assigns, and all persons claiming by, through or under them covenant and agree that any future amendments or supplements to the said laws having the effect of removing said invalidity, voidability or unenforceability, shall be deemed to apply retrospectively to this instrument thereby operating to validate the provisions of this instrument which otherwise might be invalid and it is covenanted and agreed that any such amendments and supplements to the said laws shall have the effect herein described as fully as if they had been in effect at the time of the execution of this instrument.

XVI. CONTROLLING LAW

The terms of this Agreement shall be interpreted under the laws of the State of New Jersey.

XVII. OWNER'S CERTIFICATION

The Owner certifies that all information provided in order to qualify as the owner of the property or to purchase the property is true and correct as of the date of the signing of this Agreement.

XVIII. AGREEMENT

A. The Owner and the Authority hereby agree that all Affordable Housing units described herein shall be marketed, sold, and occupied in accordance with the provisions of this Agreement. Neither the Owner nor the Authority shall amend or alter the provisions of this Agreement without first obtaining the approval of the other party except as described in Section III, Paragraph C, TERM OF RESTRICTION. Any such approved amendments or modifications of this Agreement shall be in writing and shall contain proof of approval from the other parties and shall not be effective unless and until recorded with the County Clerk for the County in which the Affordable Housing units are situated.

XIX. ACKNOWLEDGEMENT

A. Owner acknowledges receipt of a true copy of this Agreement at no charge.

Dated: 10/25/99



Signature (Co-Owner)

STATE OF NEW JERSEY)
)ss
COUNTY OF BERGEN)

BE IT REMEMBERED, that on this 25 day of OCTOBER 19 99 before me, the subscriber, DAVID L. WECHT ESQ personally appeared [redacted] who, being by me duly sworn on his/her oath, deposes and makes proof to my satisfaction, that he/she is the Owner (Co-Owner) named in the within instrument; that is the Affordable Housing Agreement of the described Property; that the execution, as well as the making of this instrument, has been duly authorized and is the voluntary act and deed of said Owner.

Sworn to and subscribed before me, the date aforesaid.

[Handwritten Signature]
DAVID L WECHT ESQ
ATTORNEY AT LAW IN NJ
452 Hudson Street
Fairfield, NJ 07632

BK 82 PG 635

ABSTRACTED



APPENDIX H
WHITNEY / GARDEN HOMES

Rent Roll for 12 Affordable Family Rental Units

Whitney @ Allendale

Address	Block	Lot	Lot Suffix	Unit Type	Initial Move-in	Initial Rent	CO Dates
303 Whitney Lane,	2101	1	303	2B Mod	9/1/2012	\$948	7/24/2012
304 Whitney Lane	2101	1	304	3B Mod	9/1/2012	\$1,085	7/24/2012
305 Whitney Lane	2101	1	305	2B Low	9/1/2012	\$740	7/24/2012
306 Whitney Lane	2101	1	306	1B Low	8/1/2012	\$600	7/24/2012
704 Whitney Lane				2B Mod	2/1/2016	\$978	10/7/2015
705 Whitney Lane				3B Mod	11/1/2015	\$1,120	10/7/2015
706 Whitney Lane				2B VLow @ 35% *	11/1/2015	\$494	10/7/2015
707 Whitney Lane				2B Low	1/1/2016	\$767	10/7/2015
905 Whitney Lane				2B Mod	11/1/2015	\$978	12/1/2015
906 Whitney Lane				3B Low	12/1/2015	\$873	12/1/2015
907 Whitney Lane				2B VLow @ 35% *	2/15/2016	\$494	12/1/2015
908 Whitney Lane				1B Mod	4/1/2016	\$820	12/30/2015

*Very low units are
at 35% pursuant to
UHAC

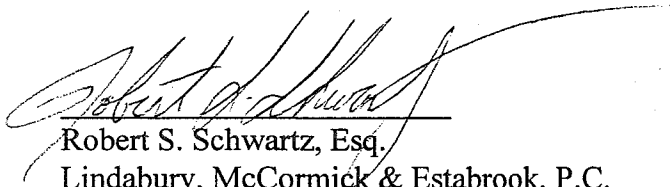


APPENDIX I
ALLENDALE SENIOR HOUSING

GROUND LEASE BY AND BETWEEN
THE BOROUGH OF ALLENDALE, NEW JERSEY
AND
ALLENDALE URBAN RENEWAL, L.P.,
A NEW JERSEY LIMITED PARTNERSHIP

Executed As Of September 1, 1994
Amended and Restated As Of November 30, 1995

Prepared By:



Robert S. Schwartz, Esq.

Lindabury, McCormick & Estabrook, P.C.
53 Cardinal Drive
Westfield, New Jersey 07091

GROUND LEASE

This Ground Lease ("Lease") made and executed as of the FIRST day of SEPTEMBER, 1994, and amended and restated as of the THIRTIETH day of NOVEMBER, 1995 by and between the Borough of Allendale, New Jersey ("Lessor"), a New Jersey municipal corporation, and Allendale Urban Renewal, L.P., a New Jersey limited partnership ("Lessee").

WITNESSETH:

WHEREAS, Lessor is the owner of certain real estate consisting of approximately 2.577 acres located in the Borough of Allendale, Bergen County, New Jersey, and known as Block 1708, Lots 1 and 9, as more particularly described in Schedule "A" attached hereto (the "Premises"); and

WHEREAS, Lessor desires to facilitate the establishment of a duplex housing development to provide rental housing to low and moderate income senior citizens (hereinafter "Senior Housing") in compliance with the Final Judgment of Compliance and Order for Repose, dated February 25, 1991, and the Order of Transfer to the New Jersey Counsel on Affordable Housing, dated June 15, 1993, entered in JOMAC REALTY AND SADDLE DALE BUILDERS, INC. v. BOROUGH OF ALLENDALE, Superior Court of New Jersey, Bergen County, Law Division, Docket No. L-35836-89; and

WHEREAS, Lessor is desirous that this Lease shall be a triple net lease, as to which Lessee shall be responsible for the costs of insurance, utilities and taxes; and

WHEREAS, Lessee is desirous of acquiring the use of the Premises for the purposes of financing and erecting the Senior Housing thereon in accordance with plans and specifications set forth in the Agreement for Design between Lessee and Elkin Sobolta & Associates (the "Design Contract"), a copy of which is annexed hereto and made a part hereof as Schedule "B"; and

WHEREAS, Lessee will finance in part the erection of Senior Housing with the proceeds of construction and permanent loans (hereinafter sometimes referred to as "Loan Agreements") from the Lessor; ; and

WHEREAS, Lessor, for the purpose of facilitating the establishment of the Senior Housing, has undertaken , on an interim basis, certain financial and contractual obligations and commitments; and

WHEREAS, Lessee is desirous of becoming the owner of the Senior Housing by assuming the aforesaid financial and contractual obligations and commitments undertaken by Lessor.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, it is agreed as follows:

ARTICLE I

DEMISE OF PREMISES; EASEMENTS; QUIET ENJOYMENT

- 1.01 Demise of Premises. Lessor does hereby demise and lease to Lessee, and Lessee does hereby take and rent from Lessor, the Premises, subject to such exceptions to title as are disclosed in Schedule "C" attached hereto.
- 1.02 Utility Easement. This Lease is subject to all utility easements pertaining to the Premises, whether or not of record. Lessor hereby grants to Lessee such easements on Lessor's property as may be necessary for Lessee to construct and maintain utility services to the Senior Housing, the location of such easements to be mutually agreed upon by the parties. Lessor may, without consent of Lessee, grant any other easements for public or private utilities or other uses as required by Lessor, provided that such easements do not unreasonably restrict the use of the Premises for purposes contemplated by this Lease.
- 1.03 Warranties. Lessor covenants that Lessor owns the Premises in fee simple, subject to such

Lessor such evidence of title to the Senior Housing as Lessor may reasonably request. If, for any reason, Lessor takes title to the Senior Housing by reason of the expiration or termination of the Lease, such act shall constitute an automatic assignment by Lessee to Lessor of Lessee's right to receive any rents or payments for space and parking from any tenants, subtenants, sublessees or other occupants of the Senior Housing, and Lessee shall cooperate with Lessor in notifying such tenants, subtenants, sublessees and occupants of Lessor's right to receive the same.

ARTICLE III

TERM

3.01 Term. The term of this Lease shall commence on the date as of which this Lease is signed, and shall continue for a period of ninety-nine (99) years from the date the Senior Housing has been constructed and the first certificate of occupancy for any space in the Senior Housing is issued. Expiration of the Term (unless sooner terminated or extended) shall be at midnight ninety-nine (99) years after the date the first certificate of occupancy for one or more spaces is issued to Lessee. The parties agree to execute and attach to this Lease, as Schedule "D" an addendum setting out as a matter of record the date on which the first certificate of occupancy for one or more spaces is issued.

3.02 Effect of Lessee's Holding Over. Any holding over after the expiration of the Term of this Lease, with or without the consent of Lessor, shall be construed to be a tenancy from month to month on the terms and conditions herein specified, so far as applicable.

ARTICLE IV

RENT

4.01 Rent. (a) During the period commencing on the date as of which this Lease is signed and

FIRST AMENDMENT TO GROUND LEASE BY AND BETWEEN THE
BOROUGH OF ALLENDALE, NEW JERSEY AND ALLENDALE URBAN
RENEWAL, L.P., A NEW JERSEY LIMITED PARTNERSHIP DATED

AUG. 10 2012

Whereas, a ground lease ("Lease") by and between the Borough of Allendale ("Lessor") and Allendale Urban Renewal, L.P. ("Lessee"), a New Jersey Limited Partnership was executed as of September 1, 1994 and amended and restated as of November 30, 1995; and

Whereas, pursuant to the Lease, the Lessor demised and leased to Lessee Block 1708, Lots 1 and 9, more particularly described in "Schedule A" of the Lease (the "Premises"); and

Whereas, the Lessee operates a housing development which provides rental housing to low and moderate income senior citizens ("Senior Housing") in compliance with the Final Judgment of Compliance and Order for Repose dated February 25, 1991 entered in Jomac Realty and Saddle Dale Builders Inc. v. Borough of Allendale, Superior Court of New Jersey, Bergen County, Law Division, Docket Number L-35836-89 as well as the New Jersey Council on Affordable Housing ("COAH") rules and regulations; and

Whereas, Article IV, Paragraph 4.01(b) of the Lease provides for annual rent in the amount of \$10,000 (as adjusted) during the "Finance Period" as defined therein; and

Whereas, in addition to the Lease, the parties hereto have executed a certain financial agreement dated January 6, 1997 (the "Agreement") pursuant to the Long-Term Tax Exemption Law N.J.S.A. 40A:20-1 et seq. (the "Law"); and

Whereas, in consideration of the abatement of taxation on the Senior Housing Project, the Lessee pays to the Lessor per annum an annual service charge ("ASC") for Municipal Services pursuant to a formula as prescribed in the law and agreement; and

Whereas, commencing on the 16th year of the agreement, the ASC significantly increases and will continue to increase under the formula in the future which will place a significant burden on the financial resources of Senior Housing; and

Whereas, the Senior Housing serves an important public purpose and is required to be maintained as part of the Lessor's Affordable Housing Fair Share Plan and COAH's rules and regulations; and

Whereas, it is the Lessor's legal obligation and duty to ensure that the Senior Housing continues to be a financially viable project;

Now, Therefore, In Consideration of the mutual covenants and considerations herein contained, the parties hereto hereby agree as follows:

ARTICLE VII

USE OF THE PREMISES

- 7.01 Use Solely for Low and Moderate Income Rental Housing. The Premises shall be used solely for the purpose of the erection, maintenance and operation of rental units providing rental housing to senior citizens with low and moderate incomes as defined by the New Jersey Counsel on Affordable Housing. Lessee shall operate the Senior Housing in accordance with the Final Judgment of Compliance and Order for Repose, dated February 25, 1991, and Order of Transfer to the New Jersey Counsel on Affordable Housing, dated June 15, 1993, entered in JOMAC REALTY AND SADDLE DALE BUILDERS, INC. v. BOROUGH OF ALLENDALE, Superior Court of New Jersey, Bergen County, Law Division, Docket No. L-35836-89. Lessee is prohibited at all times during the term of the Lease from entering into any Lease with any Unit Occupant that would allow or permit a Unit Occupant to sublease any Unit, nor shall Lessee suffer the occupancy of any Unit by any persons other than those permitted as tenants under this Lease.
- 7.02 Restrictions on Unit Occupants. Except as otherwise consented to in writing by Lessor, the only persons to have the right to occupy any units in the Senior Housing shall be one individual having attained age sixty-two (62) or two individuals, at least one of whom actually occupying space shall have attained age sixty-two (62). In no event shall more than two individuals occupy any unit. By way of example, and not of limitation, no associations, corporations, partnerships or other entities may occupy any space in the Senior Housing. Furthermore, persons otherwise permitted to occupy space in the Senior Housing under this Lease shall be limited to families whose incomes are not in excess of the income limitations



APPENDIX J
ORCHARD COMMONS

**Department of Community Affairs
Local Planning Services
Supportive and Special Needs Housing Survey**

Municipality: Allendale County: Bergen
 Sponsor: Allendale Housing Inc Developer: Allendale Housing Inc
 Block: 1806 Lot: 10.01 Street Address: 289 Franklin Turnpike
291 Franklin Turnpike
293 Franklin Turnpike
295 Franklin Turnpike
 Facility Name: Orchard Commons

<p>Section 1: Type of Facility:</p> <p><input type="checkbox"/> Licensed Group Home</p> <p><input type="checkbox"/> Transitional facility for the homeless (not eligible for credit as affordable housing after June 2, 2008)</p> <p><input type="checkbox"/> Residential health care facility (licensed by NJ Dept. of Community Affairs or DHSS)</p> <p><input checked="" type="checkbox"/> Permanent supportive housing</p> <p><input checked="" type="checkbox"/> Supportive shared housing</p> <p><input type="checkbox"/> Other - Please Specify: _____</p>	<p>Section 2: Sources and amount of funding committed to the project:</p> <p><input checked="" type="checkbox"/> Municipal Housing TIF <u>250,000</u></p> <p><input type="checkbox"/> Capital Application Funding Unit \$ _____</p> <p><input checked="" type="checkbox"/> HMFA Special Needs Housing Trust Fund \$ <u>2,074,336</u></p> <p><input type="checkbox"/> Balanced Housing - Amount \$ _____</p> <p><input type="checkbox"/> HUD - Amount \$ _____ Program _____</p> <p><input type="checkbox"/> Federal Home Loan Bank - Amount \$ _____</p> <p><input type="checkbox"/> Farmers Home Administration - Amount \$ _____</p> <p><input type="checkbox"/> Development fees - Amount \$ _____</p> <p><input type="checkbox"/> Bank financing - Amount \$ _____</p> <p><input checked="" type="checkbox"/> Other - Please specify: <u>Bergen City Home 20 yrs</u> <u>\$300,000</u></p> <p><input type="checkbox"/> For proposed projects, please submit a pro forma</p> <p><input type="checkbox"/> Municipal resolution to commit funding, if applicable</p> <p><input type="checkbox"/> Award letter/financing commitment (proposed new construction projects only)</p>
<p>Section 3: For all facilities other than permanent supportive housing:</p> <p>Total # of bedrooms reserved for: <u>8</u></p> <p>Very low-income clients/households _____</p> <p>Low-income clients/households <u>8</u></p> <p>Moderate-income clients/households _____</p> <p>Market-income clients/households _____</p>	<p>Section 4: For permanent supportive housing:</p> <p>Total # of units <u>4</u>, including:</p> <p># of very low-income units _____</p> <p># of low-income units <u>4</u></p> <p># of moderate-income units _____</p> <p># of market-income units _____</p>
<p>Section 5:</p> <p>Length of Controls: <u>20 years - Home</u></p> <p>Effective Date of Controls: <u>5/10/2010</u></p> <p>Expiration Date of Controls: <u>5/10/2030</u></p> <p>Average Length of Stay: _____ months (transitional facilities only)</p> <p><u>30 years</u> <u>DMFA</u> <u>9/4/2009</u> <u>9/3/2039</u></p>	<p>Section 6:</p> <p><input type="checkbox"/> CO Date: <u>12/19/10</u></p> <p>For licensed facilities, indicate licensing agency:</p> <p><input type="checkbox"/> DDD <input type="checkbox"/> DMHS <input type="checkbox"/> DHSS <input type="checkbox"/> DCA <input type="checkbox"/> DCF</p> <p><input type="checkbox"/> Other _____</p> <p>Initial License Date: <u>././.</u></p> <p>Current License Date: <u>././.</u></p>
<p>Section 7:</p> <p>Has the project received project-based rental assistance? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No; Length of commitment: <u>10 years</u></p> <p>Other operating subsidy sources: <u>N/A</u>; Length of commitment: <u>N/A</u></p> <p>Is the subsidy renewable? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p>Section 8: The following verification is attached:</p> <p><input type="checkbox"/> Copy of deed restriction or mortgage and/or mortgage note with deed restriction (30-year minimum, HUD, FHA, FHLB, UHAC deed restriction, etc.)</p> <p><input type="checkbox"/> Copy of Capital Application Funding Unit (CAFU) or DHS Capital Application Letter (20 year minimum, no deed restriction required)</p>	
<p>Section 9:</p> <p>Residents 18 yrs or older? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Population Served (describe): <u>Developmentally Disabled</u></p> <p>Age-restricted? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Accessible (in accordance with NJ Barrier Free Subcode)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	

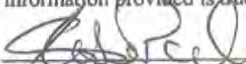


Section 10: Affirmative Marketing Strategy (check all that apply):

- DDD/DMHS/DHSS waiting list
- Affirmative Marketing Plan approved by the Council's Executive Director

CERTIFICATIONS

I certify that the information provided is true and correct to the best of my knowledge and belief.

Certified by:  6/2/14
Project Administrator Date

Certified by:  5/11/18
Municipal Housing Liaison Date

**Department of Community Affairs
Local Planning Services
Supportive and Special Needs Housing Survey**

Municipality: Alten Dale County: Bergen
 Sponsor: Alten Dale Housing Inc Developer: Alten Dale Housing Inc
 Block: 1806 Lot: 10.01 Street Address: 297 Franklin Turnpike
 Facility Name: Orchard Commons 299 Franklin Turnpike

<p>Section 1: Type of Facility:</p> <p><input type="checkbox"/> Licensed Group Home</p> <p><input type="checkbox"/> Transitional facility for the homeless (not eligible for credit as affordable housing after June 2, 2008)</p> <p><input type="checkbox"/> Residential health care facility (licensed by NJ Dept. of Community Affairs or DHSS)</p> <p><input checked="" type="checkbox"/> Permanent supportive housing</p> <p><input type="checkbox"/> Supportive shared housing</p> <p><input type="checkbox"/> Other - Please Specify: _____</p>	<p>Section 2: Sources and amount of funding committed to the project :</p> <p><input type="checkbox"/> Municipal Housing Trust \$ 250,000</p> <p><input type="checkbox"/> Capital Application Funding Unit \$ _____</p> <p><input checked="" type="checkbox"/> HMFA Special Needs Housing Trust Fund \$ 2,14,336</p> <p><input type="checkbox"/> Balanced Housing - Amount \$ _____</p> <p><input type="checkbox"/> HUD - Amount \$ _____ Program _____</p> <p><input type="checkbox"/> Federal Home Loan Bank - Amount \$ _____</p> <p><input type="checkbox"/> Farmers Home Administration - Amount \$ _____</p> <p><input type="checkbox"/> Development fees - Amount \$ _____</p> <p><input type="checkbox"/> Bank financing - Amount \$ _____</p> <p><input checked="" type="checkbox"/> Other - Please specify: <u>Bergen County Home</u> <u>\$ 300,000</u> 2015</p> <p><input type="checkbox"/> For proposed projects, please submit a pro forma</p> <p><input type="checkbox"/> Municipal resolution to commit funding, if applicable</p> <p><input type="checkbox"/> Award letter/financing commitment (proposed new construction projects only)</p>
<p>Section 3: For all facilities other than permanent supportive housing:</p> <p>Total # of bedrooms reserved for: <u>one bedrooms</u></p> <p>Very low-income clients/households _____</p> <p>Low-income clients/households <u>2</u></p> <p>Moderate-income clients/households _____</p> <p>Market-income clients/households _____</p>	<p>Section 4: For permanent supportive housing:</p> <p>Total # of units <u>2</u>, including:</p> <p># of very low-income units _____</p> <p># of low-income units <u>2</u></p> <p># of moderate-income units _____</p> <p># of market-income units _____</p>
<p>Section 5:</p> <p>Length of Controls: <u>20</u> years</p> <p>Effective Date of Controls: <u>5/10/2010</u></p> <p>Expiration Date of Controls: <u>5/10/2030</u></p> <p>Average Length of Stay: _____ months (transitional facilities only)</p>	<p>Section 6:</p> <p><input type="checkbox"/> CO Date: <u>12/10/10</u></p> <p>For licensed facilities, indicate licensing agency:</p> <p><input type="checkbox"/> DDD <input type="checkbox"/> DMHS <input type="checkbox"/> DHSS <input type="checkbox"/> DCA <input type="checkbox"/> DCF</p> <p><input type="checkbox"/> Other _____</p> <p>Initial License Date: <u>1/1/10</u></p> <p>Current License Date: <u>1/1/10</u></p>
<p>Section 7:</p> <p>Has the project received project-based rental assistance? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No; Length of commitment: <u>10 years</u></p> <p>Other operating subsidy sources: <u>N/A</u>; Length of commitment: <u>N/A</u></p> <p>Is the subsidy renewable? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p>Section 8: The following verification is attached:</p> <p><input type="checkbox"/> Copy of deed restriction or mortgage and/or mortgage note with deed restriction (30-year minimum, HUD, FHA, FHLB, UHAC deed restriction, etc.)</p> <p><input type="checkbox"/> Copy of Capital Application Funding Unit (CAFU) or DHS Capital Application Letter (20 year minimum, no deed restriction required)</p>	
<p>Section 9:</p> <p>Residents 18 yrs or older? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Population Served (describe): <u>Developmentally Disabled</u></p> <p>Age-restricted? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Accessible (in accordance with NJ Barrier Free Subcode)? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	



Section 10: Affirmative Marketing Strategy (check all that apply):

- DDD/DMHS/DHSS waiting list
- Affirmative Marketing Plan approved by the Council's Executive Director

CERTIFICATIONS

I certify that the information provided is true and correct to the best of my knowledge and belief.

Certified by:		_____	6/2/14
	Project Administrator		Date
Certified by:		_____	5/11/18
	Municipal Housing Liaison		Date

Special Needs Housing Trust Fund
Construction and Permanent Financing

ORCHARD COMMONS @ ALLENDALE
HMFA #2447
SNHTF #172

MORTGAGE NOTE

Trenton, New Jersey

Dated: September 4, 2009

I. BORROWER'S PROMISE TO PAY

FOR VALUE RECEIVED, **ALLENDALE HOUSING, INC.**, a non-profit corporation (the "Borrower"), organized and existing pursuant to the laws of the State of New Jersey, duly authorized to transact business in the State of New Jersey and a qualified housing sponsor within the meaning of the New Jersey Housing and Mortgage Finance Agency Law of 1983, N.J.S.A. 55:14K-1 et seq., as amended (the "Act"), having its principal office at 500 West Crescent Avenue, Allendale, New Jersey 07401, promises to pay to the order of the **NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY** (the "Lender"), a body corporate and politic and an instrumentality exercising public and essential governmental functions of the State of New Jersey, created pursuant to the Act, at its principal office at 637 South Clinton Avenue, P.O. Box 18550, Trenton, New Jersey 08650-2085, or at such other place as may be designated in writing by the Lender, the sum of **TWO MILLION ONE HUNDRED SEVENTY-FOUR THOUSAND THREE HUNDRED THIRTY-SIX AND NO/100 Dollars (\$2,174,336)** (the "Principal Sum") or so much thereof that is advanced by the Lender to the Borrower pursuant to the Financing, Deed Restriction and Regulatory Agreement (the "Regulatory Agreement") executed between the Borrower and Lender of even date herewith and as may be adjusted pursuant to Section IV below, together with interest thereon at the rate of Zero (0%) percent per annum and together with the Servicing Fee set forth in Section III below.

II. DEFINITIONS

"Expenses and Debt Service" shall mean all cash expenditures; all expenses unpaid but properly accrued that have been incurred in operating the Project; mortgage loan payments on superior mortgages together with any other fees, costs, charges or other amounts due and payable to the lender in connection with such superior mortgages; deposits to the replacement reserve, operation reserve and other reserve accounts as may be required in connection with the Agency's mortgage and, if applicable, by the investor interest in the Owner of the Project. Expenses and Debt Service shall not include return on equity or developer's fee.

"Project Cash Flow" shall mean Revenue less Expenses and Debt Services, as applicable.

“Revenue” shall mean all cash received from project operations, including tenant-paid rents, laundry facilities and lease payments; the net proceeds of insurance policy payments that are not reinvested; and any other funds deemed by the Agency to be available for distribution by the Borrower. The Borrower shall also pay to the Agency to be applied to the Mortgage Loan a percentage to be determined by the Agency of the proceeds of any Agency-held reserve accounts that are liquidated.

All other capitalized terms used but not defined herein shall have the meaning assigned to such terms in the Regulatory Agreement.

III. PAYMENTS

The Borrower shall pay the Principal Sum, together with interest thereon and the Servicing Fee as follows:

Repayment will be made from twenty-five (25%) percent of the Project’s available cash flow (“Project Cash Flow”) after the payment of operating expenses and the funding of all escrows, but prior to the distribution of Return on Equity, if applicable. To the extent that interest and principal are not covered by cash flow payments, the payment of principal and interest will be deferred until the end of this Mortgage term.

If after review of an audit report submitted by Borrower to the Agency, the Agency determines that the balance of this Mortgage Note cannot be repaid on the maturity date as set forth in this Mortgage Note, and provided all conditions of the original Loan Documents have been satisfied and maintained, the Agency may extend the term of this Mortgage Note or consent to a refinance of the Mortgage Loan in accordance with Agency policies and procedures. Extension or refinance of the Mortgage will require that all terms and conditions of the existing Mortgage Loan Documents continue through any new mortgage term.

In addition to the payments set forth above, the Borrower agrees to make the payments as set forth in Section 21 of the Regulatory Agreement.

IV. ADJUSTMENT OF THE PRINCIPAL SUM

Any payments made by the Lender on behalf of the Borrower as set forth in the Regulatory Agreement shall be added to the Principal Sum and shall be repayable upon demand by the Lender.

V. ADVANCES OF THE PRINCIPAL SUM

The Principal Sum shall be advanced to the Borrower pursuant to the provisions of and in accordance with the requirements of the Regulatory Agreement. Upon a final determination by the Lender of the project cost and the Borrower’s required equity contribution, if any, in accordance with the provisions of the Regulatory Agreement, the Agency will determine the total amount advanced

under the Mortgage Loan and, if applicable, revise the Principal Sum consistent with the actual amount advanced.

VI. MATURITY; ACCELERATION

This Mortgage Note shall mature on August 27, 2039 according to the terms of the Mortgage and the Regulatory Agreement, at which time the entire unpaid balance of the Principal Sum, together with all accrued interest thereon, and all Servicing Fees shall be due and payable.

It is expressly agreed that the entire unpaid balance of the Principal Sum, together with all accrued interest thereon, and all Servicing Fees shall, at the option of the Lender, its successor or assignee, become due and payable on the happening of any event of default by which, under the terms of the Mortgage or the Regulatory Agreement, the entire unpaid balance of the Principal Sum, together with all accrued interest thereon and the Servicing Fees, may or shall become due and payable.

VII. MORTGAGE AS SECURITY

This Mortgage Note is secured by a Mortgage, which is a first mortgage lien on the Project and the Land, and by the other security as enumerated in the Mortgage and the other Loan Documents.

VIII. PREPAYMENT

Except as is provided pursuant to the Regulatory Agreement and the Lender's regulations governing prepayment, this Mortgage Note is not subject to prepayment and the Borrower agrees not to make any mortgage advance amortization payments during the term of the Mortgage.

IX. ASSIGNMENT BY LENDER

The Borrower hereby consents to any assignment of this Mortgage Note by the Lender. No assignment or delegation of this Mortgage Note by the Borrower is permitted unless approved in writing by the Lender. If assigned, all rights, duties, obligations and interest arising under this Mortgage Note shall bind and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and permitted assigns.

X. INCORPORATION OF DOCUMENTS

All the terms, conditions and provisions of the Regulatory Agreement and Mortgage are by reference thereto incorporated herein and made a part of this Mortgage Note.

XI. NO RIGHT OF SET-OFF

The obligations of the Borrower to make any payments required hereunder shall be absolute and unconditional without any defense or right of set-off, counterclaim or recoupment by reason of any default by the Lender under the Loan Documents or under any other agreement between the Lender and the Borrower or out of any indebtedness or liability at any time owing to the Borrower by the Lender for any other reason.

XII. PERSONAL LIABILITY

Notwithstanding any other provision contained in this Mortgage Note or the other Loan Documents, the Lender agrees, on behalf of itself and any future holder of this Mortgage Note, that the liability of the Borrower, any general or limited partner, member or shareholder of the Borrower and their respective heirs, representatives, successors and assigns, for the payment of its obligations under the Loan Documents, including, without limitation, the payment of principal and interest due and other charges due hereunder and thereunder, shall be limited to the collateral pledged under the Mortgage and the other Loan Documents, and that the Lender shall have no right to seek a personal judgment against the Borrower, any general or limited partner, member or shareholder of the Borrower, or their respective heirs, representatives, successors and assigns, individually, except to the extent necessary to subject all collateral pledged under the Mortgage and the other Loan Documents to the satisfaction of the mortgage debt; provided, however, that the Lender shall retain the right to exercise any and all remedies granted to it under this Mortgage Note and the other Loan Documents, including without limitation the right to sue for injunctive or other equitable relief. The foregoing limitation of liability shall not apply to any party to the extent such party has committed fraudulent, criminal or unlawful acts and shall not apply to such amounts that may be due to the Lender pursuant to Sections 10, 11, 12, 15, 33 of the Regulatory Agreement.

XIII. WAIVER OF FORMAL ACTS

All parties to this Mortgage Note, whether Borrower, principal, surety, guarantor or endorser, hereby waive presentment for payment, demand, protest, notice of protest, and notice of dishonor.

The Owner and Agency agree to cooperate with each other to correct any error(s) that might inadvertently appear in the Loan Documents.

IN WITNESS WHEREOF, this Mortgage Note is executed by the Borrower on the date first set forth above.

By signing below the Borrower acknowledges receipt of a true copy of this instrument.

WITNESS/ATTEST



Lisa DiOrto

Allendale Housing, Inc,

By:



Vincent Barra, President

ORCHARD COMMONS @ ALLENDALE
HMFA #2447
SNHTF #172

MORTGAGE AND SECURITY AGREEMENT

Section 1. PARTIES

This Mortgage and Security Agreement (the "Mortgage"), is made this 4th day of September, 2009, by ALLENDALE HOUSING, INC. (the "Borrower" or "Mortgagor"), a corporation, organized and existing under the laws of the State of New Jersey, duly authorized to transact business in the State of New Jersey, and a qualified housing sponsor within the meaning of the New Jersey Housing and Mortgage Finance Agency Law of 1983, as amended N.J.S.A. 55:14K-1 et seq. (the "Act"), having its principal office at 500 West Crescent Avenue, Allendale, New Jersey 07401, and given to the NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY (the "Lender" or "Mortgagee"), a body corporate and politic and an instrumentality exercising public and essential governmental functions of the State of New Jersey, created pursuant to the Act, having its principal office at 637 South Clinton Avenue, P.O. Box 18550, Trenton, New Jersey 08650-2085.

Section 2. DEFINITIONS

Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Financing, Deed Restriction and Regulatory Agreement (the "Regulatory Agreement") executed between the Borrower and Lender of even date herewith.

Section 3. BACKGROUND AND PURPOSE

The Borrower has constructed and/or rehabilitated and shall own, maintain, and operate the Project and the Land. The Project consists of 6 units of housing in the Borough of Allendale, County of Bergen, State of New Jersey. To obtain financing for the Project, the Borrower has applied to the Lender for a Mortgage Loan pursuant to the provisions of the Act. The Project and the Land constitute a "housing project" as defined in the Act.

In connection with its application for the Mortgage Loan, the Borrower has furnished to the Lender Project information, including the description of the Land on which the Project is to be situated, plans and specifications for the construction and/or rehabilitation of the Project, the tenant population which is to be housed in the Project, the number of units of each type to be included therein, the estimated cost of providing the Project, information as to the projected income and

expenses of the Project once completed and placed in operation and arrangements for the payments in lieu of taxes with respect to the Project. In approving the application and as a basis for providing the Mortgage Loan, the Lender has relied upon all of the foregoing Project information.

The Mortgage Loan is evidenced by the Mortgage Note and is secured by this Mortgage, which constitutes a valid first mortgage lien on the Project and Land. The Lender intends to make the Mortgage Loan from funds obtained or to be obtained through the Lender's Program. As a condition of the Lender's approval of the Borrower's application for the Mortgage Loan, the Borrower and the Lender have entered into the Loan Documents.

Section 4. LIEN STATUS

This Mortgage shall be a valid first mortgage lien on the Project and the Land. The Borrower covenants and agrees to maintain its right, title and interest in the Project and the Land and all items enumerated in Section 7 herein free from all liens, security interests, and other encumbrances, except for those liens and encumbrances set forth in Section 12 of the Regulatory Agreement.

Section 5. COVENANT TO PAY MORTGAGE NOTE

The Borrower hereby promises to pay the Mortgage Loan, in the principal amount of \$2,174,366 as such amount may be adjusted pursuant to the Mortgage Note (the "Principal Sum"), plus interest and any applicable Servicing Fee in accordance with the provisions of the Mortgage Note.

Section 6. ADDITIONAL PAYMENTS BY BORROWER

The Borrower shall make all such additional payments as set forth and detailed in the Regulatory Agreement, including, but not limited to, insurance, taxes or payments in lieu of taxes, the Servicing Fee, escrows and reserves.

Section 7. SECURITY INTERESTS: GRANTING CLAUSES

In order to secure to the Lender the punctual payment by the Borrower of the Principal Sum, plus interest, the Servicing Fee and all sums due or to become due under the provisions of the Loan Documents and the payment and performance of all obligations of the Borrower under the Loan Documents, the Borrower hereby mortgages, pledges, assigns and grants to the Lender a security interest in the items listed below (the "Collateral").

The Borrower hereby agrees, represents, warrants and acknowledges that the Lender's security interest in the following items is perfected upon execution of this Mortgage:

1. all of the Borrower's right, title and interest in the Project and in the Land, including, without limitation, all improvements existing or hereafter erected thereon, the legal description of the Land being set forth in the attached Schedule "A";

2. all the Borrower's right, title and interest in and to the beds of streets, roads and avenues open or proposed, adjacent or appurtenant to the Project and the Land and any easements, rights of way, licenses and other rights in favor of the Project and/or the Land over other premises;

3. any award made in the nature of compensation for condemnation or appropriation with respect to the Project and/or the Land by any governmental body, including awards or damages with respect or matters other than a direct taking which nonetheless affect the Project and/or the Land. The Borrower hereby assigns any such awards or damages to the Lender and, in addition, for itself and its successors and assigns, appoints the Lender and any subsequent holder of the Mortgage Note and this Mortgage its attorney-in-fact, and empowers such attorney at its option, on behalf of the Borrower, to adjust or compromise any such claims, to collect any proceeds and to execute in the Borrower's name any documents necessary to affect such collection. The Lender is empowered to endorse any checks representing these proceeds, and after deducting any expenses incurred in the collection, to apply the net proceeds as a credit upon any portion of the Mortgage Loan after payment of any Servicing Fees and interest due and payable as provided in the Mortgage Note and Regulatory Agreement;

4. all personal property of the Borrower now or hereafter used in the operation of or for the benefit of, or located upon or attached to the real property described herein, including but not limited to all fixtures, equipment, machinery and elevators; all gas and electric appliances, engines, motors, all boilers, radiators, heaters, and furnaces; all electronic, electrical, lighting, heating, ventilating and air conditioning systems; all stoves, ranges and cooking equipment; all tubs, basins, sinks, pipes, water heaters, faucets and plumbing fixtures; all refrigerators, washing machines, laundry tubs and dryers; all awnings, screens, shades, venetian blinds, carpeting and office, common or lobby area furniture, furnishings, cabinets, fixtures, building materials and plantings; all project deposit accounts; all accounts, documents, commercial paper, chattels, negotiable instruments, general intangibles, rents, leases, goods, inventory and including any fittings, attachments, accessories, component parts, replacements or replacement parts, additions, accretions and/or substitutions of or to any of the above-listed types of items of collateral. The proceeds of the collateral are also covered;

5. all federal and State subsidy payments to which the Borrower is or will be entitled with respect to the Project and/or the Land;

6. all rent payable by tenants with respect to any part of the Project and/or the Land, such rents being assigned to the Lender as set forth in Section 8 below and in the Assignment of Leases to be executed simultaneously with but recorded separately from this Mortgage, and any other revenues from the Project and/or the Land, including fees derived from laundry, parking, licenses and other facilities or interests;

7. all amounts payable to or recoverable by the Borrower under the terms of the contract for the construction and/or rehabilitation of the Project and any surety bond or other security issued in connection therewith;

8. all rights under and amounts recovered under warranties as to quality or performance

of any material, part, sub-assembly, appliance or other component part of the Project;

9. all reserves and escrows created pursuant to the terms of the Loan Documents;
10. all proceeds of condemnation, casualty or other insurance on the Project or any part thereof;
11. any real estate tax or payment in lieu of tax rebates or refunds which the Borrower is entitled to receive;
12. any amounts in the Project accounts described in the Regulatory Agreement and any other Project funds;
13. all syndication proceeds paid or payable to the Borrower; and
14. all proceeds, products, replacements, additions, substitutions, renewals and accessions of any of the foregoing.

The security interest granted in this agreement shall continue in full force and effect until the Mortgagor has fully paid and discharged all of the indebtedness and until this Agreement is terminated.

This Mortgage shall constitute a Security Agreement and shall be effective as a fixture filing under the UCC Secured Transactions, N.J.S.A. 12A:9-101, et seq. Mortgagor authorizes the Mortgagee to file and refile such financing statements, continuation statements or security agreements as the Mortgagee shall require from time to time.

Section 8. ASSIGNMENT OF LEASES AND RENTS

The Borrower assigns, transfers and sets over unto the Lender, all of the Borrower's right, title and interest in, to and under all leases and rents between the Borrower and any present or prospective tenant or sublessee as well as all federal and state subsidy payments to which the Borrower is or will be entitled with respect to the Project and/or the Land. As long as no Event of Default exists, the Borrower shall have a license to collect the rents under the leases or from the rental of the Project and/or the Land, and any other items assigned hereunder. Upon the occurrence of an Event of Default under the Loan Documents, said license shall terminate until such default shall have been fully cured. The Lender may exercise its rights under this assignment upon the occurrence of an Event of Default under the Loan Documents.

Upon the payment of the Principal Sum, plus interest and the Servicing Fee, this assignment shall become and be void and of no effect, but a notarized affidavit of any officer or attorney of the Lender declaring that any part of Principal Sum remains unpaid shall be sufficient evidence of the validity, effectiveness and continuing force of this assignment as to any person liable under the aforesaid leases or rentals. A demand on the tenants or sublessees by the Lender for the payment of rent shall be sufficient warrant to said tenant to make future payment of rent to the Lender without

the necessity for further consent by the Borrower.

Neither this assignment nor any act done or omitted by the Lender pursuant to the powers and rights granted to it by this assignment shall be deemed to be a waiver by the Lender of its rights and remedies under the Loan Documents, and this assignment is made and accepted without prejudice to any of the rights and remedies possessed by the Lender under the terms of the Loan Documents. The right of the Lender to collect the Principal Sum plus interest and the Servicing Fee and/or to enforce any other rights and remedies of the Lender under the Loan Documents may be exercised either simultaneously with, independent of or subsequent to any action taken by the Lender under this assignment and notwithstanding whether or not any action is taken by the Lender under this assignment.

Notwithstanding any of the terms and conditions of this assignment, the Lender shall not have any obligation to any tenant or sublessee until the Lender makes a demand on the tenant or sublessee and Borrower shall indemnify and hold Lender harmless against any and all liability, loss or damage for claims that may be asserted against Lender by reason of any alleged obligation to be performed by Lender under the subject leases. Upon such demand, the Lender shall have the rights of the Borrower under the subject lease.

Section 9. INCORPORATION OF REGULATORY AGREEMENT; CONFLICT

All provisions of the Regulatory Agreement are hereby incorporated by reference into this Mortgage and made a part hereof. The Borrower hereby agrees, acknowledges, and understands that the terms and conditions of this Mortgage include all terms and conditions of the Regulatory Agreement and that it is to look to both documents in connection with all rights, duties, obligations, liabilities, warranties, representations, covenants and other terms as if both were a single document. Reference to any specific provision to be found in the Regulatory Agreement is not intended or to be construed as excluding any other provisions not specifically referenced. The Borrower hereby acknowledges that it has received a true copy of the fully executed Regulatory Agreement. Further, should any of the provisions of this Mortgage conflict with any provisions of the Regulatory Agreement, the Regulatory Agreement shall govern.

Section 10. DEFAULTS; REMEDIES

The events of default under this Mortgage and the remedies of the Lender shall be as specifically set forth in the Regulatory Agreement.

Section 11. SEVERABILITY

The invalidity of any part or provision hereof shall not affect the validity, legality or enforceability of the remaining portions hereof, and to this end the provisions of this Mortgage shall be severable.

Section 12. SUCCESSORS AND ASSIGNS

The Borrower hereby consents to any assignment of this Mortgage by the Lender. No assignment or delegation of this Mortgage by the Borrower is permitted unless approved in writing by the Lender. If assigned, all rights, duties, obligations and interest arising under this Mortgage shall bind and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and permitted assigns.

Section 13. PERSONAL LIABILITY

Notwithstanding any other provision contained in this Mortgage, the other loan documents or any other document or instrument executed by the owner in connection herewith or therewith, the Agency agrees, on behalf of itself and any future holder of the Note, that the liability of the Borrower, any general or limited partner, member or shareholder of the Borrower, if applicable, and its respective heirs, representatives, successors and assigns, for the payment of its obligations hereunder and under the other loan documents, including, without limitation, the payment of principal, interest and other charges due hereunder and thereunder, shall be limited to the collateral pledged under the mortgage and the other loan documents, and that the Agency shall have no right to seek a personal judgment against the Borrower, any general or limited partner, member or shareholder of the Borrower, if applicable and its respective heirs, representatives, successors and assigns, individually, except to the extent necessary to subject the collateral (including the Project and Land) pledged under the Mortgage and the other loan documents to the satisfaction of the Mortgage debt, and provided, however, that the Agency shall retain the right to exercise any and all remedies granted to it under the Mortgage, this Agreement and the other loan documents, including without limitation the right to sue for injunctive or other equitable relief. The foregoing limitation of liability shall not apply to any party to the extent such party has committed fraudulent, criminal or other unlawful acts and shall not apply to such amounts due to the Lender pursuant to Sections 10, 11, 12, 15, 33 of the Regulatory Agreement.

Section 14. COUNTERPARTS

This Agreement may be executed in multiple counterparts, all of which shall constitute one and the same instrument, and each of which shall be deemed to be an original. A fax copy of a signature on this Agreement shall have the same effect as an original provided that an original is received by the other party hereto within two business days thereafter.

Section 15. MORTGAGE TERM; DISCHARGE OF LIEN OF MORTGAGE

The term of this Mortgage shall run through the maturity date of September 4, 2039, as set forth in the Mortgage Note. Upon the payment of the Principal Sum, plus interest and the Servicing Fee due and performance by the Borrower of all of its obligations under this Mortgage and the Mortgage Note, this Mortgage and the lien created hereby, and all covenants, agreements and other obligations of the Borrower hereunder, shall cease, terminate and become void and be discharged and satisfied. In such event, the Lender shall, at the expense of the Borrower, execute any and all instruments reasonably required to evidence the satisfaction, cancellation and discharge of this

Mortgage. The repayment of the Principal Sum plus interest and Servicing Fee and the discharge of the lien of this Mortgage, shall not affect the Borrower's obligations that continue under the terms of the Regulatory Agreement, the Borrower acknowledging that the continuing effectiveness of the Regulatory Agreement and the Borrower's obligations thereunder shall be determined by its own terms subsequent to the discharge of this Mortgage.

The Owner and Agency agree to cooperate with each other to correct any error(s) that might inadvertently appear in the Loan Documents.

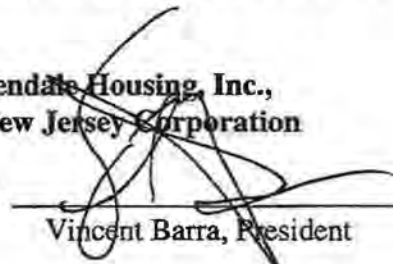
IN WITNESS WHEREOF, this Mortgage is duly executed by the Borrower on the date set forth in Section 1 and by signing below, the Borrower acknowledges that it has received a true copy of this Mortgage, without charge.

WITNESS/ATTEST



Lisa DiOrio

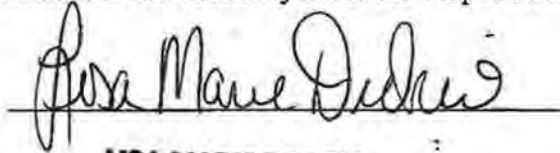
**Allendale Housing, Inc.,
a New Jersey Corporation**

By: 

Vincent Barra, President

STATE OF NEW JERSEY)
COUNTY OF MERCER)

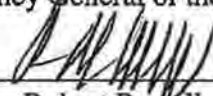
I CERTIFY that on September 4, 2009, Vincent Barra personally came before me, the subscriber, a notary public of the State of New Jersey, and acknowledged under oath, to my satisfaction that (a) he is the President of Allendale Housing, Inc., the corporation named in this document; and (b) he executed and delivered this document as the voluntary act of the corporation duly authorized by the Board of Trustees.



LISA MARIE DI ORIO
A Notary Public of New Jersey
My Commission Expires March 21, 2013

This Mortgage has been reviewed
and approved as to form.

Attorney General of the State of New Jersey

By: 
Robert Purcell
Deputy Attorney General

RECORD AND RETURN TO:
Lisa DiOrio, Paralegal
**NEW JERSEY HOUSING & MORTGAGE
FINANCE AGENCY**
637 S. Clinton Ave., PO Box 18550
Trenton, NJ 08650-2085

SCHEDULE A

Legal Description

Beginning at a point on the westerly line of Franklin Turnpike, said point being 201.88 feet northerly from the most northerly terminus of a curve connecting the westerly line of Franklin Turnpike with the northerly line of West Orchard Street and running; thence

- 1) North 80 degrees 44 minutes 06 seconds West, 40.31 feet to a point; thence
- 2) South 09 degrees 15 minutes 54 seconds West, 50.54 feet to a point; thence
- 3) North 80 degrees 43 minutes 33 seconds West, 225.23 feet to a point; thence
- 4) North 09 degrees 15 minutes 54 seconds East, 113.86 feet to a point; thence
- 5) South 81 degrees 15 minutes 02 seconds East, 238.17 feet to a point on the westerly line of Franklin Turnpike; thence
- 6) Along the same, South 13 degrees 25 minutes 02 seconds East, 71.00 feet to the point or place of Beginning.

The above description being drawn in accordance with a survey made by **Schwanewede/Hals Engineering** dated **November 22, 2008**, recertified **July 24, 2009**.

NOTE: For information purposes only : Known and designated as **Lot 10.01** in **Block 1806** on the current tax map of the Borough of Allendale, **Bergen County**, New Jersey.



10-050192 Mortgage
 V Bk: 00457 Pg: 1079-1084 Rec. Fee \$83.00
 Kathleen A. Donovan, Bergen County Clerk
 Recorded 06/21/2010 02:40:25 PM

Prepared by: _____

MORTGAGE

This is a real property mortgage given on MAY 10, 2010 by BORROWERS:

Allendale Housing Inc.
 500 West Crescent Avenue
 Allendale, New Jersey 07401

To LENDERS:

County of Bergen, Division of Community Development
 One Bergen County Plaza - 4th Floor
 Hackensack, New Jersey 07601

To secure the sum of \$300,000.00 pursuant to contracts entered into between Madeline Corporation and the County of Bergen, Division of Community Development dated July 1, 2009, which provides for issuance of a deferred loan, the requirements of which are secured by this Mortgage and covering property described below.

EXPLANATION OF WORDS USED IN THIS DOCUMENT

Mortgage - This document will be called the Mortgage.

Borrower - This word refers to Allendale Housing, Inc.

Lender - This word refers to the County of Bergen, Division of Community Development

Note - This refers to a separate document signed this day by which the Borrower acknowledged that it had borrowed \$300,000.00 from the County of Bergen, Division of Community Development.

83
 6
 83

GIVING OF MORTGAGE AND ITS EFFECTS

On this date, the Lender loaned \$300,000.00, for which the Borrower gave a Mortgage Note, and the Borrower mortgages to the Lender the Property described below. By this Mortgage, the Borrower understands the following:

A. Borrower gives the rights in the property which the law gives to holders of mortgages.

B. Borrower agrees to keep all the promises which Borrower makes in the Note and in this Mortgage.

If Borrower fails to keep the promises made in the Note and in this Mortgage, then Lender may foreclose this Mortgage.

C. Transfer

If Borrower sells, gives away or otherwise transfers Lender's rights in the property without Lender's consent and the property is no longer used as affordable housing for low/moderate income persons, all sums due under the Note become immediately due and payable at the Lender's option, except as prohibited by Federal and State Law.

D. Change in Use

Borrower must provide Lender with written notice of any modification in use, ninety (90) days prior to change. The County of Bergen, Division of Community Development reserves the right to enforce all covenants, agreements and affordability restrictions associated with this project in a manner appropriate to the violation or non-compliance with both financial and non-financial penalties, including but not limited to 1) Verbal communication of the non-compliant issue with a limited and specified reasonable time period for correction; 2) Written communication of non-compliance with limited time and specified reasonable time period for correction; 3) Imposition of short- or long-term financial penalties in accordance with Section 6(B) of the Note until the violation is resolved; 4) Increased monitoring with a reasonable charged fee for re-inspection; and 5) Legal action for full repayment of loan. If property ceases to be used as affordable housing for low/moderate income persons, the principal can be made due and payable within thirty (30) days of such change of use.

E. Preserving Property

Borrower will keep the property in good repair. Borrower will not damage, destroy or substantially change the property, except in accordance with the Borrower's obligations and representations to the Lender and the New Jersey Housing and Mortgage Finance Agency relating to Borrower's plans for rehabilitation and management of the property. This is a material provision of this Mortgage; Borrower understands that the County of Bergen, Division of Community Development considers this provision of utmost importance. Borrower will not allow the property to deteriorate.

F. Right to Inspect the Property

During the period this Mortgage is in effect, Lender has the right to enter and inspect the property and the buildings thereon, upon reasonable notice at any reasonable time. The County of Bergen, Division of Community Development will complete on-site inspections bi-annually to ensure programmatic compliance with established property standards (§92.251).

G. Violations Affecting Property

If Borrower receives notice from Lender or any governmental body that the property, or the use, occupation or maintenance of that property, violates any law or governmental regulation, then Borrower agrees to correct such violation within thirty (30) days.

H. Payments

Borrower will pay all taxes, if any, assessments, insurance premiums, costs to protect the value of the property, maintenance any other payments which Borrower is to make under this agreement within thirty (30) days after the same shall have become due and payable. If Borrower does not make the payments, Lender may pay the charges, although Lender is not obligated to do so. If Lender does pay them, Borrower will repay promptly at Lender's request with interest at the rate specified in the Note, and such sum shall be added to the amount Borrower owes. The rights of the Lender under this paragraph are subject to the rights of the holder of the first Mortgage.

OWNERSHIP

Borrower represents and warrants that Borrower is the owner for the rehabilitation and management of the property covered by this Mortgage. This mortgage is a secondary lien and is subject to the rights of the holder of the first mortgage. Specifically, the New Jersey Housing and Mortgage Finance Agency holds a first mortgage on the property in the principal sum of Two Million One Hundred Seventy-Four Thousand Three Hundred Thirty-Six and No/100 Dollars (\$2,174,336.00).

DEFAULT AND FORECLOSURE

Borrower is in default if any promises or terms under this Mortgage or Note are broken. Borrower is in default if the property is sold or transferred without the permission of this Lender.

If Borrower is in default, this Lender may foreclose on the property after giving any notice required by law. If property is to be foreclosed, Borrower agrees to pay reasonable expenses in preparing the property for resale and other costs allowed by law.

BORROWER'S PROMISES

A. Promise to Pay Note.

Borrower promises to pay Lender, or anyone Lender names, all the amounts specified in the Note. All of the promises, obligations and conditions of the Note are incorporated into this Mortgage.

B. Insurance

Borrower will keep the property insured under terms acceptable to Lender. The amount of coverage will be at least equal to all the debts on the property unless that amount exceeds the replacement cost of the buildings and appurtenances and will be at Borrower's expense and for this Lenders benefit. The insurance policy will contain a standard mortgage clause to protect this Lender, and Lender will be named as a loss payee or insured on the insurance policy. Specifically, the County of Bergen, Division of Community Development shall be entitled to such a portion of the insurance proceeds to satisfy the balance under the provision of the Note, which this Mortgage is securing. A duplicate of the insurance policy must be given to the

Lender. The insurance policy must contain a ten (10) day notice of cancellation by the insurance company to this Lender.

If all or part of the property is in a Special Flood Hazard Area, Borrower will obtain Flood Insurance on the property and provide duplicate to Lender. Borrower will insure the property for at least an amount equal to the outstanding balance of the Note, and shall name the County of Bergen as an insured for an amount equivalent to, and to the extent of, the outstanding balance of the Note. The County of Bergen, Division of Community Development shall be entitled to such a portion of the insurance proceeds to satisfy any balance of principal to the County of Bergen, Division of Community Development under provision of the Note which this Mortgage is securing.

PROPERTY UNDER MORTGAGE

The property being mortgaged is part of that certain parcel of real property located at Orchard Commons, Allendale, NJ 07410 and known as Lot 1806 in Block 10.01 on the tax maps, as more particularly described in annexed legal description;

The property also includes all Borrowers' rights in the property and rights and privileges, if any, to all land, water, streets and roads next to, and on all sides of the property.

The property also includes anything, which is not attached to, or which will in the future be so attached to this premise or which will be built upon the premise including but not limited to an addition to the building or residence.

Borrower gives Lender the right to any money which may be necessary to repay the amount Borrower owes Lender, if any government agency or anyone else authorized by law takes the property or any part of it, which proceeds are included in the property under this mortgage.

TERMS -- Subsequent to the satisfaction of the appropriately deemed period of affordability as defined by the HOME Investment Partnerships (HOME) Program Final Rule §92.252 this loan will be forgiven.

A deferred loan in which interest will be a rate equal to 0% fixed for 20 years or 240 months, defined as the period of affordability by the HOME Program Final Rule, §92.252. This loan will be forgiven at the end of the affordability period provided that the terms and conditions for rent (§92.252) and occupancy (§92.203) have been met for each year of the affordability period.

No interest will be charged on this loan. There will be no regular monthly payments of principal. Borrower must notify Lender of any change in status ninety (90) days prior to any modification in use. The County reserves the right to impose a penalty charge equal to 3% per annum of the unforgiven and outstanding loan principal should the Borrower fail to properly notify Lender of any changes in the property's use.

The County of Bergen, Division of Community Development reserves the right to enforce all covenants, agreements and affordability restrictions associated with this project in a manner appropriate to the violation or non-compliance with both financial and non-financial penalties including but not limited to 1) Verbal communication of the non-compliant issues with a limited and specified reasonable time period for correction; 2) Written communication of non-compliance with limited time and specified reasonable time period for correction; 3) Imposition of short- or long-term financial penalties in accordance with the immediately preceding

paragraph until the violation is resolved; 4) Increased monitoring with a reasonable charged fee for re-inspection; and 5) Legal action for full repayment of the loan.

The full amount of principal plus interest can be made due and payable if the property securing this Note, or any interest in the property, is sold or transferred without the prior written consent of the Lender, which consent shall not be unreasonably withheld, or if the property is no longer used as affordable housing for low/moderate income persons prior to satisfaction of the affordability period.

Borrower is to follow the terms and conditions of the following contract HOME-Mad01-09 between Madeline Corporation and the County of Bergen, Division of Community Development.

ACKNOWLEDGMENT OF COPY

Borrower acknowledges receipt of a true copy of this Mortgage without charge.


Borrower has signed this Mortgage as of the date at the top of the first page.

Borrower agrees to the terms of this Mortgage. If the Borrower is a corporation, its proper corporate officers sign and its corporate seal is affixed.

ATTEST:

ALLENDALE HOUSING INC.


Name:
Title:


Name: Vince Barra
Title: President

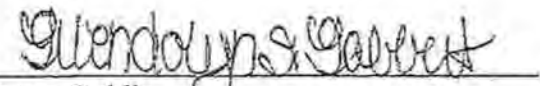
STATE OF NEW JERSEY)

: ss.

COUNTY OF BERGEN)

BE IT REMEMBERED, that on this 27th day of May 2010, before me, the subscriber officer duly authorized, personally appeared, Vince Barra, who, I am satisfied is the person who executed the within instrument as President of Allendale Housing Inc., a New Jersey nonprofit corporation, and that he so executed the within instrument for the uses and purposes therein expressed, it is the voluntary act and deed of said company, is delivered by him, for the uses and purposes therein expressed, made by virtue of authority from said company.

Gwendolyn S. Gabbert
Notary Public of New Jersey
My Commission Expires _____


Notary Public
My Commission Expires: 3-24, 2012

SURVEY DESCRIPTION

Borough of Allendale
County of Bergen
State of New Jersey

Beginning at a point on the westerly line of Franklin Turnpike, said point being 201.88 feet northerly from the most northerly terminus of a curve connecting the westerly line of Franklin Turnpike with the northerly line of West Orchard Street and running; thence

- 1) North 80 degrees 44 minutes 06 seconds West, 40.31 feet to a point; thence
- 2) South 09 degrees 15 minutes 54 seconds West, 50.54 feet to a point; thence
- 3) North 80 degrees 43 minutes 33 seconds West, 225.23 feet to a point; thence
- 4) North 09 degrees 15 minutes 54 seconds East, 113.86 feet to a point; thence
- 5) South 81 degrees 15 minutes 02 seconds East, 238.17 feet to a point on the westerly line of Franklin Turnpike; thence
- 6) Along the same, South 13 degrees 25 minutes 02 seconds East, 71.00 feet to the point or place of Beginning.

The above description being drawn in accordance with a survey made by Schwanewede/Hals Engineering dated November 22, 2008, recertified July 24, 2009.

NOTE: For information purposes only : Known and designated as Lot 10.01 in Block 1806 on the current tax map of the Borough of Allendale, Bergen County, New Jersey.



APPENDIX K
CRESCENT COMMONS

**Department of Community Affairs
Local Planning Services
Supportive and Special Needs Housing Survey**

Municipality: Atlentake
 Sponsor: Atlentake Housing Inc
 Block: 904 Lot: 10.2
 Facility Name: Crescent Commons

County: Bergen
 Developer: Atlentake Housing Inc
 Street Address: 401 thru 405
AND Crescent Commons Court
203 Crescent Commons Court

<p>Section 1: Type of Facility:</p> <p><input type="checkbox"/> Licensed Group Home</p> <p><input type="checkbox"/> Transitional facility for the homeless (not eligible for credit as affordable housing after June 2, 2008)</p> <p><input type="checkbox"/> Residential health care facility (licensed by NJ Dept. of Community Affairs or DHSS)</p> <p><input checked="" type="checkbox"/> Permanent supportive housing</p> <p><input checked="" type="checkbox"/> Supportive shared housing</p> <p><input type="checkbox"/> Other - Please Specify: _____</p>	<p>Section 2: Sources and amount of funding committed to the project :</p> <p><input type="checkbox"/> Capital Application Funding Unit \$ _____</p> <p><input checked="" type="checkbox"/> HMFA Special Needs Housing Trust Fund \$ <u>3,341,380</u></p> <p><input type="checkbox"/> Balanced Housing - Amount \$ _____</p> <p><input type="checkbox"/> HUD - Amount \$ _____ Program _____</p> <p><input checked="" type="checkbox"/> Federal Home Loan Bank - Amount \$ <u>340,000</u></p> <p><input type="checkbox"/> Farmers Home Administration - Amount \$ _____</p> <p><input type="checkbox"/> Development fees - Amount \$ _____</p> <p><input type="checkbox"/> Bank financing - Amount \$ _____</p> <p><input type="checkbox"/> Other - Please specify: _____</p> <p><input type="checkbox"/> For proposed projects, please submit a pro forma</p> <p><input type="checkbox"/> Municipal resolution to commit funding, if applicable</p> <p><input type="checkbox"/> Award letter/financing commitment (proposed new construction projects only)</p>
<p>Section 3: For all facilities other than permanent supportive housing:</p> <p>Total # of bedrooms reserved for: <u>12</u></p> <p>Very low-income clients/households <u>8</u></p> <p>Low-income clients/households <u>4</u></p> <p>Moderate-income clients/households _____</p> <p>Market-income clients/households _____</p>	<p>Section 4: For permanent supportive housing:</p> <p>Total # of units <u>6</u>, including:</p> <p># of very low-income units <u>4</u></p> <p># of low-income units <u>2</u></p> <p># of moderate-income units _____</p> <p># of market-income units _____</p>
<p>Section 5:</p> <p>Length of Controls: <u>30</u> years</p> <p>Effective Date of Controls: <u>12/14/11</u></p> <p>Expiration Date of Controls: <u>2/14/41</u></p> <p>Average Length of Stay: _____ months (transitional facilities only)</p>	<p>Section 6:</p> <p><input type="checkbox"/> CO Date: <u>1/30/13</u></p> <p>For licensed facilities, indicate licensing agency:</p> <p><input type="checkbox"/> DDD <input type="checkbox"/> DMHS <input type="checkbox"/> DHSS <input type="checkbox"/> DCA <input checked="" type="checkbox"/> DCF</p> <p><input type="checkbox"/> Other _____</p> <p>Initial License Date: ____/____/____</p> <p>Current License Date: ____/____/____</p>
<p>Section 7:</p> <p>Has the project received project-based rental assistance? ___ Yes <input checked="" type="checkbox"/> No; Length of commitment: <u>N/A</u></p> <p>Other operating subsidy sources: <u>NO</u>; Length of commitment: _____</p> <p>Is the subsidy renewable? ___ Yes ___ No _____</p>	
<p>Section 8: The following verification is attached:</p> <p><input type="checkbox"/> Copy of deed restriction or mortgage and/or mortgage note with deed restriction (30-year minimum, HUD, FHA, FHLB, UHAC deed restriction, etc.)</p> <p><input type="checkbox"/> Copy of Capital Application Funding Unit (CAFU) or DHS Capital Application Letter (20 year minimum, no deed restriction required)</p>	
<p>Section 9:</p> <p>Residents 18 yrs or older? <input checked="" type="checkbox"/> Yes ___ No</p> <p>Population Served (describe): <u>Developmentally Disabled</u></p> <p>Age-restricted? ___ Yes <input checked="" type="checkbox"/> No</p> <p>Accessible (in accordance with NJ Barrier Free Subcode)? <input checked="" type="checkbox"/> Yes ___ No</p>	



Section 10: Affirmative Marketing Strategy (check all that apply):

- DDD/DMHS/DHSS waiting list
- Affirmative Marketing Plan approved by the Council's Executive Director

CERTIFICATIONS

I certify that the information provided is true and correct to the best of my knowledge and belief.

Certified by: [Signature]
Project Administrator

6/2/14
Date

Certified by: [Signature]
Municipal Housing Liaison

5/11/18
Date

**Department of Community Affairs
Local Planning Services
Supportive and Special Needs Housing Survey**

Municipality: Altendale County: Bergen
 Sponsor: Altendale Housing Inc Developer: Altendale Housing Inc
 Block: 904 Lot: 10.01 Street Address: 101 to 106
 Facility Name: Crescent Commons Crescent Commons CT
Homeownership

<p>Section 1: Type of Facility:</p> <p><input type="checkbox"/> Licensed Group Home</p> <p><input type="checkbox"/> Transitional facility for the homeless (not eligible for credit as affordable housing after June 2, 2008)</p> <p><input type="checkbox"/> Residential health care facility (licensed by NJ Dept. of Community Affairs or DHSS)</p> <p><input type="checkbox"/> Permanent supportive housing</p> <p><input type="checkbox"/> Supportive shared housing</p> <p><input checked="" type="checkbox"/> Other - Please Specify: <u>Homeownership.</u></p>	<p>Section 2: Sources and amount of funding committed to the project :</p> <p><input type="checkbox"/> Capital Application Funding Unit \$ _____</p> <p><input type="checkbox"/> HMFA Special Needs Housing Trust Fund \$ _____</p> <p><input type="checkbox"/> Balanced Housing - Amount \$ _____</p> <p><input type="checkbox"/> HUD - Amount \$ _____ Program _____</p> <p><input type="checkbox"/> Federal Home Loan Bank - Amount \$ _____</p> <p><input type="checkbox"/> Farmers Home Administration - Amount \$ _____</p> <p><input type="checkbox"/> Development fees - Amount \$ _____</p> <p><input type="checkbox"/> Bank financing - Amount \$ _____</p> <p><input checked="" type="checkbox"/> Other - Please specify: <u>HOME - DCA - \$80,017</u> <u>HOME - Bergen City 600,000</u></p> <p><input type="checkbox"/> For proposed projects, please submit a pro forma</p> <p><input type="checkbox"/> Municipal resolution to commit funding, if applicable</p> <p><input type="checkbox"/> Award letter/financing commitment (proposed new construction projects only)</p>
<p>Section 3: For all facilities other than permanent supportive housing:</p> <p>Total # of bedrooms reserved for: <u>14 Bedrooms</u></p> <p>Very low-income clients/households _____</p> <p>Low-income clients/households <u>7</u></p> <p>Moderate-income clients/households <u>7</u></p> <p>Market-income clients/households _____</p>	<p>Section 4: For permanent supportive housing:</p> <p>Total # of units <u>6</u>, including:</p> <p># of very low-income units _____</p> <p># of low-income units <u>3</u></p> <p># of moderate-income units <u>3</u></p> <p># of market-income units _____</p>
<p>Section 5:</p> <p>Length of Controls: <u>20 years - Home</u></p> <p>Effective Date of Controls: <u>11/1/11 - 11/6/31</u></p> <p>Expiration Date of Controls: <u>1/1/11</u></p> <p>Average Length of Stay: <u>30yrs DCA</u> (transitional facilities only) <u>2/6/13 - 2/5/43</u></p>	<p>Section 6:</p> <p><input type="checkbox"/> CO Date: <u>US 2014</u></p> <p>For licensed facilities, indicate licensing agency:</p> <p><input type="checkbox"/> DDD <input type="checkbox"/> DMHS <input type="checkbox"/> DHSS <input type="checkbox"/> DCA <input type="checkbox"/> DEF</p> <p><input type="checkbox"/> Other _____</p> <p>Initial License Date: <u>1/1/11</u></p> <p>Current License Date: <u>1/1/11</u></p>
<p>Section 7:</p> <p>Has the project received project-based rental assistance? <u>Yes</u> <input checked="" type="checkbox"/> No; Length of commitment: _____</p> <p>Other operating subsidy sources: _____; Length of commitment: _____</p> <p>Is the subsidy renewable? <u>Yes</u> <input checked="" type="checkbox"/> No</p>	
<p>Section 8: The following verification is attached:</p> <p><input type="checkbox"/> Copy of deed restriction or mortgage and/or mortgage note with deed restriction (30-year minimum, HUD, FHA, FHLB, UHAC deed restriction, etc.)</p> <p><input type="checkbox"/> Copy of Capital Application Funding Unit (CAFU) or DHS Capital Application Letter (20 year minimum, no deed restriction required)</p>	
<p>Section 9:</p> <p>Residents 18 yrs or older? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Population Served (describe): <u>Family Home Ownership</u></p> <p>Age-restricted? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Accessible (in accordance with NJ Barrier Free Subcode)? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	

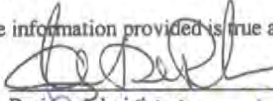


Section 10: Affirmative Marketing Strategy (check all that apply):

- DDD/DMHS/DHSS waiting list
- Affirmative Marketing Plan approved by the Council's Executive Director

CERTIFICATIONS

I certify that the information provided is true and correct to the best of my knowledge and belief.

Certified by: 

Project Administrator

6/2/14

Date

Certified by: 

Municipal Housing Liaison

5/11/18

Date

**Department of Community Affairs
Local Planning Services
Supportive and Special Needs Housing Survey**

Municipality: Atlentdale County: Bergen
 Sponsor: Atlentdale Housing, Inc Developer: Atlentdale Housing, Inc
 Block: 904 Lot: 14 Street Address: 343 West Crescent Avenue
 Facility Name: Roberts House

<p>Section 1: Type of Facility:</p> <p><input type="checkbox"/> Licensed Group Home</p> <p><input type="checkbox"/> Transitional facility for the homeless (not eligible for credit as affordable housing after June 2, 2008)</p> <p><input type="checkbox"/> Residential health care facility (licensed by NJ Dept. of Community Affairs or DHSS)</p> <p><input checked="" type="checkbox"/> Permanent supportive housing</p> <p><input checked="" type="checkbox"/> Supportive shared housing</p> <p><input checked="" type="checkbox"/> Other - Please Specify: <u>Unlicensed Group Home 3 Bedroom</u></p>	<p>Section 2: Sources and amount of funding committed to the project :</p> <p><input type="checkbox"/> Capital Application Funding Unit \$ _____</p> <p><input checked="" type="checkbox"/> HMFA Special Needs Housing Trust Fund \$ <u>412,747</u></p> <p><input type="checkbox"/> Balanced Housing - Amount \$ _____</p> <p><input type="checkbox"/> HUD - Amount \$ _____ Program _____</p> <p><input type="checkbox"/> Federal Home Loan Bank - Amount \$ _____</p> <p><input type="checkbox"/> Farmers Home Administration - Amount \$ _____</p> <p><input type="checkbox"/> Development fees - Amount \$ _____</p> <p><input type="checkbox"/> Bank financing - Amount \$ _____</p> <p><input type="checkbox"/> Other - Please specify: _____</p> <p><input type="checkbox"/> For proposed projects, please submit a pro forma</p> <p><input type="checkbox"/> Municipal resolution to commit funding, if applicable</p> <p><input type="checkbox"/> Award letter/financing commitment (proposed new construction projects only)</p>
<p>Section 3: For all facilities other than permanent supportive housing:</p> <p>Total # of bedrooms reserved for: <u>3</u></p> <p>Very low-income clients/households _____</p> <p>Low-income clients/households <u>3</u></p> <p>Moderate-income clients/households _____</p> <p>Market-income clients/households _____</p>	<p>Section 4: For permanent supportive housing:</p> <p>Total # of units <u>1 house</u> including:</p> <p># of very low-income units _____</p> <p># of low-income units <u>1</u></p> <p># of moderate-income units _____</p> <p># of market-income units _____</p>
<p>Section 5:</p> <p>Length of Controls: <u>30</u> years</p> <p>Effective Date of Controls: <u>3/25/2010</u></p> <p>Expiration Date of Controls: <u>3/24/2040</u></p> <p>Average Length of Stay: _____ months (transitional facilities only)</p>	<p>Section 6:</p> <p><input type="checkbox"/> CO Date: <u>12/10/10</u></p> <p>For licensed facilities, indicate licensing agency:</p> <p><input type="checkbox"/> DDD <input type="checkbox"/> DMHS <input type="checkbox"/> DHSS <input type="checkbox"/> DCA <input type="checkbox"/> DCF</p> <p><input type="checkbox"/> Other _____</p> <p>Initial License Date: <u>1/1/10</u></p> <p>Current License Date: <u>1/1/10</u></p>
<p>Section 7:</p> <p>Has the project received project-based rental assistance? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No; Length of commitment: <u>10 years</u></p> <p>Other operating subsidy sources: _____; Length of commitment: _____</p> <p>Is the subsidy renewable? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p>Section 8: The following verification is attached:</p> <p><input type="checkbox"/> Copy of deed restriction or mortgage and/or mortgage note with deed restriction (30-year minimum, HUD, FHA, FHLB, UHAC deed restriction, etc.)</p> <p><input type="checkbox"/> Copy of Capital Application Funding Unit (CAFU) or DHS Capital Application Letter (20 year minimum, no deed restriction required)</p>	
<p>Section 9:</p> <p>Residents 18 yrs or older? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Population Served (describe): _____</p> <p>Age-restricted? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Accessible (in accordance with NJ Barrier Free Subcode)? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	



Section 10: Affirmative Marketing Strategy (check all that apply):

- DDD/DMHS/DHSS waiting list
- Affirmative Marketing Plan approved by the Council's Executive Director

CERTIFICATIONS

I certify that the information provided is true and correct to the best of my knowledge and belief.

Certified by: _____

Project Administrator

Date

6/2/14

Certified by: _____

Municipal Housing Liaison

Date

5/11/18

Record & Return to:

Lisa DiOrio, Paralegal
New Jersey Housing and Mortgage
Finance Agency
637 South Clinton Avenue
P.O. Box 18550
Trenton, New Jersey 08650-2085

CRESCENT COMMONS @ ALLENDALE
HMFA # 2582
SNHTF # 239

FINANCING, DEED RESTRICTION AND REGULATORY AGREEMENT

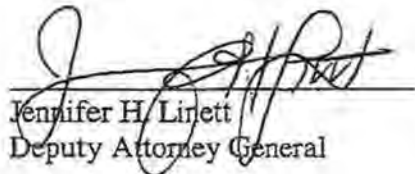
Between

NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY

And

ALLENDALE HOUSING, INC.

Prepared by:


Jennifer H. Linett
Deputy Attorney General

Special Needs Housing Trust Fund
First Mortgage Loan
Construction and Permanent Financing

THIS FINANCING, DEED RESTRICTION AND REGULATORY AGREEMENT (this "Agreement"), made and entered into as of this 14th day of December 2011, by and between the **NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY** (the "Agency" or "Lender"), a body politic and corporate and an instrumentality exercising public and essential governmental functions of the State of New Jersey (the "State") and **ALLENDALE HOUSING, INC.**, ("Owner" or "Borrower"), a non-profit corporation organized and existing pursuant to the laws of the State of New Jersey and duly authorized to transact business in the State of New Jersey.

WITNESSETH

In consideration of the mutual covenants and undertakings set forth herein, and other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the Agency and the Owner hereby agree as follows:

Section 1. Definitions and Interpretation. The following terms shall have the respective meanings set forth below:

"Act" means the New Jersey Housing and Mortgage Finance Agency Law of 1983, as amended from time to time, P.L. 1983, c. 530, N.J.S.A. 55:14K-1 et seq., and the regulations promulgated thereunder.

"Agency Financing" means the First Mortgage Loan.

"Agency Regulations" means the regulations promulgated by the Agency pursuant to the Act and any policies, procedures or guidelines issued by the Agency with respect to the housing projects financed by the Agency under the Act, all of the foregoing as they may be amended from time to time, if applicable.

"Architect's Contract" means the agreement between the Owner and Z+ Architects, dated October 2011, or any other agreement executed by the Owner and approved by the Agency, for the design and construction oversight of the Project in accordance with the plans and specifications for the Project approved by the Agency, if applicable.

"Assignment of Leases" means the Assignment of Leases by and between the Owner and Lender of even date herewith.

"Code" means the Internal Revenue Code of 1986, as amended.

"Construction Contract" means the agreement between the Owner and E-Tomic General Contracting, Inc., dated July 29, 2011, or any other agreement executed by the Owner and approved by the Agency, for the construction of the Project in accordance with the plans and specifications for

the Project approved by the Agency.

“Construction Period” means the period of time as required to substantially complete the construction of the Project. The Project Construction Period is estimated to be one (1) year from the date of this Agreement, if applicable.

“Day” or **“Days,”** whether or not the word is a capitalized term, shall mean calendar day or day(s) unless otherwise specified.

“DDD” means the New Jersey Department of Human Services, Division of Developmental Disabilities, or its successors and assigns, if applicable.

“DMHS” means the New Jersey Department of Human Services, Division of Mental Health Services, or its successors or assigns, if applicable.

“Environmental Laws” shall mean and include any federal, State, or local statute, law, ordinance, code, rule, regulation, order, or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic, or dangerous waste, substance, element, compound, mixture or material, as now or at any time hereafter in effect including, without limitation, the Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 as amended, 42 U.S.C. Sections 9601 et seq., the Federal Hazardous Materials Transportation Act, as amended 42 U.S.C. Sections 1801 et seq., the Federal Resource Conservation and Recovery Act as amended, 42 U.S.C. Sections 6901 et seq., the Superfund Amendments and Reauthorization Act, 42 U.S.C. Sections 9601 et seq., the Federal Toxic Substances Control Act, 15 U.S.C. Sections 2601 et seq., the Federal Hazardous Material Transportation Act, 49 U.S.C. Sections 1801 et seq., the Federal Clean Air Act, 42 U.S.C. Sections 7401 et seq., the Federal Water Pollution Control Act, 33 U.S.C. Sections 1251 et seq., the Rivers and Harbors Act of 1899, 33 U.S.C. Sections 401 et seq., the Residential Lead-Based Paint Hazard Reduction Act of 1992, 42 U.S.C. Section 4852d, the New Jersey Environmental Cleanup Responsibility Act, as amended, N.J.S.A. 13:1K-6 et seq., the New Jersey Industrial Site Recovery Act, N.J.S.A. 13:1K-6 et seq., the Spill Compensation and Control Act, as amended, N.J.S.A. 58:10-23.11 et seq., the New Jersey Tank Registration Act, N.J.S.A. 58:10A-21 et seq., the New Jersey Water Pollution Control Act, as amended, N.J.S.A. 58:10A-1 et seq., and all rules and regulations adopted and publications promulgated thereto, or any other so-called “Superfund” or “Superlien” laws, or any other federal, State or local environmental law, ordinance, code, rule, or regulation, order or decree as any of the foregoing have been, or are hereafter amended.

“Environmental Report” means the Phase I Environmental Site Assessment prepared by Ecolsciences, Inc. dated August 17, 2009.

“Event of Default” means any of the events set forth in Section 31 of this Agreement.

“Hazardous Materials” shall mean and include those elements, materials, compounds, mixtures or substances that are contained in any list of hazardous substances adopted by the United States Environmental Protection Agency (the “EPA”) or any list of toxic pollutants designated by Congress, the EPA, or the New Jersey Department of Environmental Protection (“NJDEP”), or that

are defined as hazardous, toxic, pollutant, infectious, flammable or radioactive by any of the Environmental Laws, and, whether or not included in such lists, shall be deemed to include all products or substances containing petroleum, asbestos, lead, and polychlorinated biphenyls.

"HUD" means the United States Department of Housing and Urban Development.

"Improvements" means the building together with all fixtures and utility improvements, easements and rights of way that are owned by the Owner and located on the Land.

"IRS Regulations" means the regulations promulgated or proposed by the United States Department of the Treasury or the Internal Revenue Service pursuant to the Code, and to the extent applicable, pursuant to the Internal Revenue Code of 1954, as both may be amended from time to time, including all rules, rulings, policies, and official statements issued by the United States Department of the Treasury or the Internal Revenue Service.

"Land" means the real property described in Exhibit A attached hereto, on which the Project is located.

"Loan Documents" means and includes this Agreement, the Mortgage Note, the Mortgage and Security Agreement, the UCC-1 Financing Statement, and the Assignment of Leases.

"Loan" means the Mortgage Loan.

"Low Income" means a gross annual household income equal to 50% or less of the median gross annual household income for the same size within the relevant housing region.

"Mortgage" means the mortgage of even date herewith that constitutes a first lien on a fee simple interest in the Project and Land, given by the Owner to the Agency to secure the Mortgage Loan.

"Mortgage Loan" means the loan made to the Owner by the Agency to finance a portion of the cost of the development and/or rehabilitation of the Project that will be located on the real property described in Exhibit A attached hereto, as evidenced by the Mortgage Note and secured by the Mortgage.

"Mortgage Note" or "Note" means the interest bearing non-recourse promissory note that contains the promise of the Owner to pay the sum of money stated therein at the times stated therein and that evidences the obligation of the Owner to repay the Mortgage Loan.

"Permitted Encumbrances" means any of the following:

(i) Utility, access and other easements and rights of way, restrictions and exceptions that do not, individually or in the aggregate, materially impair the utility or value of the Project or Land for the purposes for which it is intended;

(ii) Liens that are being contested in good faith and for which the Owner has

provided security satisfactory to the Agency;

(iii) Liens subordinate to the Mortgage Loan arising due to any monies loaned in connection with the Project or other monies loaned to the Owner, provided such liens are disclosed to and approved by the Agency in writing; and

(iv) Any other encumbrances approved by the Agency in writing.

"Plans" means all construction, architectural and design contracts and all architectural design plans and specifications.

"Program" means the Special Needs Housing Trust Fund pursuant to the Special Needs Housing Trust Fund Act, P.L. 2005, c.163.

"Program Guidelines" means the guidelines promulgated by the Agency pursuant to the Program and any policies or procedures issued by the Agency with respect to the housing projects financed by the Agency, all of the foregoing as they may be amended from time to time.

"Project" means the Improvements located on the Land that together with the Land is financed, in part, with the proceeds of the Loan.

"Project Construction Period" means the period of time required to substantially complete construction of the Project. The Project Construction Period is estimated to be 12 months from the date of execution of this Agreement.

"Regulations" means the regulations promulgated or proposed by the United States Department of Housing and Urban Development.

"Repair and Replacement Reserve" means the escrow account established pursuant to Section 21 of this Agreement.

"Servicing Fee" if applicable, means the servicing fee that is due from the Owner to the Agency as set forth in the First Mortgage Note.

"Special Needs Project Escrow" means the escrow account established pursuant to Section 21 of this Agreement.

"State" means the State of New Jersey.

"Tax Credits" means low income housing tax credits that the Project may receive pursuant to the Code.

"UCC-1" means the UCC-1 Financing Statement(s) of even date herewith.

Unless the context clearly requires otherwise, as used in this Agreement, words of the masculine, feminine or neuter gender shall be construed to include any other gender when

appropriate and words of the singular number shall be construed to include the plural number, and vice-versa, when appropriate. This Agreement and all the terms and provisions thereof shall be construed to effectuate the purposes set forth herein and to sustain the validity hereof.

The titles and headings of the sections of this Agreement have been inserted for convenience of reference only, and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof or be considered or given any effect in construing this Agreement or any provisions hereof or in ascertaining intent, if any question of intent shall arise.

Section 2. Background and Purpose. The Owner proposes to acquire or owns the Land, construct, and operate a Project to be located on the Land. The Project will carry a construction and permanent loan of \$3,341,380 at an interest rate of Zero percent (0%) during the construction period of twelve (12) months and Zero percent (0%) interest rate, per annum, during the permanent mortgage term of thirty (30) years. To obtain financing for the Project, the Owner has applied to the Agency for the Agency Financing pursuant to the provisions of the Program. The Agency will hold a first mortgage lien on the Project during the term of the Mortgage Loan. Financing for the Project is derived in part from the Agency's Program funds, and, in addition to the First Mortgage Loan, the Owner has obtained and the Agency has approved funding for the Project as follows:

(a) The borrower has received a commitment in the amount of \$250,000 from Department of Human Services, Division of Developmental Disabilities; and

(b) The borrower has received a commitment of capital subsidy in the amount of \$1,050,000 from Bergen County United Way.

In connection with the Mortgage, the Owner and the Agency have entered into this Agreement.

In connection with its application for the Loan, the Owner has furnished to the Agency various details as to the Project, including the description of Land on which it is to be situated, plans and specifications for the construction/rehabilitation of the Project, the tenant population that shall be housed in the Project, the number of units of each type to be included therein, the estimated costs of providing the Project, details as to the Project income and expenses of the Project once constructed and/or rehabilitated and placed in operation and arrangements for any tax abatement for the Project.

Section 3. Residential Rental Property. The Owner hereby represents, covenants, warrants and agrees that:

(a) The proposed project is located in the Borough of Allendale in the County of Bergen. The project involves the new construction of a cluster of three low-rise buildings that contain a total of seven (7) two-bedroom units and ten (10) one-bedroom units. All units will have a kitchen, bathroom, living/dining room, pantry and utility room. The one bedroom units range between 710 and 750 square feet and the two bedroom units will range between 977 and 1043 square feet.

(b) The Project is to be utilized at all times in accordance with the types of use as permitted by the Act and the Program and as may be approved by the Agency. The Project shall be subject to use and occupancy and/or lease agreements between the Owner and the residents.

Section 4. Low Income Tenants. The Owner hereby represents, warrants and covenants that 100% of the units shall be occupied or available for occupancy by Low Income Tenants for a period of thirty (30) years from the date hereof.

Section 5. Additional Representations, Covenants and Warranties of the Owner. The Owner represents, warrants and covenants that:

(a) The Owner (i) is a non-profit corporation, duly organized, validly existing and in good standing under the laws of the State and duly authorized to transact business in the State; (ii) has filed with the Agency a true and complete copy of its Certificate of Incorporation with all amendments, if any, thereto; (iii) has the power and authority to own or lease its properties and assets, including the Project and the Land, and to carry on its business as now being conducted (and as now contemplated), and to borrow the proceeds of the Loans; and (iii) has the power to execute and perform all the undertakings of this Agreement and the other Loan Documents.

(b) All necessary legal action has been taken to authorize the execution, delivery and performance of the Loan Documents by the Owner.

(c) The Loan Documents have been duly executed and delivered by the Owner and constitute the valid and legally binding obligations of the Owner, enforceable against the Owner in accordance with their respective terms.

(d) To the best of the Owner's knowledge after due and diligent inquiry, the execution and performance of this Agreement, the Loan Documents and other instruments required pursuant to this Agreement by the Owner, (i) will not violate or, as applicable, have not violated, any provision of law, rule or regulations, any order of any court or other agency or government or any provision of any document to which the Owner is a party, and (ii) will not violate or, as applicable, have not violated, any provision of any indenture, agreement or other instrument to which the Owner is a party, or result in the creation or imposition of any lien, charge or encumbrance of any nature other than the Permitted Encumbrances.

(e) The Owner will, at the time of execution of this Agreement or at the time of the closing of the Loan and subject only to such exceptions as have been disclosed in writing to the Agency and which will not materially interfere with or impact the beneficial use of the Project and Land for purposes of the Project; have good and marketable title to fee simple interest in the premises constituting the Land and the Project free and clear of any lien or encumbrance (subject to Permitted Encumbrances and encumbrances created or contemplated pursuant to this Agreement).

(f) There is, after due and diligent inquiry, no action, suit or proceeding at law or in equity or by or before any governmental instrumentality or other agency now pending, or, threatened against or affecting it, or any of its properties or rights, which, if adversely determined, would materially

impair its right to carry on business substantially as now conducted, or as contemplated to be conducted under this Agreement, or would materially adversely affect its financial condition.

(g) To the best of the Owner's knowledge after due and diligent inquiry, the operation of the Project in the manner presently contemplated and as described in this Agreement will not conflict with any zoning, water or air pollution or other ordinance, order, law or regulation applicable thereto. The Owner has caused the Project to be designed in accordance with all applicable federal, state and local laws or ordinances (including rules and regulations) relating to zoning, building, safety and environmental quality and will proceed with due diligence to rehabilitate the Project pursuant to the Architectural Contract.

Further, the Owner has received or shall obtain all necessary governmental approvals and building permits for construction, rehabilitation and operation of the Project in accordance with the plans and specifications and the Architectural Contract, and shall obtain in a timely manner any and all required extensions of governmental approvals, including, but not limited to, site plan approval. The Owner will continue to retain ownership of the Project and Land during the term of the Mortgage, subject to the terms of this Agreement and the other Loan Documents, the Act, Agency Regulations, the Program, the Program Guidelines, and, if applicable, the Code.

(h) The Owner has filed, caused to be filed by it, or shall file all federal, state and local tax returns which are required to be filed by it, if any, and has paid or caused to be paid all taxes as shown on said return or on any assessment received by it, to the extent that such taxes have become due.

(i) To the best of the Owner's knowledge, after due and diligent inquiry, the Owner is not in material default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any material agreement or instrument to which it is a party that may materially affect this Project.

(j) The information contained in the Project description provided in the applications for the Loan is accurate in all material respects and does not contain any untrue statements of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(k) Except for Leases contemplated by the Project and Section 17 of this Agreement, the Owner shall not during the term of this Agreement sell, transfer or exchange, the Project or the Land (or any part thereof or any interest therein) at any time except in accordance with the terms of the Mortgage, this Agreement, the Act and the Agency Regulations promulgated pursuant to the Act, and the Program Guidelines and unless such sale, transfer or exchange shall have been approved by the Agency. The Owner shall notify in writing and obtain the agreement in writing of any buyer or successor or other person acquiring the Project or Land or any interest therein, in a form acceptable to the Agency that such acquisition is subject to the requirements of this Agreement. This provision shall not act to waive any other restriction on such sale, transfer or exchange.

(l) The Owner has not and will not execute any other agreement with provisions contradictory to, or in opposition to, the provisions hereof and the Mortgage, and in any event, the requirements of this Agreement and the Mortgage are paramount and controlling as to the rights and

obligations herein and in the Mortgage and such requirements shall supersede any other requirements in conflict herewith and therewith.

(m) All statements contained in all applications, correspondence or other materials delivered to the Agency by the Owner in connection with its consideration of the Loan to the Owner or relating to the Project are materially true and correct.

(n) The representations, covenants and warranties of the Owner contained in this Agreement on the date of its execution are true and shall continue to be true at all times during the term of this Agreement.

(o) No event has occurred and no condition exists which constitutes an Event of Default under this Agreement or the Mortgage or which, but for a requirement of notice or lapse of time, or both, would constitute such an Event of Default.

(p) As of the date of this Agreement, the Architectural Contract is in full force and effect and no default has occurred thereunder, and a true copy of the entire Architectural Contract with all modifications and addenda to date has been filed with the Agency.

Section 6. Covenants to Run With the Land. The covenants, reservations and restrictions set forth herein shall be deemed covenants running with the Land and, except as provided in Section 5 hereof, shall pass to and be binding upon the Owner's assigns and successors in title to the Land or the Project; provided, however, that upon the termination of this Agreement in accordance with the terms hereof said covenants, reservations and restrictions shall expire. Each and every contract, deed or other instrument hereafter executed covering or conveying the Land or the Project or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instruments. If a portion or portions of the Land or Project are conveyed, all of such covenants, reservations and restrictions shall run to each portion of the Project and Land.

Section 7. Term. This Agreement shall remain in full force and effect until all indebtedness from the Owner to the Agency in respect to the Project shall have been paid in full in accordance with the provisions of this Agreement, the Mortgage Note and the other Loan Documents.

Section 8. Construction or Rehabilitation of Project. The Owner covenants and agrees to comply with all the provisions of the Architectural Contract and/or Construction Contract, as applicable. The Owner covenants and agrees diligently to pursue the construction or rehabilitation of the Project to completion in accordance with the plans and specifications set forth in the Owner's application for the Loan and the Architectural Contract and as approved by the Agency.

The Owner shall not approve or allow to occur any material change in the scope of plans and specifications for the Project without the express approval of the Agency. Construction or rehabilitation shall at all times be subject to the discretionary inspection, discretionary review, regulation and approval of the Agency and its duly authorized representatives. Any such inspection,

regulation, review or approval of the Agency shall be solely for its benefit for the purpose of assuring that the programs and goals of the Project are being fulfilled.

The Owner shall not knowingly do any act which would cause the release, in whole or in part, of the surety bond or bonds issued in connection with the Architectural Contract or Construction Contract, as applicable, including, without limitation, deviation from the payment schedule, waiver of any material requirements imposed on the architect or any contractor or subcontractor under the Architectural Contract or Construction Contract, as applicable, or consent to any major change in the in the scope of plans and specifications or scope of the work, unless such act would not cause any release because the surety has consented thereto.

Section 9. Funding and Conditions Precedent to Advance.

A. Funding of Construction or Rehabilitation:

Upon and subject to the terms and conditions of this Agreement, the Mortgage and Mortgage Note, the Agency agrees to advance and disburse the principal sum of \$3,341,380 as follows:

The balance of the Principal Sum of \$3,341,380 remaining after disbursement of acquisition costs shall be made only after the Agency has received and approved, subject to its sole discretion, all items on the Agency Document Checklist for Construction and Permanent Financing.

B. Conditions Precedent to Advance:

The Agency's obligations to make the other disbursement under the Mortgage shall be subject to the satisfaction of the following conditions precedent, any of which may be waived in whole or part by the Agency:

1. Each of the Owner's covenants, agreements, representations and warranties contained in this Agreement shall continue to be true and shall not be breached.
2. If applicable, the full amount of the previous advance shall have been expended for Land acquisition, costs and discharge of any related lien.
3. All work performed and material furnished for the Project shall be in accordance with the plans and specifications for the Project and all work shall have been properly performed to the satisfaction of the Agency.
4. No event shall have occurred and no conditions shall exist that would prevent the advance from becoming a valid first mortgage lien on the Project and the Land or secured by a prior protected security interest on any other collateral mentioned in the Mortgage. If the Agency shall deem it necessary or desirable, all or part of the advance may be disbursed in escrow to a title insurance company licensed to do business in the State of New Jersey for the purpose of discharging any construction or other lien on the Project and Land or any other security mentioned in the Mortgage; and the Owner agrees to certify in writing that the foregoing conditions have been satisfied.

Section 10. Insurance: Condemnation.

During the term of the Agency Financing, the Owner shall cause all the buildings on the premises and the fixtures and articles of personal property covered by the Loan Documents to be insured against loss by fire and against loss by such other hazards as may be required by the Agency for the benefit of the Agency including, but not by way of limitation, flood insurance if any part of the Project is located in an area designated by or on behalf of the federal government as having specific flood hazard. Such insurance shall be written by companies, in forms as are satisfactory to the Agency, and in amounts not less than the full replacement value of the Project. The Owner shall assign and deliver the policies to the Agency. All such insurance policies which are obtained by the Owner during the term of the loan shall fully comply with all Agency requirements for property and liability insurance, including but not limited to the Agency requirement that the insurer must meet certain rating standards. The Agency shall be listed as first mortgagee, loss payee and additional insured under such policies. Such policies shall provide that the insurer may not cancel the policy and will not refuse to renew the policy except after thirty (30) days written notice to the Agency. If the Owner does not provide the Agency with the evidence of insurance as required herein, the Agency may (but shall not be required to) obtain such coverage. The Owner shall reimburse the Agency on demand for any premiums paid for insurance procured by the Agency, and until so reimbursed, the amount of such premiums shall be added to the principal sum of the First Mortgage Note and shall bear interest at the same interest rate as in the First Mortgage Note.

In the event of substantial damage to the Project by the occurrence of an insured casualty or the taking of a substantial portion of the Project by condemnation, if, in the sole judgment of the Agency (which judgment shall be conclusive): (a) the Project can be replaced or restored in whole or in part, and (b) the Project as so replaced will produce sufficient income to meet the obligations of the Owner under the Loan Documents, the proceeds of insurance or condemnation, together with any other money available for such purpose, if sufficient, shall be made available to the Owner, subject to the approval of the Agency. To the extent the Project is not replaced or restored, the balance of such proceeds shall be applied to the indebtedness secured thereby. Nothing in this Section shall affect the lien of this Agreement and the obligation of the Owner under the Loan Documents to pay the entire balance of the Loan.

The Owner shall maintain continuously in effect such other insurance coverage of the types and in the amounts specified by the Agency, including workers' compensation insurance and other insurance required by law with respect to employees of the Owner, and liability insurance, protecting the Owner and the Agency against any loss or liability or damage for personal injury or property damage with respect to the Project. Owner shall also maintain use and occupancy insurance covering loss of revenues derived from the Project by reason of interruption, total or partial, of the use of the Project resulting from loss or physical damage thereto in an amount not less than one year's gross rental income. The Owner shall carry fidelity bond insurance covering all employees of the Owner authorized to handle the revenues derived from the Project in an amount equal to one-half times the maximum monthly rent roll.

Section 11. Taxes or Payments in Lieu of Taxes. Unless the Owner has received a full tax exemption for the taxes on the Project at the time the Owner takes title to the Project, the Owner

covenants and agrees to pay any valid municipal taxes, payments in lieu of taxes, charges, assessments, water charges and/or sewer charges, and in default thereof the Agency may pay the same. Any such sum or sums so paid by the Agency shall be added to the principal sum secured by the Mortgage, as determined by the Agency, and shall bear interest at the then current rate being received by the Agency on its investment as determined in good faith by the Agency.

Section 12. Liens. The Owner covenants and agrees to maintain its right, title and interest in the Project and Land and all items enumerated in Section 7 of the Mortgage free and clear of all liens and security interests, except Permitted Encumbrances, those exceptions identified and set forth in title insurance commitments and title insurance commitment number **COS-1543** issued by **Cosmos Title Agency, Inc.**, dated August 26, 2011, and continued to the date of this Agreement, as accepted by the Agency. Except with the written consent of the Agency, the Owner will not install any item of tangible personal property as part of the fixtures or furnishings of the Project, which is subject to a purchase money lien or security interest.

The Agency may, at its sole option, pay the amount necessary to discharge any such lien, and the Owner shall promptly reimburse the Agency for any amounts so paid. Until reimbursement of the Agency of any amounts so paid, such amount shall be added to the Principal Sum as defined in and secured by the Mortgage, as determined by the Agency, and shall bear interest at the then current rate being received by the Agency on its investments as determined in good faith by the Agency.

Section 13. Encumbrances - Sale of Project. The Owner covenants and agrees not to sell, lease or otherwise encumber the Project or the Land, or any part thereof, or the rents or revenues thereof without prior written consent of the Agency, except by leasing to eligible residential tenants as provided by the Mortgage and this Agreement.

Section 14. Maintenance, Repair and Replacement. The Owner covenants and agrees to maintain the Project and the appurtenant equipment and grounds in good repair and condition so as to provide decent, safe and sanitary housing accommodations.

Following completion of construction or rehabilitation, the Owner will not make any substantial alteration in the Project without the consent of the Agency, nor will the Owner permit the removal of any fixtures or articles of personal property except in connection with the replacement thereof with appropriate property of at least equal value and free of all liens or claims.

The Owner will not permit any waste with respect to the Project or any of its real or personal property without the consent of the Agency, or make any alteration which will increase the hazard of fire or other casualty.

Section 15. Advance Amortization Payments. The Owner shall not make any advance principal repayment except as allowed by the Program and Program Guidelines.

Section 16. Compliance with the Program, the Act, Agency's Regulations and Any Federal or State Subsidy Source. The Owner covenants and agrees to comply with the Program, the Act and any regulations promulgated pursuant thereto, and with any amendments or supplements to the Program, the Act or regulations. Throughout the term of this Agreement, the

Owner further covenants and agrees to comply with any and all requirements imposed upon it as a condition of any federal or state grant, subsidy or loan.

Section 17. Use of Project - Leasing. Except as otherwise expressly provided in Sections 3 and 4 of this Agreement or as otherwise agreed to in writing by the Agency, and except for facilities approved by the Agency as normally appurtenant to residential projects for non-transients (such as laundry facilities), the Project shall be used solely (or as otherwise may be approved by the Agency) to provide affordable housing units for a special needs population(s) under the Agency's Program.

Section 18. Consideration for Lease. The Owner covenants and agrees not to require as a condition of the occupancy or leasing of any dwelling unit in the Project and not to accept or allow any employee or agent to accept any consideration other than the prepayment of the first month's rent, plus a security deposit not in excess of one (1) month's rent to guarantee the performance of the covenants of the rent agreement or lease.

Section 19. Security Deposit. The Owner covenants and agrees to deposit all moneys paid to the Owner by any resident, if any, as a security deposit for the payment of rent or other allowable charges under any use and occupancy agreement and/or lease in a separate interest bearing bank account held and maintained in accordance with applicable law.

Section 20. Account for Project Revenues/Operating Account. The Owner covenants and agrees to establish an account for Project Revenues specific to the Project. "Project Revenues" shall mean all rents and other revenues of any type whatsoever received in respect of the Project or the Owner, except for Loan disbursements. Project Revenues shall be deposited in such account and all operating expenses should be paid from this account.

Section 21. Reserve and Escrow Payments. On the date of the execution of this Agreement, the Owner will deposit with the Agency the following amounts as shown on the closing budget for the Project ("Form 10") which will serve as a reserve against late payments and be available to pay expenses when due or be available to assist with project expenses. These amounts will comprise the Special Needs Project Escrow:

- (a) an amount equal to twelve (12) months of the estimated annual insurance payments; and
- (b) an amount equal to twelve (12) months of the estimated annual tax payments; and
- (c) an amount(s) as stated on the Form 10 for a project escrow.

Additionally, the Owner will deposit an amount as agreed upon between the Borrower and the Agency for the Project as a reserve for repairs and replacement of items at the Project and initial project costs, excluding social service and/or operating costs. Additionally, the repair and replacement reserve will be funded quarterly by the Borrower with an amount equal to three (3) months repair and replacement reserve as shown on the Project's Form 10. This reserve will be separate from the Special Needs Project Escrow and will be known as the Repair and Replacement Reserve.

All reserve and escrow payments required pursuant to this Section shall be held in accounts under the sole control of the Agency and shall be paid out for the benefit of the Project as needed on request of the Owner or on the Agency's own initiative. Any interest which may be earned on such reserves shall remain in the escrow account and shall be used for similar purposes unless the Owner and Agency mutually agree to apply the funds to some other Project purpose.

If the Agency determines that the payments specified herein are insufficient to ensure prompt payment of taxes, payments in lieu of taxes, insurance premiums, or to properly fund painting, decorating, repair and replacement needs with respect to the Project, then the Agency may require an increase in the minimum required escrow amounts necessary to assure proper funding.

Section 22. Inspection of Premises. The Owner covenants and agrees to permit the Agency, its agents or representatives, to inspect the Project at any and all reasonable times with or without notice, pursuant to the provisions of the Act and the Program.

Section 23. Books and Records. The Owner covenants and agrees to maintain adequate books and records of its transactions, including the social services provided to the Project's residents, with respect to the Project in the Owner's standard form. Such books and records shall be available for inspection and audit by the Agency or its agents at any time during business hours, with notice, pursuant to the provisions of the Act and the Program. The Owner further covenants and agrees to cause the financial affairs with respect to the Project to be audited by independent certified public accountants and shall furnish the Agency with its audit report of such accountants as may from time to time be required by the Agency.

The Owner shall furnish to the Agency such other information and reports respecting the Project as may from time to time be required by the Agency.

Section 24. Management Contract. The Owner may, and if the Agency so elects, shall contract for the services of a firm experienced in real estate management to act as the managing agent for the Project. The selection of any such managing agent, the scope of the agent's duties and the basis of the agent's compensation shall be the subject of a consultation between the Agency and the Owner, and any contract for the employment of any managing agent shall provide that such contract may be terminated by the Agency at any time by notice of such determination by the Agency given to the Owner and managing agent.

Section 25. Prohibited Actions. Except with the express approval of the Agency, which approval shall not be unreasonably withheld, the Owner shall not with Project Revenues (as defined in Section 20 hereof), Loan disbursements or grant advances:

1. incur any liabilities, except in connection with the acquisition, rehabilitation and rental of the Project and its operation and maintenance;
2. engage in any business activity except the ownership and operation of the Project;
3. pay more than fair market value thereof for goods or services; and

4. pay compensation to any officer, director or partner in such capacity or make any cash distribution to any of the foregoing.

Section 26. Transfers of Ownership Interests. The Owner shall not transfer or sell any interest in the Project, except in accordance with the Agency's regulations governing such transfers.

Section 27. Statutory Powers and Restrictions. The Mortgage shall be subject to the restrictions in the Act and the Program, and in connection therewith, the Agency shall have the powers set forth in the Act, the Program and the regulations now or hereafter promulgated pursuant to the Act and the Program, and the Owner hereby consents to such restrictions and agrees to be bound thereby. Such powers and restrictions shall be in addition to and not in limitation of the rights of the Agency expressly set forth in this Agreement.

Section 28. Accounting in Event of Default; Estoppel. Upon the occurrence of an Event of Default and within ten (10) business days of demand therefore the Agency, and otherwise within ten (10) business days of written demand by the Agency, the Owner will furnish to the Agency in writing a statement of the principal amount remaining due on the Loan, together with a statement of any known defenses which may exist as to any liability of the Owner on the Notes or otherwise thereunder.

Section 29. Financing Statements. The Owner hereby irrevocably authorizes the Agency to execute on its behalf one or more financing statements or renewals thereof in respect to any of the security interests granted by the Mortgage.

Section 30. Assignment by Agency. The Owner hereby consents to any assignment of any Loan Document by the Agency.

Section 31. Defaults. Each of the following shall be an Event of Default:

(a) failure by the Owner to pay more than thirty (30) calendar days after the due date any installment of principal or interest on the Loan or any other payment required by the Owner to the Agency or any other person pursuant to the terms of this Agreement, the Mortgage or the other Loan Documents; provided, however, that interest shall accrue on any payment made beyond its due date;

(b) commission by the Owner of any act prohibited by the terms of this Agreement, the Mortgage or any other Loan Document, failure by the Owner to perform or observe in a timely fashion any action or covenant required by any of the terms of this Agreement, the Mortgage or any other Loan Document, or failure by the Owner to produce satisfactory evidence of compliance therewith;

(c) the filing by the Owner under any federal or state bankruptcy or insolvency law or other similar law of any petition in bankruptcy or for reorganization or composition with creditors or the making of an assignment for the benefit of creditors;

(d) the filing against the Owner of a petition seeking its adjudication as a bankrupt or the appointment of a receiver for the benefit of its creditors which shall not have been dismissed within

sixty (60) calendar days of the filing thereof, or the adjudication of the Owner as a bankrupt or the appointment of a receiver for the benefit of its creditors; or the appointment by court order of a custodian (such as a receiver, liquidator or trustee) of the Owner or of any of its property or the taking of possession of the Owner or any of its property for the benefit of its creditors and such order remains in effect or such possession continues for more than sixty (60) calendar days;

(e) the occurrence of substantial destruction of the Project by an uninsured casualty or the inability to replace or restore the Project in accordance with Section 10, or failure to maintain insurance that fully complies with the Agency insurance requirements set forth at Section 10 or in Agency insurance specifications minimum requirements, or failure to provide, immediately or no later than 30 days from notice, replacement insurance to meet Agency insurance requirements as set forth in Section 10 during the term of the First Mortgage Loan;

(f) any representation in conjunction with the Loan and the Project by or on behalf of the Owner that is knowingly false or misleading in any respect or warranty of the Owner that is breached;

(g) any breach by the Owner of its obligations or any failure to observe its covenants under this Agreement, and the other Loan Documents;

(h) failure to complete the Project; and/or

(i) failure or refusal to acquire, rehabilitate, operate and/or maintain the Project in accordance with the Program.

The events set forth in the subsections (b) and (g) of this Section shall not constitute Events of Default until the prohibited acts, failure to perform or observe, or breaches shall remain uncured for a period of thirty (30) calendar days after the Agency's written notice to the Owner, specifying such prohibited act, failure or breach and requesting that it be remedied, unless the Agency shall agree in writing to an extension of such time prior to its expiration; provided, however, that after the Rehabilitation Period only, if the prohibited act, failure, or breach stated in each notice is correctable, but cannot be corrected within the 30-day period, the Agency may not unreasonably withhold its consent to an extension of up to 120 calendar days from the delivery of the written notice referred to herein if corrective action is instituted by the Owner, within the initial 30-day period and diligently pursued.

The failure of the Owner to comply with any of the provisions of Section 25 or 31 of this Agreement shall not be deemed an Event of Default hereunder unless such failure has not been corrected within a period of 60 calendar days, have actual or constructive knowledge of such failure or after the Agency's written notice to the Owner, whichever is earlier.

Section 32. Remedies. Upon the occurrence of any Event of Default, the Agency may at its option take any one or more of the following actions or remedies and no failure to exercise any remedy or take any action enumerated shall constitute a waiver of such right or preclude a subsequent exercise by the Agency of any such remedy:

(a) declare the entire principal sum of the Mortgage together with all other liabilities of the Owner under the Note to be immediately due and payable;

(b) cease making disbursements to the Owner of any funds under the Loan or from reserves held by the Agency;

(c) apply any reserves held by the Agency or the balance in the accounts for Project disbursements and revenues, or any combination of these monies, to the payment of the Owner's liabilities hereunder;

(d) foreclose the lien of the Mortgage on the Project and Land or a portion thereof, including without limitation all Improvements existing or hereafter placed in or on the Project and Land. In any action to foreclose, the Agency shall be entitled to the appointment of a receiver of the rents and profits of the Project as a matter of right and without notice, with power to collect the rents, uses and profits of said Project, due and becoming due during the pendency of such foreclosure suit, such rents and profits being hereby expressly assigned and pledged as additional security for the payment of the indebtedness secured by the Mortgage without regard to the value of the Project or the solvency of any person or persons liable for payment of the mortgaged indebtedness. The Owner for itself and any such subsequent owner hereby waives any and all defenses to the application for a receiver as above and hereby specifically consents to such appointment without notice, but nothing herein contained is to be construed to deprive the holder of the Mortgage of any other right, remedy or privilege it may now have under the law to have a receiver appointed. The provisions for the appointment of a receiver of the rents and profits and the assignment of such rents and profits, is made an express condition upon which the Loan hereby secured are made. Upon such foreclosure the Agency shall have the right to have a receiver appointed for the Project and the rent from the Project;

(e) pursuant to its rights under the Act and the Program, remove the Project Manager(s) after consultation with the Owner, or, if the Agency, after consultation with the Owner, decides, it is in the best interest of the Project and Clients, hereinafter defined, the Owner shall deed the Project and Land to the Agency;

(f) take possession of the Project and Land or a portion thereof;

(g) without judicial process, collect all rents and other revenue including federal and State subsidies as the agent of the Owner (which upon the occurrence of any Event of Default the Agency is deemed to have been irrevocably appointed by the Owner), and apply the same at the Agency's option either to the operation and maintenance of the Project or to the liabilities of the Owner under the Mortgage;

(h) act as landlord of the Project and rent or lease the same on any terms approved by it, or dispossess by summary proceedings or other available means any tenant defaulting under the terms of the lease of a dwelling unit;

(i) take possession of equipment, appliances or other tangible personal property in which a security interest has been granted by this Agreement or the Mortgage and dispose of the same in any

commercially reasonable manner. The Agency shall have the option to dispose of any such equipment and personal property either separately from the Project and Land or in conjunction with a sale of the Project and Land, and the Owner agrees that either method of disposition shall be commercially reasonable;

(j) make effective an assignment of the Architectural Contract by the Owner to the Agency, in which event the Agency is specifically empowered by the Owner to exercise any and all rights of the Owner under the Architectural Contract, and at the option of the Agency to proceed with the rehabilitation of the Project, in which event all payments by the Owner made with respect to the Architectural Contract shall be treated as disbursements on the Loan;

(k) subject to Section 40 hereof, sue the Owner for a mandatory injunction or other equitable relief requiring performance by the Owner of any of its obligations under this Agreement or the Mortgage or the other Loan Documents. The Owner agrees with the Agency that the Agency's remedy at law for the violation or nonperformance of the Owner's obligations under the Mortgage or this Agreement or the other Loan Documents is not adequate by reason, among other things, of the Agency's public purpose to provide adequate, safe and sanitary dwelling units;

(l) after consultation with the Owner, sue under the Architectural Contract or on a warranty to recover any amount payable to the Owner pursuant to the Architectural Contract or payable to the Owner pursuant to any such warranty and to settle any such claim or liability and release the same and apply the proceeds of any such suit, settlement or release to the liabilities of the Owner under this Agreement or the Mortgage;

(m) if the Owner commits a breach or threatens to commit a breach of any of the provisions of the Mortgages or other Loan Documents, the Agency shall have the right, without posting bond or other security, to seek injunctive relief or specific performance, it being acknowledged and agreed that any such breach, or threatened breach, will cause irreparable injury to the Agency and that money damages will not provide an adequate remedy;

(n) to undertake reasonable maintenance and make reasonable repairs to the Project and to add the cost thereof to the principal balance of the Mortgages; and/or

(o) notwithstanding the above enumeration of remedies, the Agency shall have available to it all other remedies provided at law or in equity or any other action permitted by law subject to the provisions of Section 40 of this Agreement.

Section 33. Expenses Due to Default. All expenses (including reasonable attorneys' fees and costs and allowances) incurred in connection with an action to foreclose the Mortgage or in exercising any other remedy provided by the Mortgage or this Agreement or the other Loan Documents, including the curing of any Event of Default, shall be paid by the Owner, together with interest at the then current rate being received by the Agency on its investments as determined in good faith by the Agency. Any such sum or sums and the interest thereon shall be a further lien on the Project, Land and Improvements, and shall be secured by this Agreement and the Mortgage.

Section 34. Burden and Benefit. The Agency and the Owner hereby declare their understanding and intent that the burden of the covenants set forth herein touch and concern the Land in that the Owner's legal interest in the Land and the Project is rendered less valuable thereby. The Agency and the Owner hereby further declare their understanding and intent that the benefit of such covenants touch and concern the Land by enhancing and increasing the enjoyment and use of the Land and part of the Project as housing to individuals with developmental disabilities and/or Multiple Sclerosis.

Section 35. Uniformity; Common Plan. The covenants, reservations and restrictions hereof shall apply uniformly to the entire Project and Land.

Section 36. Remedies; Enforceability. The provisions hereof are imposed upon and made applicable to the Land and shall run with the Land and shall be enforceable against the Owner or any other person or entity that has or had an ownership interest in the Project at the time of such violation or attempted violation. No delay in enforcing the provisions hereof as to any breach or violation shall impair, damage or waive the right of any party entitled to enforce the provisions hereof or to obtain relief against or recover for the continuation or repetition of such breach or violation or any similar breach or violation hereof at any later time or times.

Section 37. Amendments; Notices; Waivers. This Agreement and the Mortgage may be amended only by an instrument in writing executed and acknowledged on behalf of the Agency and the Owner in such manner that the instrument may be recorded.

No waiver by the Agency in any particular instance of any Event of Default or required performance by the Owner and no course of conduct of the parties or failure by the Agency to enforce or insist upon performance of any of the obligations of the Owner under this Agreement, the Mortgage, or under the other Loan Documents at any time shall preclude enforcement of any of the terms of this Agreement, the Mortgage, the Note, or the other Loan documents thereafter.

Any provisions of this Agreement, the Mortgage or other Loan Documents requiring the consent or approval of the Agency for the taking of any action or the omission of any action requires such consent by the Agency in writing signed by a duly authorized officer of the Agency. Any such consent or approval, unless it expressly states otherwise, is limited to the particular action or omission referred to therein and does not apply to subsequent similar actions or omissions.

Notice provided for under this Agreement shall be given in writing signed by a duly authorized officer and any notice required to be given hereunder shall be given by recognized private carrier with acknowledgment of delivery or by confirmed facsimile, with a hard copy sent by certified mail, return receipt requested, or by certified or registered mail, postage prepaid, return receipt requested, at the addresses specified below, or at such other addresses as may be specified in writing by the parties hereto.

**Agency: Executive Director
New Jersey Housing and Mortgage Finance Agency
637 South Clinton Avenue, CN 18550
Trenton, NJ 08650-2085**

**Owner: Vincent Barra, President
Allendale Housing, Inc.
500 West Crescent Avenue
Allendale, New Jersey 07401**

All notices shall be deemed given when received.

Section 38. Severability. The invalidity of any part or provision hereof shall not affect the validity, legality and enforceability of the remaining portions hereof, and to this end the provisions of this Agreement shall be severable.

Section 39. Successors and Assigns. This Agreement and all rights, duties, obligations and interests arising hereunder shall bind and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and permitted assigns.

Section 40. Personal Liability. Notwithstanding any other provision contained in this Agreement, the other loan documents or any other document or instrument executed by the owner in connection herewith or therewith, the Agency agrees, on behalf of itself and any future holder of the Note, that the liability of the Owner, any general or limited partner, member or shareholder of the Owner, if applicable, and its respective heirs, representatives, successors and assigns, for the payment of its obligations hereunder and under the other loan documents, including, without limitation, the payment of principal, interest and other charges due hereunder and thereunder, shall be limited to the collateral pledged under the mortgage and the other loan documents, and that the Agency shall have no right to seek a personal judgment against the Owner, any general or limited partner, member or shareholder of the Owner, if applicable and its respective heirs, representatives, successors and assigns, individually, except to the extent necessary to subject the collateral (including the Project and Land) pledged under the Mortgage and the other loan documents to the satisfaction of the Mortgage debt, and provided, however, that the Agency shall retain the right to exercise any and all remedies granted to it under the Mortgage, this Agreement and the other loan documents, including without limitation the right to sue for injunctive or other equitable relief. The foregoing limitation of liability shall not apply to any party to the extent such party has committed fraudulent, criminal or other unlawful acts and shall not apply to such amounts due to the Lender pursuant to Sections 10, 11, 12, 13, 14, 33 of this Agreement.

Section 41. RESERVED.

Section 42. Disclaimer of Warranties, Liability; Indemnification/Defense.

A. The Owner acknowledges and agrees that: (i) the Agency has not heretofore and does not make any warranty or representation, either express or implied, as to the value, condition, or fitness for particular purposes of the Project or any portions thereof or any other warranty or representation with respect thereto; (ii) in no event shall the Agency or its agents or employees be liable or responsible for any incidental, indirect, special or consequential damages in connection with or arising out of this Agreement or any of the other Loan Documents or the development of the Project or the existence, functioning or use of the Project or any items or services provided for in this Agreement or the other Loan

Documents; and (iii) during the term of this Agreement and the other Loan Documents and to the fullest extent permitted by law, the Owner shall indemnify, defend and hold the Agency harmless against, damage, claims, judgments or expenses of any and all kinds or nature and however arising, imposed by law, which the Owner and the Agency including reasonable attorneys' fees and costs, may sustain, be subject to, or be caused to incur by reason of any claim, suit or action based upon personal injury, death or damage to property, whether real, personal or mixed, or upon or arising out of contract entered into by the Owner, or arising out of the Owner's ownership of the Project or out of the construction, rehabilitation, operation or management of the Project.

B. It is mutually agreed by the Owner and the Agency that the Agency and its directors, officers, agents, servants and employees shall not be liable for any action performed under this Agreement, and that the Owner shall hold them harmless from any claim or suit of whatever nature.

C. Any claims asserted against the Agency shall be subject to the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1, et seq. While this statute may not be applicable by its terms to claims arising under contracts with the Agency, the Owner agrees that it shall be applicable to any claims arising under the Loan Documents. It is acknowledged by the parties that the Agency is a public entity covered by the provisions of the New Jersey Tort Claims Act, N.J.S.A. 59:1-1, et seq.

Section 43. Recording. This Agreement shall be duly recorded in the Office of the Clerk for the county in which the Land is located within ten (10) days following its execution.

Section 44. Governing Law. This Agreement shall be governed by the laws of the State of New Jersey. The parties agree that any cause of action that may arise under this Agreement or the Loan Documents shall have jurisdiction and venue only in the Courts of the State of New Jersey in and for the County of Mercer.

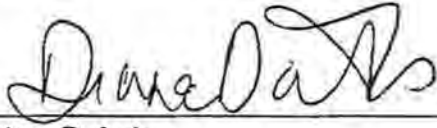
Section 45. Equal Opportunity and Non-Discrimination. The Owner covenants and agrees that it will comply with the Agency guidelines with respect to equal opportunity and non-discrimination in its purchase of goods and services for the operation and maintenance of the Project throughout the term of this Agreement.

Section 46. Counterparts. This Agreement may be executed in multiple counterparts, all of which shall constitute one and the same instrument, and each of which shall be deemed to be an original. A fax copy of a signature on this Agreement shall have the same effect as an original provided that an original is received by the other party hereto within two business days thereafter.

Section 47. Investment Funding. The Owner agrees to make an investment in the Project and Land in an amount which is not less than 20% of the total Project cost as determined by the Agency pursuant to the Act and the Program. In the event the principal sum set forth in the Agency Financing that is advanced to the Owner is determined by the Agency to exceed 80% of the total Project cost, the Owner shall reimburse the Agency an amount that would reduce the Agency Financing to 80% of the total Project cost.


IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

WITNESS/ATTEST

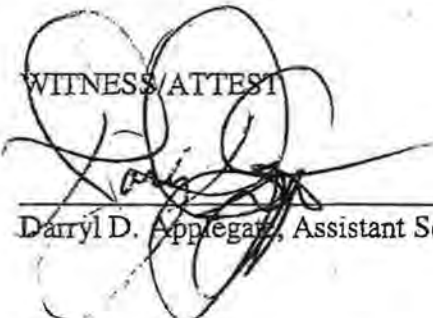


Diane Dabulas

OWNER:
ALLENDALE HOUSING, INC.

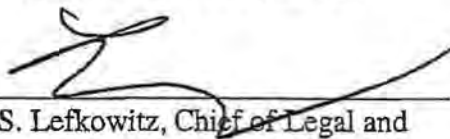
By: 
Vincent Barra, President

WITNESS/ATTEST



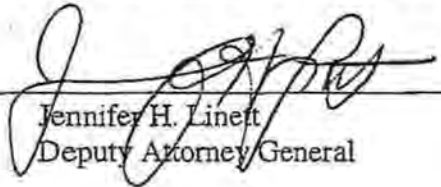
Darryl D. Applegate, Assistant Secretary

LENDER:
NEW JERSEY HOUSING AND
MORTGAGE FINANCE AGENCY

By: 
Leslie S. Lefkowitz, Chief of Legal and
Regulatory Affairs

This Agreement is approved as to form:

ATTORNEY GENERAL OF NEW JERSEY

By: 
Jennifer H. Linett
Deputy Attorney General

Unit Information - New Construction

Municipality Name:
Muni Code:
Project / Program:

Allendale

County: Bergen

Homeownership

Project Number (to be assigned by COAH)

1							2	3	4	5	6		7	8	9	10	11	12	13	14	15	16	17	18	19	20		
Address	Unit / Apt #	block	block suffix	lot	lot suffix	Qualifier	age-restricted/ family	income level	rental / for- sale	bedroom type	Barrier Free		Housing Type	Building Permit Completion Date	C.O. #	C.O. date	initial sale or rental price	% of affordability	municipal subsidy	effective date of affordability controls	Perpetual Lien	length of affordability controls	date affordability controls removed	reason for removal of controls	95/5 unit	creditworthy		
											(select one)	(select one)															(select one)	(select one)
101 Crescent Commons CT	101	904		10.01		C001	F		S	3	Y		Townhouse	12/30/13	20130179	11/9/14	178,242											
102 Crescent Commons CT	102	904		10.01		C002	F		S	2	Y		"	"	"	"	142,211											
103 Crescent Commons CT	103	904		10.01		C003	F		S	2	Y		"	"	"	"	119,534											
104 Crescent Commons CT	104	904		10.01		C004	F		S	2	Y		"	"	"	"	105,928											
105 Crescent Commons CT	105	904		10.01		C005	F		S	2	Y		"	"	"	"	90,055											
106 Crescent Commons CT	106	904		10.01		C006	F		S	3	Y		"	"	"	"	123,213											

Verification by Municipal Housing Liaison that all households are income eligible, that units are affirmatively marketed, that appropriate affordability controls are in place and that rental and sales

Verification by Construction Code Official that the certificate of occupancy information is accurate and that barrier free regulations have been met.

Municipal Housing Liaison _____

date _____

Code Official _____

Date (mm/dd/yy) _____



APPENDIX L
FORMER FARM / ALLENDALE HEIGHTS

Transfer and Development Agreement
Lots 4.07 and 4.08, Block 506
Part of 221 East Crescent Avenue, Allendale, New Jersey

This Agreement made as of the 24th day of August, 2017 by and between Allendale Heights, LLC, a New Jersey limited liability company, located at 479 Route 17 North, Mahwah, NJ 07430 (the "Transferor"), J.D. Pioneer, Inc. located at 2422 Hamburg Turnpike, Wayne, NJ 07470 ("Builder"), and BCUW/Madeline Housing Partners, LLC ("BCUW/Madeline") located at 6 Forest Avenue, Suite 210, Paramus, NJ 07652 (the "Developer").

WHEREAS, the Transferor is the record owner of property commonly known as 221 East Crescent Avenue, Block 506, and Lot 4 on the Tax Assessment Map of the Borough of Allendale. The property is about to be subdivided to create a number of separate lots including proposed Lots 4.07 and 4.08 fronting on East Crescent Avenue, Borough of Allendale, New Jersey (the "Property"); and

WHEREAS, Transferor and the Developer seek to cause to be constructed and operated on the Property a housing project consisting of two single family residences which are to be low income affordable family rental housing, or fee owner properties, for occupancy by Veterans; and

WHEREAS, BCUW/Madeline is recognized as a charitable entities under Internal Revenue Code Section 501(c) (3); and

~~WHEREAS, BCUW/Madeline is experienced in seeking, obtaining, and exploiting grants~~
and generating funds for construction of supportive housing, low income and affordable family residence projects.

NOW THEREFORE WITNESSETH this Agreement that for and in consideration of the sum of One and no/100 (\$1.00) Dollar, the parties agree as follows:

1. The foregoing recitals are made apart of this Agreement.

2. The Transferor will convey fee simple title to the Property to the Developer for the sum of One and no/100 (\$1.00) Dollar subject to restrictions, performance, and warranties hereinafter contained. The transfer is to occur promptly after all contingencies stated below are met or waived by the Transferor and Developer. By virtue of the execution of this Agreement, the Developer hereby accepts the obligations of Transferor as it pertains to requirements to provide two (2) affordable family housing units in the Borough of Allendale on the Property and accepts the responsibilities and obligations in regards to that requirement as stated in the subdivision approval granted by the Borough of Allendale for the subdivision of Block 506, Lot 4 as shown on the Tax Map of the Borough of Allendale.

3. This Agreement is contingent on the following to occur after receipt by Developer of a fully signed copy of this Agreement:

(a) Final, unappealable, subdivision approval and filing of a subdivision map depicting the Property substantially as shown on Final Subdivision Plat, Allendale Heights, prepared by Lapakta Associates, Inc. under Project No. 07-187 dated January 27, 2016, posting of any required subdivision improvement guarantees by Transferor and execution of any necessary developer agreements with municipal or county authorities and demolition and removal of existing structures. Transferor is to be in full compliance with all obligations under any Developer's Agreement with the Borough such that Developer may obtain building permits and, upon completion of its construction, final Certificates of Occupancy independent of the status of Transferor's remaining property. Water and sewer are to be installed and available to the property line of each lot in the Property. Transferor shall determine as a condition of closing the status of Developer's work will not delay Certificates of Occupancy for Transferor's remaining property.

(b) Intentionally Deleted.

(c) Developer obtaining and receiving a title search for the Property evidencing that title will be marketable of record subject only to easements and restrictions imposed by the Borough of Allendale or Bergen County arising from the subdivision approval and a commitment that a fee owner title insurance and a lender title insurance policy will be issued at regular rates. If this contingency is not met or waived within sixty (60) days of full signing of this Agreement by written notice to the Transferor, either the Transferor or the Developer may terminate this Agreement on seven (7) days prior written notice.

4. Closing shall occur promptly after the contingencies have been met or waived. Transfer shall be by a bargain and sale deed with covenants against grantors acts except for the use restriction stated above.

5. After full execution of this Agreement, Developer will apply for approvals for construction of the Project and seek a building permit through applicable municipal agencies, county agencies and agencies of the State of New Jersey. The Developer will diligently prepare, file and pursue approvals of site plan applications if needed in order to seek building permits.

6. J.D. Pioneer, Inc., a New Jersey corporation (the "Builder") shall be retained to supervise construction of the Project.

7. Once building permits have been issued, the Developer and the Builder agree to make all efforts to complete, or cause the completion of, the construction of the Project within twelve (12) months of Closing. The twelve (12) month period shall be subject to extension for delays beyond the Developer's control including, but not limited to, acts of god, adverse weather conditions, unavailability of materials from anticipated sources of supply, labor difficulties, and physical conditions discovered on the Property not anticipated by the Developer related to environmental conditions. The resulting Project structures shall be licensed by and operated by an

entity licensed by the New Jersey Department of Human Services pursuant to the conditions and regulations established and amended from time to time for supportive low income housing.

8. The Developer shall be permitted to place upon the Property title liens and encumbrances required by New Jersey government financing sources, HMFA, the New Jersey Department of Human Services, or other financing sources, such as deed restrictions for use for the Project and financial liens and lien priority agreements.

9. The Developer represents and warrants to the Transferor that BCUW/Madeline is a valid and existing entity authorized to do business in the State of New Jersey including the construction of projects such as the Project contemplated by this Agreement and experienced in obtaining funding for such project as well as creating and operating entities favorable for completing and operating projects as contemplated by this Agreement.

10. Transferor and Developer mutually represent to the other that no broker participated in the negotiation of this transaction. The Transferor and the broker each hereby indemnify, save, and hold harmless the other from a claim for a broker's fee as a result of the transaction contemplated hereby.

11. All notices with regard to this Agreement shall be in writing and delivered to the other party in the following manner:

- (a) by certified mail, return receipt requested, effective one day after mailing;
- (b) by nationally recognized overnight delivery service, effective one day after delivery to the overnight service;
- (c) by facsimile initiated between 9 A.M. and 4:30 P.M. on any business day that is not a New Jersey banking holiday followed by certified mail, return receipt requested, of a copy of the notice, effective upon initiating of the facsimile;

(d) by any other future form of electronic communication where proof of initiating the transmission can be documented in writing provided written notice by certified mail, return receipt requested is delivered promptly thereafter, which electronic notice shall be effective upon initiation; or

(e) by personal delivery to the principal office of the party and to the person designated by that party in writing from time to time, effective upon personal delivery.

12. Notices shall be delivered to the following persons:

(a) Notices to Developer shall be addressed to BCUW/Madeline Housing Partners, LLC, 6 Forest Avenue, Suite 210, Paramus, NJ 07652, Attn: Thomas Toronto, Co-Manager, with a copy to Madeline Corporation, 555 Tenth Street, Palisades Park, NJ 07650, Attn: Sheri DePalma, Co-Manager, and with a copy to Beattie Padovano, LLC, P.O. Box 244, 50 Chestnut Ridge Road, Suite 208, Montvale, NJ 07645-0244, Attn: Emery C. Duell, Esq.

(b) Notices to Builder shall be addressed to J.D. Pioneer, Inc. at 2422 Hamburg Turnpike, Wayne, NJ 07470.

(c) Notices to Transferor shall be addressed to Allendale Heights, LLC, 479 Route 17 North, Mahwah, NJ 07430 with a copy to Bruce Whitaker, Esq., 245 East Main Street, P.O. Box 379, Ramsey, NJ 07446.

13. Electronic Signatures. The parties agree to accept electronically signed documents as the equivalent of original signatures.

14. This Agreement contains all of the terms and conditions of the understanding of the parties. This Agreement may only be changed by written amendment executed by representatives of Transferor and Developer.

15. The execution of this Agreement by the Developer is duly authorized by executed resolution of the members of the Developer in accordance with the governing documents. Transferor represents that this agreement has been reviewed and is authorized by resolution of the Board of Directors of the Transferor in accordance with the governing documents.

CHAMBERLAIN DEVELOPERS, INC.

By: 
MATTHEW FRASCO, President

BCUW/MADELINE HOUSING
PARTNERS, LLC

By: 
THOMAS TORONTO, Manager

By: 
SHARI DEPALMA, Manager

J.D. PIONEER, INC.

By: 
JOHN DALO



APPENDIX M

220 WEST CRESCENT

CONSTRUCTION SCHEDULE
220 WEST CRESCENT CONSTRUCTION PROJECT
BOROUGH OF ALLENDALE, BERGEN COUNTY, NEW JERSEY

<u>Activity</u>	<u>Start Date</u>	<u>Completion Date</u>
Court Approves HEFSP		October 2018
RFP Process:	October 2018	November 2018
Developer Selection:	November 2018	
Site Plan Preparation:	December 2018	February 2019
Site Plan Approvals:	February 2019	April 2019
Building Design:	February 2019	April 2019
Contractor Selection:	May 2019	June 2019
Construction Permits:	July 2019	August 2019
Funding:	July 2019	September 2020
Construction:	September 2019	September 2020
Occupancy:	December 2020	

Note: Construction must begin by the later of October 2020 or two (2) years from Judgment of Repose to address N.J.A.C. 5:93-5.5(a)4 and item 8 of the Borough's Settlement Agreement with Fair Share Housing Center.



APPENDIX N
EASTERN CHRISTIAN GROUP HOME I

**Department of Community Affairs
Local Planning Services
Supportive and Special Needs Housing Survey**

Municipality: Allendale County: Bergen

Sponsor: Eastern Christian Children's Retreat Developer: Eastern Christian Children's Retreat

Block: 910 Lot: 3 Street Address: 135 W. Crescent Ave., Allendale, NJ

Facility Name: Crescent Ave. Group Home

<p>Section 1: Type of Facility:</p> <p><input checked="" type="checkbox"/> Licensed Group Home</p> <p><input type="checkbox"/> Transitional facility for the homeless (not eligible for credit as affordable housing after June 2, 2008)</p> <p><input type="checkbox"/> Residential health care facility (licensed by NJ Dept. of Community Affairs or DHSS)</p> <p><input type="checkbox"/> Permanent supportive housing</p> <p><input type="checkbox"/> Supportive shared housing</p> <p><input type="checkbox"/> Other - Please Specify: _____</p>	<p>Section 2: Sources and amount of funding committed to the project:</p> <p><input checked="" type="checkbox"/> Capital Application Funding Unit \$ _____</p> <p><input type="checkbox"/> HMPA Special Needs Housing Trust Fund \$ _____</p> <p><input type="checkbox"/> Balanced Housing - Amount \$ _____</p> <p><input type="checkbox"/> HUD - Amount \$ _____ Program _____</p> <p><input type="checkbox"/> Federal Home Loan Bank - Amount \$ _____</p> <p><input type="checkbox"/> Farmers Home Administration - Amount \$ _____</p> <p><input type="checkbox"/> Development fees - Amount \$ _____</p> <p><input checked="" type="checkbox"/> Bank financing - Amount \$ <u>637,500</u></p> <p><input checked="" type="checkbox"/> Other - Please specify: <u>Private funds; fundraising</u></p> <p><input type="checkbox"/> For proposed projects, please submit a pro forma</p> <p><input type="checkbox"/> Municipal resolution to commit funding, if applicable</p> <p><input checked="" type="checkbox"/> Award letter/financing commitment (proposed new construction projects only)</p>
<p>Section 3: For all facilities other than permanent supportive housing:</p> <p>Total # of bedrooms reserved for:</p> <p>Very low-income clients/households <u>5</u></p> <p>Low-income clients/households _____</p> <p>Moderate-income clients/households _____</p> <p>Market-income clients/households _____</p>	<p>Section 4: For permanent supportive housing:</p> <p>Total # of units _____, including:</p> <p># of very low-income units _____</p> <p># of low-income units _____</p> <p># of moderate-income units _____</p> <p># of market-income units _____</p>
<p>Section 5:</p> <p>Length of Controls: <u>30</u> years</p> <p>Effective Date of Controls: <u> / / </u></p> <p>Expiration Date of Controls: <u> / / </u></p> <p>Average Length of Stay: <u> </u> months (transitional facilities only)</p>	<p>Section 6:</p> <p><input type="checkbox"/> CO Date: <u> / / </u></p> <p>For licensed facilities, indicate licensing agency:</p> <p><input checked="" type="checkbox"/> DDD <input type="checkbox"/> DMHS <input type="checkbox"/> DHSS <input type="checkbox"/> DCA <input type="checkbox"/> DCF</p> <p><input type="checkbox"/> Other <u>House under construction</u></p> <p>Initial License Date: <u> / / </u></p> <p>Current License Date: <u> / / </u></p>
<p>Section 7:</p> <p>Has the project received project-based rental assistance? <u> </u> Yes <input checked="" type="checkbox"/> No; Length of commitment: _____</p> <p>Other operating subsidy sources: <u>Department of Human Services, DDD</u>; Length of commitment: <u>20 years</u></p> <p>Is the subsidy renewable? <input checked="" type="checkbox"/> Yes <u> </u> No</p>	
<p>Section 8: The following verification is attached:</p> <p><input type="checkbox"/> Copy of deed restriction or mortgage and/or mortgage note with deed restriction (30-year minimum, HUD, FHA, FHLB, UHAC deed restriction, etc.)</p> <p><input checked="" type="checkbox"/> Copy of Capital Application Funding Unit (CAFU) or DHS Capital Application Letter (20 year minimum, no deed restriction required)</p>	
<p>Section 9:</p> <p>Residents 18 yrs or older? <input checked="" type="checkbox"/> Yes <u> </u> No</p> <p>Population Served (describe): <u>Individuals with intellectual and developmental disabilities.</u></p> <p>Age-restricted? <u> </u> Yes <input checked="" type="checkbox"/> No</p> <p>Accessible (in accordance with NJ Barrier Free Subcode)? <input checked="" type="checkbox"/> Yes <u> </u> No</p>	



Section 10: Affirmative Marketing Strategy (check all that apply):

- DDD/DMHS/DHSS waiting list
- Affirmative Marketing Plan approved by the Council's Executive Director

CERTIFICATIONS

I certify that the information provided is true and correct to the best of my knowledge and belief.

Certified by:	<u><i>Jane Puss</i></u>	<u><i>5/14/15</i></u>
	Project Administrator	Date
Certified by:	<u><i>Chadford</i></u>	<u><i>5/11/18</i></u>
	Municipal Housing Liaison	Date

**AGREEMENT BETWEEN EASTERN CHRISTIAN AND THE BOROUGH OF
ALLENDALE FOR THE CONSTRUCTION, DEVELOPMENT AND
ADMINISTRATION OF A LICENSED GROUP HOME FOR THE
DEVELOPMENTALLY DISABLED FOR AFFORDABLE HOUSING CREDIT**

This Agreement (“Agreement”) made this 1st day of February, 2016 between Eastern Christian Children’s Retreat (hereinafter designated as “Eastern Christian”) a non-profit corporation of the State of New Jersey, located at 700 Mountain Avenue, Wyckoff, NJ 07481, and the Borough of Allendale, a municipal corporation of the State of New Jersey, 500 W. Crescent Avenue, Allendale, New Jersey 07401 (hereinafter designated as 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:

Authority; Obligation

1. This Agreement is made pursuant to the authority contained in the New Jersey Fair Housing Act at N.J.S.A. 52:27D-311.e. and in the Second Round regulations of the New Jersey Council on Affordable Housing (“COAH”) at N.J.A.C. 5:93-5.8, whereby a municipality may elect to enter into an agreement with a group home sponsor to provide very low-income housing for those with developmental disabilities through an alternative living arrangements affordable housing program specifically including group homes.
2. Eastern Christian recognizes that the Municipality has a statutory obligation to provide very low-income housing for those with developmental disabilities and that the Municipality has chosen to satisfy a portion of that obligation by entering into the within Agreement with Eastern Christian.
3. Eastern Christian represents that it has the ability and the authority, and that it has purchased Block 910/Lot 3 in the Municipality (the “Site” or

“property”) and it hereby agrees, to construct, develop and administer a five-bedroom group home on the Site (hereinafter referred to as the “Project”). Pursuant to N.J.A.C. 5:93-5.8(b), the unit of COAH credit for group homes shall be the bedroom.

4. Eastern Christian agrees to develop and administer the Project as a group home for the developmentally disabled, as licensed and/or regulated by the New Jersey Department of Human Services (hereinafter designated as “DHS”) for and on behalf of the Municipality in satisfaction of a portion of the Municipality’s obligation to provide very low-income housing consistent with the terms and conditions set out in this Agreement and as the term ‘very low-income’ is defined pursuant to section 4 of P.L. 1985, c.222 (N.J.S.A. 52:27D-304).

Site Selection

5. Eastern Christian has or shall perform all reasonable, ordinary and necessary testing done in connection with the purchase of Block 910/ Lot 3, including, but not limited to engineering or environmental testing as necessary. Eastern Christian shall also perform all necessary title, survey by a licensed surveyor, tax, water and sewer and assessment searches on the property. Eastern Christian shall develop the group home on the property in accordance with Borough and DHS requirements.
6. Eastern Christian shall ensure that all structures on the Site selected are adaptable/accessible pursuant to the provisions of N.J.S.A. 52:27D-123.15, where applicable.
7. Eastern Christian shall comply in all respects with the requirements promulgated by COAH and/or the Superior Court of New Jersey for the

development and administration of group homes for those with developmental disabilities including, but not limited to, full compliance with N.J.A.C. 5:93-5.8, et seq. as well as all rules and regulations promulgated by COAH and the DHS that affect the Project. In addition, Eastern Christian shall prepare any and all required COAH/Court monitoring forms as requested by the Municipality and shall submit such forms to the Municipality for submission to COAH or the Superior Court.

Pre- Construction Review; Construction

8. Prior to construction, the results of all testing, title and inspection/investigations performed shall be forwarded to the Municipality in sufficient time for the Municipality to review and approve of the condition of the Site.
9. In constructing the group home on the site, Eastern Christian shall comply with all State and Municipal construction codes, as well as all other applicable State and Municipal codes/requirements.

Financing; Restrictions

10. Eastern Christian has received capital funding from the Division of Developmental Disabilities (“DDD”) of DHS in the amount of \$250,000 to aid in the financing of the construction and development of the proposed group home (see attached DDD Capital Funding Agreement and Annex). Eastern Christian may apply to other funding sources to offset the cost of development, construction and administration of the Project.
11. The DDD Capital Funding Agreement requires Eastern Christian to develop, construct and administer a group home for developmentally disabled residents. The DDD Capital Funding Agreement is for a renewable 20-year

period. Pursuant to this Agreement with the Municipality, Eastern Christian is required to apply to the DDD for an extension of the DDD Capital Funding Agreement pursuant to section 8.02 of the DDD Capital Funding Agreement before the 20-year agreement expires so as to provide a minimum 30-year affordability control period for the group home.

12. The Municipality shall aid Eastern Christian financially, in the amount of \$50,000, in the development of the Project to the extent necessary once all other sources have been committed, provided that (a) the Superior Court approves this Agreement and the Borough's spending plan which includes this group home expenditure and (b) a certificate of occupancy is issued for the group home to be constructed by Eastern Christian on the site.
13. The financial assistance provided by the Municipality in the preceding paragraph shall only be used to assist in the development of the Project, and shall not be used for other related costs (such as operational expenses, etc.). Eastern Christian acknowledges that it is responsible for obtaining and/or providing funds for such other costs.
14. In-lieu of the requirement that Eastern Christian provide an Affordable Housing Deed Restriction on the property, the Municipality shall enter into this Agreement with Eastern Christian to ensure that the group home is maintained as a group home for the developmentally disabled, as licensed and/or regulated by the DHS for and on behalf of the Municipality in satisfaction of a portion of the Municipality's obligation to provide very low-income housing for a minimum period of thirty (30) years from the date the Project receives a certificate of occupancy from the Borough.

15. The Municipality shall rely on this Agreement to be eligible for a rental bonus (pursuant to N.J.A.C. 5:93-5.15), as this Agreement serves as the control on affordability to remain in effect for at least 30 years.
16. Upon expiration of the period of restriction imposed by the DDD Capital Funding Agreement, including any extensions thereto, as long as the group home remains restricted for a minimum of 30 years, Eastern Christian, or the then present owner, shall retain all equity in the home/unit and shall have no further obligation to the Municipality. Notwithstanding the foregoing, the Municipality shall retain the ability to further negotiate with Eastern Christian for an extension of the affordability controls at a future date. This may permit the Municipality to receive additional rounds of affordable housing credit for this group home.

Post-occupancy

17. Eastern Christian shall forward, or cause to be forwarded to the Borough, the original executed DDD Capital Funding Agreement for recording promptly after closing. All instruments that are to be recorded shall be recorded in the office of the Bergen County Clerk, Hackensack, New Jersey.
18. Eastern Christian shall be responsible for payment of all costs and fees associated with this Project's construction and development.
19. Eastern Christian shall be responsible for and comply with all requirements for an affirmative marketing plan as required by DDD.
20. Any Lease or Rental Agreement in connection with Project shall include the following clause in a conspicuous place:

“The Owner’s right, title and interest in this property and the use, sale, resale, rental, mortgage, refinance or encumbrance of this property are subject to the terms, conditions, restrictions, limitations and provisions as set forth in an

agreement between Eastern Christian and the Borough of Allendale dated _____, 2016, which has been recorded in the Office of the Bergen County Clerk and which is also on file with the Borough of Allendale.”

21. The Municipality shall have the right to record this Agreement with the Office of the Bergen County Clerk.
22. Eastern Christian, its successors and assigns, shall provide the Municipality with copies of its annual report each year during the Term of this Agreement, which, as set forth in Paragraph 16 herein, shall be a minimum of 30 years or as long as the Project remains in the Municipality’s housing element and fair share plan. Upon request of the Municipality, Eastern Christian shall permit inspection of the site, property, equipment, buildings and other facilities of the Project by representatives duly authorized by the Municipality. Any such inspection shall be made during reasonable hours of the business day, in the presence of an officer or agent of Eastern Christian, its successors or assigns. The Municipality’s right to conduct such reasonable inspections shall continue so long as Project remains in the Municipality’s affordable housing plan.

Violation, Defaults, and Remedies

23. In the event of a threatened breach of any of the terms of this Agreement by Eastern Christian, the Municipality shall have all remedies provided at law or equity, including the right to seek injunctive relief or specific performance, it being recognized by both parties to this Agreement that a breach will cause irreparable harm to the Municipality, in light of the public policies set forth in the New Jersey Fair Housing Act and the obligation for the provision of very low-income housing. Upon the occurrence of a breach of any of the terms of the Agreement by Eastern Christian, the Municipality

shall have all remedies provided at law or equity, recoupment of any funds from a sale or lease in violation of the Agreement, injunctive relief to prevent further violation of the Agreement, entry on the premises, and specific performance.

Miscellaneous

24. Notice or communication sent by either party to the other shall be by certified mail, return receipt requested, or confirmed telefax, or overnight delivery services (e.g. Federal Express) addressed as follows:

(a) When sent by Eastern Christian to the Municipality, it shall be addressed to:

Borough Clerk
Allendale Borough Municipal Building
500 W. Crescent Avenue
Allendale, New Jersey 07401
Fax No: 201-825-1913

Or such other address as the Municipality may designate in writing.

(b) When sent by the Municipality to Eastern Christian, it shall be addressed to:

Eastern Christian Children's Retreat
700 Mountain Avenue
Wyckoff, NJ 07481
Fax No: 201-847-9619

Or such other address as Eastern Christian may designate in writing.

25. Subject to the terms and provisions of this Agreement, Eastern Christian agrees that it will not sell, assign or transfer the Project or Eastern Christian's obligations under this Agreement to any corporation, association or entity, unless such corporation, association or entity qualifies to provide such services pursuant to law. It is agreed and understood that the Municipality has no obligation to consent to such sale, assignment or transfer unless and until all obligations to the Municipality under this

Agreement are completed to the satisfaction of the Municipality, and unless and until the proposed grantor, assignee or transferee agrees to assume all of the contractual and other obligations of Eastern Christian as are contained in this Agreement. Notwithstanding the foregoing or anything in this Agreement to the contrary, no such sale, assignment or transfer may be made without the prior written consent of the Municipality, which consent may be granted or withheld in the sole, absolute discretion of the Municipality, which consent shall not be unreasonably denied.

26. Notwithstanding anything in this Agreement to the contrary, the parties hereto specifically agree and acknowledge that the right and obligations of the parties hereunder, including but not limited to the Municipality's obligation to aid Eastern Christian financially in the development of the Project, are expressly contingent upon the prior occurrence of (a) the Municipality receiving entry of an Order of final approval of the Superior Court of New Jersey of this Agreement and the Municipality's spending plan (the "Spending Plan Order"); or (b) the Municipality receiving entry of an Order of final approval of the Superior Court of New Jersey of the Municipality's Housing Element and Fair Share Plan (the "Fair Share Order"), as may be supplemented and amended, in the action filed by the Municipality with the Superior Court of New Jersey, Bergen County, on July 7, 2015 entitled In the matter of the Application of the Borough of Allendale, County of Bergen, Docket No. Ber-L-6162-15; and (c) the passage of time within which any appeal from either Spending Plan Order or the Fair Share Order may be filed.

In the event an appeal from the Spending Plan Order and/or the Fair Share Order, or an appeal from any order of the Appellate Division affirming such Spending Plan Order and/or Fair Share Order (collectively "Orders"), is taken, all of the rights and obligations of the Municipality in this Agreement are expressly contingent upon the affirmation of such Orders by the Court to whom the appeal was taken, or the expiration of time to appeal from any such affirming Orders.

The Municipality shall pay to Eastern Christian the \$50,000 referenced in Paragraph 12 hereinbelow within sixty (60) days from the occurrence of the last of all the following events: (1) the issuance of a final certificate of occupancy for the Project; (2) the Superior Court of New Jersey's entry of an Order of final approval of both this Agreement and the Spending Plan Order; or the Superior Court of New Jersey's entry of the Fair Share Order; and (3) the passage of time within which any appeal of the Spending Plan Order, the Fair Share Order or the final order approving this Agreement may be taken without such appeal(s) having been filed, or if any appeal from any such orders is taken, upon the affirmation of such orders by the Court to whom the appeal was taken, or the expiration of time to appeal from any such affirming orders without any appeal being taken from such affirming orders.

Notwithstanding anything herein to the contrary, in the event that (1) the entry of such Spending Plan Order and/or Fair Share Order, (2) the issuance of a final certificate of occupancy and, (3) the affirmation on any

appeal from such Spending Plan Order and/or such Fair Share Order, or the expiration of the time within which to appeal from such Spending Plan Order and/or Fair Share Order have not both occurred on or before January 1, 2017, either party may cancel this Agreement by written notice to the other party, in which event this Agreement shall be deemed cancelled and terminated and neither party shall thereafter have any rights or obligations under this Agreement. The parties agree that in the event this Agreement is terminated the parties shall execute a document, in recordable form, discharging the parties from the obligations contained in this Agreement.

27. It is the intention of the parties hereto that the provisions of this Agreement are severable so that if any provisions, conditions, covenants or restrictions contained herein shall be invalid or void under any applicable federal, state or local law, the remainder shall be unaffected and remain fully enforceable. In the event that any provision, condition, covenant or restriction hereof is, at the time of execution of this Agreement, void, voidable or unenforceable as being contrary to any applicable federal, state or local law, both parties, their successors and assigns, and all persons claiming by, through or under them, covenant and agree that any future amendments or supplements to the said laws having the effect of removing said invalidity, voidability or unenforceability, shall be deemed to apply retroactively to this Agreement, thereby operating to validate the provisions of this Agreement which otherwise might be invalid and it is covenanted and agreed that any such amendments and supplements to the said laws shall have the effect herein described as fully as if they had been in effect at the time of the execution of this Agreement.

28. The parties agree that this Agreement shall be construed in accordance with the laws of the State of New Jersey, and that the laws of the State of New Jersey will apply to any dispute concerning it. The parties choose the Superior Court of New Jersey with venue in Bergen County as the exclusive forum for resolving any dispute concerning this Agreement.
29. This Agreement is the entire agreement between the Municipality and Eastern Christian. It replaces and cancels any prior written or verbal understandings and agreements between them. The terms of this Agreement may only be changed, amended or modified by a writing signed by both parties hereto.
30. Counsel for the Municipality and counsel for Eastern Christian have had the chance to review and request modifications to this Agreement prior to its execution, and any ambiguities which may be found to exist in this Agreement shall not be construed against either party.

IN WITNESS WHEREOF, the parties have signed this Agreement this 1st day of

February, 2016.

ATTEST:

BOROUGH OF ALLENDALE


Joe Dodd

By: [Signature]

ATTEST:

EASTERN CHRISTIAN CHILDREN'S
RETREAT

Jane Lieber

By: [Signature]

JANE LIEBER
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES
FEBRUARY 23, 2020



DONALD T. DIFRANCESCO
ACTING GOVERNOR

STATE OF NEW JERSEY
DEPARTMENT OF HUMAN SERVICES
DIVISION OF DEVELOPMENTAL DISABILITIES
PO BOX 726
TRENTON, NJ 08625-0726

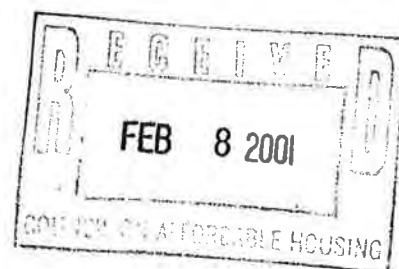
JAMES W. SMITH, JR.
ACTING COMMISSIONER

DEBORAH TRUB WEHRLIN
DIRECTOR

TEL. (609)292-3742

February 5, 2001

Shirley Bishop, Executive Director
N.J. Council on Affordable Housing
101 South Broad Street
PO Box 813
Trenton, NJ 08625-0813



Dear Ms. Bishop:

This letter is to confirm our conversation regarding certain use restrictions that are applied to Community Residences for the Developmentally Disabled that have been established with Capital Funding from the Department of Human Services, Division of Developmental Disabilities.

The contract between the State and the Agency purchasing the home to be operated as a Community Residence for the Division has an initial term of twenty years. During this time the home must remain in use for this purpose. At the end of the initial twenty-year period, it is the intention of the Division to renew the agreement for an additional term of not less than ten years. Should a renewal not be possible, the Division would seek to replace the home with another of comparable size within the same municipality.

As municipalities with unmet COAH obligations learn of the credits that are attached to Community Residences for the Developmentally Disabled, many are expressing interest in working with our Agencies and in contributing to the development cost of new homes. The Division is encouraging this as a means of leveraging the capital it has available. In doing so, the Division intends that the properties continue in that use indefinitely.

Shirley Bishop
February 5, 2001
Page 2

Thank you for allowing me to clarify this matter.

Sincerely,



Blanche Ellis
Director,
Community Capital Planning and Development

BE:ll

C: Deborah Trub Wehrlen
Robert Smith
Gail Larkin



APPENDIX O
EASTERN CHRISTIAN GROUP HOME 2



**COUNTY OF BERGEN
OFFICE OF THE COUNTY EXECUTIVE**

One Bergen County Plaza • Room 580 • Hackensack, NJ 07601-7076
(201) 336-7300 • Fax (201) 336-7304
countyexecutive@co.bergen.nj.us

James J. Tedesco III
County Executive

November 1, 2017

Jayne Press, Executive Director
Eastern Christian Children's Retreat
700 Mountain Avenue
Wycoff, NJ 07481

Dear Ms. Press:

I'm delighted to inform you that your recent application for FY 2017 – 2018 funding from the Bergen County Division of Community Development has been approved.

We look forward to working with you as a sub-grantee for the following project:

Hamilton House **\$200,000.00**

Chloe Drakes, a contract administrator with the Division of Community Development, has been assigned to work with you in executing this project through to completion. Please expect to hear from Chloe in the next month or so to review the sub-grant implementation process and begin first steps.

Should you have any questions before that time, please feel free to contact Rob Esposito, Director of the Division of Community Development, at (201) 336-7201 or resposito@co.bergen.nj.us

The Division of Community Development's partnership with the county's 70 municipalities and scores of nonprofit agencies over the years has resulted in a wide range of significant quality of life improvements to the benefit of Bergen residents. I couldn't be more pleased that you are part of our continuing effort to make Bergen County the very best it can be.

Sincerely,

A handwritten signature in black ink that reads "James J. Tedesco III".

James J. Tedesco, III
County Executive



JJT:rge

MORTGAGE NOTE

This Mortgage Note is made on _____.

BETWEEN the Borrower: Eastern Christian Children's Retreat, whose property is located at 200 W. Crescent Avenue, Allendale, New Jersey 07401.

AND the Lender: County of Bergen, whose address is Bergen County Community Development, One Bergen County Plaza – 4th Floor, Hackensack, New Jersey 07601.

1. BORROWER'S PROMISE TO PAY

In return for a loan that the Borrower has received, Borrower promises to pay U.S. \$200,000.00, called the "principal", plus interest as set forth in Section 3, to the order of the lender, who is the County of Bergen, Division of Community Development. The Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and is to receive payments under this Note is called the "Note Holder".

2. MORTGAGE TO SECURE PAYMENT

The Lender has given a Mortgage dated _____ to protect the Lender if the promises made in this are not kept. Borrower agrees to keep all promises made in the Mortgage covering the property. All of the terms of the Mortgage are made a part of this note.

3. TERMS

A deferred loan in which interest will be a rate equal to 0% fixed for 20 years or 240 months, defined as the period of affordability by the HOME Program Final Rule, §92.252. This loan will be forgiven at the end of the affordability period provided that the terms and conditions for rent (§92.252) and occupancy (§92.203) have been met for each year of the affordability period.

No interest will be charged on this loan. There will be no regular monthly payments of principal. Borrower must notify Lender of any change in status ninety (90) days prior to any modification in use. The County reserves the right to impose a late charge equal to 3% per annum of the unforgiven and outstanding loan principal should the Borrower fail to properly notify Lender of any changes in the properties use.

The County of Bergen, Division of Community Development reserves the right to enforce all covenants, agreements and affordability restrictions associated with this project in a manner appropriate to the violation or non-compliance with both financial and non-financial penalties including but not limited to 1) Verbal communication of the non-compliant issues with a limited and specified time period for correction; 2) Written communication of non-compliance with limited time and specified time period for correction; 3) Imposition of short- or long-term financial penalties until the violation is resolved; 4) Increased monitoring with a charge fee for re-inspection; and 5) Legal action or full repayment of the loan.

The full amount of principal plus interest can be made due and payable if the property securing this Note, or any interest in the property, is sold, transferred or no longer used as affordable housing for low/moderate income persons prior to satisfaction of the affordability period.

4. BORROWER – agrees with the Lender or other holder hereof.

- A. To pay all taxes, assessments, water, rents and other governmental charges levied or assessed against the mortgaged property within thirty (30) days after the same shall have become due and payable.
- B. To keep the building and other structures, including fixtures, on the mortgaged property in good and substantial repair and to make such other repairs as may be required by the holder thereof within thirty (30) days from written notice.
- C. Borrower further agrees that, should thirty (30) days default be made in the payment of any such tax, assessments, water rents or governmental charge, or should any default be made in the obligation to keep the mortgaged property in satisfactory repair and condition, then the holder hereof may pay any such tax, assessment, water rents, governmental charge, or the cost to place the mortgaged property in satisfactory repair and condition, and the amount so paid shall be added to the amount owing hereunder and shall be due and payable on demand. The holder's rights hereunder are subject only to the prior rights of the holder of the first mortgage.

5. DEFAULT

If any of the following shall occur prior to the mortgage being satisfied from the date hereof, Lender may declare Borrower in default under this Note and the Mortgage:

- A. Any change in the ownership of the mortgaged property;
- B. If the mortgaged property ceases to be used for affordable housing for low/moderate income persons;
- C. The appointment of a receiver of the property, or the rights, credits, assets of Borrower(s), or;
- D. The filing of a petition by or against Borrower(s) for relief under any bankruptcy or insolvency law;
- E. An assignment by Borrower(s) of assets for the benefit of creditors, or;
- F. Any default in any of the promises, obligations and conditions of this Note or Mortgage securing this Note, or in the obligations, promises and conditions of any prior mortgage.

Upon default, borrower must immediately pay full amount of all unforgiven principal, other amounts due in the Mortgage and this Note, the Lender's cost of collecting and reasonable professional fees. The Lender does not give up its rights to declare due to any previous delay of failure to declare a default.

6. BORROWER'S OBLIGATIONS

- A. Prior to the day of any sale, exchange, transfer or other conveyance of the mortgaged property, Borrower shall provide the Lender with written notice of the same.
- B. Ninety (90) days prior to any change in use of the property for affordable housing for low/moderate income persons, Borrower shall provide Lender with written notice that the property is no longer being used under the terms of this Note and Mortgage.

The County reserves the right to impose a penalty charge equal to 3% per annum of the unforgiven and outstanding loan principal should the Borrower fail to properly notify Lender of any changes in the properties use.

- C. Borrower agrees, during the term hereof, to promptly comply with all information requests which Borrower may receive from Lender, including the completion and

execution of Certifications, Affidavits and Authorizations, and providing such documentations as Lender may require.

7. GIVING OF NOTICES

Unless applicable law requires a different method, any notice that must be given to Borrower under this Note will be delivered by certified mail, return receipt required, to Borrower at their corporate headquarters at 700 Mountain Avenue, Wyckoff, New Jersey or at a different address if Borrower gives the Note Holder a notice of a different address.

Any notice that must be given to Lender under this Note will be given by certified mail, return receipt required, to the Lender at Division of Community Development, One Bergen County Plaza – 4th Floor, Hackensack, New Jersey 07601.

8. MISREPRESENTATIONS

If the Lender finds that Borrower failed to disclose a material fact or made a material misrepresentation to Lender, either before or after the date hereof, the Lender may declare all or any part of the loan to be immediately due and payable.

9. WAIVERS

Borrower gives up the right that the Lender to the following: (a) to demand payment (called “presentment”); (b) notify Borrower of nonpayment (called “notice of dishonor”); (c) to obtain an official certified statement showing non-payment (called a “protest”).

10. EACH BORROWER LIABLE

The Lender may enforce any of the provisions of this Note against any one or more of the Borrowers who sign this Note.

11. APPLICABLE LAW

The laws of the State of New Jersey shall apply to this Note and to the Mortgage.

12. NO ORAL CHANGES

This Note can only be changed by an agreement in writing signed by both the Borrower and Lender.

13. SIGNATURES

Borrower agrees to the terms of this Note. If the Borrower is a Corporation, its proper corporate officers sign and its corporate seal is affixed.

ATTEST:

**EASTERN CHRISTIAN CHILDREN'S
RETREAT**

Name: Jayne Press
Title: Executive Director



STATE OF NEW JERSEY

DEPARTMENT OF HUMAN SERVICES
DIVISION OF DEVELOPMENTAL DISABILITIES

PO BOX 726

TRENTON, NJ 08625-0726

609.631.2200

www.nj.gov/humanservices/ddd

CHRIS CHRISTIE
GOVERNOR

KIM GUADAGNO
LT. GOVERNOR

Elizabeth Connolly
Acting Commissioner

Elizabeth M. Shea
Assistant Commissioner

Dear Ms. Press:

RE: 200 West Crescent Ave., Allendale NJ 07401

A request was submitted to the Division of Developmental Disabilities Capital Review Committee by Eastern Christian Children's Retreat (ECCR) on December 13, 2016 for the following items:

Fire Suppression System Installation

Fire Alarm System Installation

Capital Funding for Renovations

Support Letter: Yes: **X (PENDING)** No:

Other: **N/A**

The request was approved for the items listed below:

Fire Suppression System Installation

Fire Alarm System Installation

Capital Funding for Renovations - **\$120,000**

Other:

Total Approved: **\$120,000**

(NEXT PAGE)

The request was **not approved** for the following items:

N/A

A Capital Funding Package must be submitted within 30 days of completion of this project. The annual level of funding provided by the Department of Human Services is subject to the availability of funds appropriated yearly by the Legislature of the State of New Jersey. Acquisition funds can be provided at the beginning of the project but funds are provided as reimbursement for renovations.

Sincerely,



Peshette T. Brown-Mills, MA
Program Specialist 3, Social/Human Services
Office of Housing and Resource Development
Division of Developmental Disabilities

C: Jonathan Seifried, Director of Housing
Sheri Fine, Unit Supervisor, Northern Counties

Jayne Press

From: Pleshette.Brown-Mills@dhs.state.nj.us
Sent: Monday, March 27, 2017 3:01 PM
To: Jayne Press
Cc: Sheri.Fine@dhs.state.nj.us
Subject: GH2428 - Allendale Budget

Jayne,

Thank you for your continued efforts in the development of the many group homes to support the transition of the current residents of the Bushman Building with *Eastern Christian Children's Retreat (ECCR)*. In addition to the \$123,658 that will be provided to support the development of **200 West Crescent Ave., Allendale NJ 07401**, please note that the *NJ Division of Developmental Disabilities (DDD)* will also provide *start-up costs* for the purchase of furniture in the total amount of **\$20,000 (\$4,000 per person)** for the individuals that will be moving into this home.

Thank you,

Pleshette T. Brown-Mills, MA
Program Specialist 3, Social/Human Services
Division of Developmental Disabilities
Office of Housing and Resource Development
Greenbrook Regional Center
275 Greenbrook Rd., Green Brook NJ 08812
Tel. (732) 968-4999 / 4222; Fax: (732) 968-4331
Email: Pleshette.Brown-Mills@dhs.state.nj.us

This E-mail, including any attachments, may be intended solely for the personal and confidential use of the sender and recipient(s) named above. This message may include advisory, consultative and/or deliberative material and, as such, would be privileged and confidential and not a public document. Any Information in this e-mail identifying a client of the Department of Human Services or the Department of Children and Families is confidential. If you have received this e-mail in error, you must not review, transmit, convert to hard copy, copy, use or disseminate this e-mail or any attachments to it and you must delete this message. You are requested to notify the sender by return e-mail.

**AGREEMENT BETWEEN EASTERN CHRISTIAN AND THE BOROUGH OF
ALLENDALE FOR THE CONSTRUCTION, DEVELOPMENT AND
ADMINISTRATION OF A LICENSED GROUP HOME FOR THE
DEVELOPMENTALLY DISABLED FOR AFFORDABLE HOUSING CREDIT**

This Agreement (“Agreement”) made this ____ day of _____, 2018 between Eastern Christian Children’s Retreat (hereinafter designated as “Eastern Christian”) a non-profit corporation of the State of New Jersey, located at 700 Mountain Avenue, Wyckoff, NJ 07481, and the Borough of Allendale, a municipal corporation of the State of New Jersey, 500 W. Crescent Avenue, Allendale, New Jersey 07401 (hereinafter designated as 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:

Authority; Obligation

1. This Agreement is made pursuant to the authority contained in the New Jersey Fair Housing Act at N.J.S.A. 52:27D-311.e. and in the Second Round regulations of the New Jersey Council on Affordable Housing (“COAH”) at N.J.A.C. 5:93-5.8, whereby a municipality may elect to enter into an agreement with a group home sponsor to provide very low-income housing for those with developmental disabilities through an alternative living arrangements affordable housing program specifically including group homes.
2. Eastern Christian recognizes that the Municipality has a statutory obligation to provide very low-income housing for those with developmental disabilities and that the Municipality has chosen to satisfy a portion of that obligation by entering into the within Agreement with Eastern Christian.
3. Eastern Christian represents that it has the ability and the authority, and that it has purchased Block 1005/Lot 4 in the Municipality (the “Site” or

“property”) and it hereby agrees to construct, develop and administer a five-bedroom group home on the Site (hereinafter referred to as the “Project”). Pursuant to N.J.A.C. 5:93-5.8(b), the unit of COAH credit for group homes shall be the bedroom.

4. Eastern Christian agrees to develop and administer the Project as a group home for the developmentally disabled, as licensed and/or regulated by the New Jersey Department of Human Services (hereinafter designated as “DHS”) for and on behalf of the Municipality in satisfaction of a portion of the Municipality’s obligation to provide very low-income housing consistent with the terms and conditions set out in this Agreement and as the term ‘very low-income’ is defined pursuant to section 4 of P.L. 1985, c.222 (N.J.S.A. 52:27D-304).

Site Selection

5. Eastern Christian has or shall perform all reasonable, ordinary and necessary testing done in connection with the purchase of Block 1005/ Lot 4, including, but not limited to engineering or environmental testing as necessary. Eastern Christian shall also perform all necessary title, survey by a licensed surveyor, tax, water and sewer and assessment searches on the property. Eastern Christian shall develop the group home on the property in accordance with Borough and DHS requirements.
6. Eastern Christian shall ensure that all structures on the Site selected are adaptable/accessible pursuant to the provisions of N.J.S.A. 52:27D-123.15, where applicable.
7. Eastern Christian shall comply in all respects with the requirements promulgated by COAH and/or the Superior Court of New Jersey for the

development and administration of group homes for those with developmental disabilities including, but not limited to, full compliance with N.J.A.C. 5:93-5.8, et seq. as well as all rules and regulations promulgated by COAH and the DHS that affect the Project. In addition, Eastern Christian shall prepare any and all required COAH/Court monitoring forms as requested by the Municipality and shall submit such forms to the Municipality for submission to COAH or the Superior Court.

Pre- Construction Review; Construction

8. Prior to construction, the results of all testing, title and inspection/investigations performed shall be forwarded to the Municipality in sufficient time for the Municipality to review and approve of the condition of the Site.
9. In constructing the group home on the site, Eastern Christian shall comply with all State and Municipal construction codes, as well as all other applicable State and Municipal codes/requirements.

Financing; Restrictions

10. Eastern Christian has been awarded a zero-interest loan from the Bergen County Department of Community Development (“Community Development”) in the amount of \$200,000 to aid in the financing of the construction and development of the proposed group home (see attached Award Letter and unsigned Mortgage Agreement). Eastern Christian may apply to other funding sources to offset the cost of development, construction and administration of the Project.
11. The Mortgage Agreement between Community Development and Eastern Christian establishes an affordability period of 20 years, without the option

of renewal. Pursuant to this Agreement with the Municipality, before the 20-year agreement expires, Eastern Christian is required to either 1.) apply to Community Development or another appropriate entity for additional financing, or 2.) enter a deed restriction for 10 years or more, so as to provide a minimum 30-year affordability control period for the group home.

12. The Municipality will aid Eastern Christian financially, in the amount of \$30,000, for construction of the group home, provided that (a) the Superior Court approves the Borough's Adopted Third Round Housing Element and Fair Share Plan, including a Spending Plan that will include this group home expenditure and (b) Eastern Christian pulls the necessary building permits within two (2) years of the entry of an order approving the Borough's Plan per the Court-approved Settlement Agreement with FSHC.
13. The financial assistance provided by the Municipality in the preceding paragraph shall only be used to assist in the development of the Project, and shall not be used for other related costs (such as operational expenses, etc.). Eastern Christian acknowledges that it is responsible for obtaining and/or providing funds for such other costs.
14. The Municipality shall rely on this Agreement to be eligible for a rental bonus (pursuant to N.J.A.C. 5:93-5.15), as this Agreement serves as the control on affordability to remain in effect for at least 30 years.
15. Upon expiration of the period of restriction imposed by the Community Development Mortgage Agreement, including any extensions thereto, as long as the group home remains restricted for a minimum of 30 years, Eastern Christian, or the then present owner, shall retain all equity in the home/unit and shall have no further obligation to the Municipality.

Notwithstanding the foregoing, the Municipality shall retain the ability to further negotiate with Eastern Christian for an extension of the affordability controls at a future date. This may permit the Municipality to receive additional rounds of affordable housing credit for this group home.

Post-occupancy

16. Eastern Christian shall promptly forward, or cause to be forwarded to the Borough, the original executed Bergen County Community Development Mortgage Agreement for recording at the earlier date of promptly after closing or the execution of the Mortgage Agreement. All instruments that are to be recorded shall be recorded in the office of the Bergen County Clerk, Hackensack, New Jersey.
17. Eastern Christian shall be responsible for payment of all costs and fees associated with this Project's construction and development.
18. Eastern Christian shall be responsible for and comply with all requirements for an affirmative marketing plan as required by DDD.
19. Any Lease or Rental Agreement in connection with Project shall include the following clause in a conspicuous place:

“The Owner’s right, title and interest in this property and the use, sale, resale, rental, mortgage, refinance or encumbrance of this property are subject to the terms, conditions, restrictions, limitations and provisions as set forth in an agreement between Eastern Christian and the Borough of Allendale dated _____, 2018, which has been recorded in the Office of the Bergen County Clerk and which is also on file with the Borough of Allendale.”
20. The Municipality shall have the right to record this Agreement with the Office of the Bergen County Clerk.

21. Eastern Christian, its successors and assigns, shall provide the Municipality with copies of its annual report each year during the Term of this Agreement, which, as set forth in Paragraph 16 herein, shall be a minimum of 30 years or as long as the Project remains in the Municipality's housing element and fair share plan. Upon request of the Municipality, Eastern Christian shall permit inspection of the site, property, equipment, buildings and other facilities of the Project by representatives duly authorized by the Municipality. Any such inspection shall be made during reasonable hours of the business day, in the presence of an officer or agent of Eastern Christian, its successors or assigns. The Municipality's right to conduct such reasonable inspections shall continue so long as Project remains in the Municipality's affordable housing plan.

Violation, Defaults, and Remedies

22. In the event of a threatened breach of any of the terms of this Agreement by Eastern Christian, the Municipality shall have all remedies provided at law or equity, including the right to seek injunctive relief or specific performance, it being recognized by both parties to this Agreement that a breach will cause irreparable harm to the Municipality, in light of the public policies set forth in the New Jersey Fair Housing Act and the obligation for the provision of very low-income housing. Upon the occurrence of a breach of any of the terms of the Agreement by Eastern Christian, the Municipality shall have all remedies provided at law or equity, recoupment of any funds from a sale or lease in violation of the Agreement, injunctive relief to prevent further violation of the Agreement, entry on the premises, and specific performance.

Miscellaneous

23. Notice or communication sent by either party to the other shall be by certified mail, return receipt requested, or confirmed telefax, or overnight delivery services (e.g. Federal Express) addressed as follows:

(a) When sent by Eastern Christian to the Municipality, it shall be addressed to:

Borough Clerk
Allendale Borough Municipal Building
500 W. Crescent Avenue
Allendale, New Jersey 07401
Fax No: 201-825-1913

Or such other address as the Municipality may designate in writing.

(b) When sent by the Municipality to Eastern Christian, it shall be addressed to:

Eastern Christian Children's Retreat
700 Mountain Avenue
Wyckoff, NJ 07481
Fax No: _____

Or such other address as Eastern Christian may designate in writing.

24. Subject to the terms and provisions of this Agreement, Eastern Christian agrees that it will not sell, assign or transfer the Project or Eastern Christian's obligations under this Agreement to any corporation, association or entity, unless such corporation, association or entity qualifies to provide such services pursuant to law. It is agreed and understood that the Municipality has no obligation to consent to such sale, assignment or transfer unless and until all obligations to the Municipality under this Agreement are completed to the satisfaction of the Municipality, and unless and until the proposed grantor, assignee or transferee agrees to assume all of the contractual and other obligations of Eastern Christian as are contained in this Agreement. Notwithstanding the foregoing or anything in

this Agreement to the contrary, no such sale, assignment or transfer may be made without the prior written consent of the Municipality, which consent may be granted or withheld in the sole, absolute discretion of the Municipality, which consent shall not be unreasonably denied.

25. Notwithstanding anything in this Agreement to the contrary, the parties hereto specifically agree and acknowledge that the right and obligations of the parties hereunder, including but not limited to the Municipality's obligation to aid Eastern Christian financially in the development of the Project, are expressly contingent upon the prior occurrence of (a) the Municipality receiving entry of an Order of final approval of the Superior Court of New Jersey of the Municipality's Housing Element and Fair Share Plan (the "Fair Share Order"), as may be supplemented and amended, in the action filed by the Municipality with the Superior Court of New Jersey, Bergen County, on July 7, 2015 entitled In the matter of the Application of the Borough of Allendale, County of Bergen, Docket No. Ber-L-6162-15; and (b) the passage of time within which any appeal from the Fair Share Order may be filed.

In the event an appeal from the Fair Share Order, or an appeal from any order of the Appellate Division affirming such Order, is taken, all of the rights and obligations of the Municipality in this Agreement are expressly contingent upon the affirmation of such Order by the Court to whom the appeal was taken, or the expiration of time to appeal from any such affirming Order.

The Municipality shall pay to Eastern Christian the \$30,000 referenced in Paragraph 12 herein within sixty (60) days from the occurrence of the last of all the following events: (1) the 90th day after building permits for the Project have been pulled; (2) the Superior Court of New Jersey's entry of Fair Share Order; and (3) the passage of time within which any appeal of the Fair Share Order may be taken without such appeal(s) having been filed, or if any appeal from any such order is taken, upon the affirmation of such order by the Court to whom the appeal was taken, or the expiration of time to appeal from any such affirming order without any appeal being taken from such affirming order.

Notwithstanding anything herein to the contrary, in the event that (1) the entry of such Fair Share Order, (2) the 90th day following obtainment of building permits and, (3) the affirmation on any appeal from such Fair Share Order, or the expiration of the time within which to appeal from such Fair Share Order have not occurred on or before October 30, 2020, either party may cancel this Agreement by written notice to the other party, in which event this Agreement shall be deemed cancelled and terminated and neither party shall thereafter have any rights or obligations under this Agreement. The parties agree that in the event this Agreement is terminated the parties shall execute a document, in recordable form, discharging the parties from the obligations contained in this Agreement.

27. It is the intention of the parties hereto that the provisions of this Agreement are severable so that if any provisions, conditions, covenants or restrictions contained herein shall be invalid or void under any applicable federal, state

or local law, the remainder shall be unaffected and remain fully enforceable. In the event that any provision, condition, covenant or restriction hereof is, at the time of execution of this Agreement, void, voidable or unenforceable as being contrary to any applicable federal, state or local law, both parties, their successors and assigns, and all persons claiming by, through or under them, covenant and agree that any future amendments or supplements to the said laws having the effect of removing said invalidity, voidability or unenforceability, shall be deemed to apply retroactively to this Agreement, thereby operating to validate the provisions of this Agreement which otherwise might be invalid and it is covenanted and agreed that any such amendments and supplements to the said laws shall have the effect herein described as fully as if they had been in effect at the time of the execution of this Agreement.

28. The parties agree that this Agreement shall be construed in accordance with the laws of the State of New Jersey, and that the laws of the State of New Jersey will apply to any dispute concerning it. The parties choose the Superior Court of New Jersey with venue in Bergen County as the exclusive forum for resolving any dispute concerning this Agreement.
29. This Agreement is the entire agreement between the Municipality and Eastern Christian. It replaces and cancels any prior written or verbal understandings and agreements between them. The terms of this Agreement may only be changed, amended or modified by a writing signed by both parties hereto.
30. Counsel for the Municipality and counsel for Eastern Christian have had the chance to review and request modifications to this Agreement prior to

its execution, and any ambiguities which may be found to exist in this Agreement shall not be construed against either party.

IN WITNESS WHEREOF, the parties have signed this Agreement this ____ day of _____, 2018.

ATTEST:

BOROUGH OF ALLENDALE

By: _____

ATTEST:

EASTERN CHRISTIAN CHILDREN'S
RETREAT

By: _____



APPENDIX P

**AFFORDABLE HOUSING ORDINANCE
INCLUDING BOROUGH WIDE
MANDATORY SET ASIDE REQUIREMENT
AND DEVELOPMENT FEE ORDINANCE**

**BOROUGH OF ALLENDALE
COUNTY OF BERGEN**

ORDINANCE NO. 18-13

AN ORDINANCE OF THE BOROUGH OF ALLENDALE, COUNTY OF BERGEN AND STATE OF NEW JERSEY ADDING CHAPTER 81 "AFFORDABLE HOUSING" TO THE CODE OF THE BOROUGH OF ALLENDALE TO ADDRESS THE REQUIREMENTS OF THE NJ SUPERIOR COURT

Section I. Article II, "Development Fees" of Chapter 120, "Fees", Repealed. That Article II, "Development Fees" of Chapter 120, "Fees" is hereby struck from the Borough Code.

Section II. Article XXVIII, "Affordable Housing Standards" of Chapter 270, "Zoning", Repealed. That Article XXVIII, "Affordable Housing Standards" of Chapter 270, "Zoning", is hereby repealed.

Section III. Article XXXI, "Requirements for Developments that Increase the Borough of Allendale's Growth Share Obligation for Affordable Housing" of Chapter 270, "Zoning", Repealed. That Article XXXI "Requirements for Developments that Increase the Borough of Allendale's Growth Share Obligation for Affordable Housing" of Chapter 270, "Zoning" is hereby repealed.

Section IV. Article XXXII "Third Round Fair Share of Affordable Housing" of Chapter 270, "Zoning", Repealed. That Article XXXII "Third Round Fair Share of Affordable Housing" of Chapter 270, "Zoning" is hereby repealed.

Section V. Chapter 81, "Affordable Housing", Added. That Chapter 81, entitled "Fair Share Affordable Housing" is added to the Borough Code and shall read as follows:

**Chapter 81
AFFORDABLE HOUSING**

**ARTICLE I
General Program Purposes, Procedures**

§81-1. Affordable Housing Obligation.

- A. This section of the Borough Code sets forth regulations regarding the low and moderate income housing units in the Borough consistent with the provisions known as the "Substantive Rules of the New Jersey Council on Affordable Housing", *N.J.A.C. 5:93 et seq.*, the Uniform Housing Affordability Controls ("UHAC"), *N.J.A.C. 5:80-26.1 et seq.*, except where modified by the requirements for very-low income housing as established in P.L. 2008, c.46 (the "Roberts Bill",

codified at N.J.S.A. 52:27D-329.1) as reflected in the terms of a Settlement Agreement between the Borough and Fair Share Housing Center ("FSHC") such that the statutory requirement to provide very-low income units equal to 13% of affordable units approved and constructed after July 17, 2008, to be affordable to households at 30% of the regional median income, overrides the UHAC requirement that 10% of all low- and moderate-income units must be affordable at 35% of the regional median income, and the Borough's constitutional obligation to provide a fair share of affordable housing for low and moderate income households.

- B. This Ordinance is intended to assure that very-low, low- and moderate-income units ("affordable units") are created with controls on affordability over time and that very-low, low- and moderate-income households shall occupy these units. This Ordinance shall apply to all inclusionary developments and 100% affordable developments (including those funded with low-income housing tax credit financing) except where inconsistent with applicable law.
- C. The Allendale Borough Joint Land Use Board has adopted a Housing Element and Fair Share Plan pursuant to the Municipal Land Use Law at *N.J.S.A. 40:55D-1*, et seq. The Plan has also been endorsed by the Borough Council of the Borough of Allendale. The Fair Share Plan describes the ways the Borough shall address its fair share for low- and moderate-income housing as determined by the Superior Court and documented in the Housing Element.
- D. This Ordinance implements and incorporates the Fair Share Plan and addresses the requirements of *N.J.A.C. 5:93*, as may be amended and supplemented.
- E. The Borough shall file monitoring and status reports with Fair Share Housing Center ("FSHC") and place the reports on its municipal website. Any plan evaluation report of the Housing Element and Fair Share Plan and monitoring evaluation report prepared by the Special Master in accordance with *N.J.A.C. 5:91* shall be available to the public at the Allendale Municipal Building, 500 West Crescent Avenue, Allendale, New Jersey 07401.
- F. On or about September 15 of each year through the end of the period of Third Round Judgment of Repose, the Borough will provide annual reporting of the status of all affordable housing activity within the municipality through posting on the municipal website with a copy of such posting provided to all parties to the Borough's Court-approved Settlement Agreements, using forms previously developed for this purpose by the Council on Affordable Housing or any other forms endorsed by the Special Master and FSHC.
- G. The Fair Housing Act includes two provisions regarding action to be taken by the Borough during the ten-year period of protection provided in the Borough's Court-approved agreement with FSHC. The Borough agrees to comply with those provisions as follows:
 - 1. By July 1, 2020, the Borough must prepare a midpoint realistic

opportunity review, as required pursuant to N.J.S.A. 52:27D-313, which the Borough will post on its municipal website, with a copy provided to FSHC, a status report as to its implementation of its Plan and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity. Such posting shall invite any interested party to submit comments to the municipality, with a copy to FSHC, regarding whether any sites no longer present a realistic opportunity and should be replaced and whether any mechanisms to meet unmet need should be revised or supplemented. Any interested party may by motion request a hearing before the Court regarding these issues. In the event the Court determines that a site or mechanism no longer presents a realistic opportunity and should be replaced or supplemented, then the municipality shall have the opportunity to supplement or revise its plan to correct any deficiency.

2. Within 30 days of September 15, 2020 and September 15, 2024 the Borough shall prepare a review of compliance with the very-low income housing requirements required by N.J.S.A. 52:27D-329.1 and its Court-approved Settlement Agreement with FSHC. The Borough will post on its municipal website, with a copy provided to FSHC, a status report as to its satisfaction of its very-low income requirements, including the family very-low income requirements referenced herein and in the Borough's Settlement Agreement with FSHC. Such posting shall invite any interested party to submit comments to the municipality and FSHC on the issue of whether the municipality has complied with its very-low income housing obligation.

§81-2. Definitions. As used herein the following terms shall have the following meanings:

“Accessory apartment” means a self-contained residential dwelling unit with a kitchen, sanitary facilities, sleeping quarters and a private entrance, which is created within an existing home, or through the conversion of an existing accessory structure on the same site, or by an addition to an existing home or accessory building, or by the construction of a new accessory structure on the same site.

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

“Adaptable” means constructed in compliance with the technical design standards of the Barrier Free Subcode, *N.J.A.C. 5:23-7*.

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

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

“Affordability average” means the average percentage of median income at which restricted units in an affordable housing development are affordable to low- and moderate-income households.

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

“Affordable development” means a housing development all or a portion of which consists of restricted units.

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

“Affordable housing program(s)” means any mechanism in a municipal Fair Share Plan prepared or implemented to address a municipality’s fair share obligation.

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

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

“Age-restricted unit” means a housing unit designed to meet the needs of, and exclusively for, the residents of an age-restricted segment of the population such that: 1) all the residents of the development where the unit is situated are 62 years or older; or 2) at least 80% of the units are occupied by one person that is 55 years or older; or 3) the development has been designated by the Secretary of the U.S. Department of Housing and Urban Development as “housing for older persons” as defined in Section 807(b)(2) of the Fair Housing Act, 42 U.S.C. § 3607.

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

“Assisted living residence” means a facility licensed by the New Jersey Department of Health and Senior Services to provide apartment-style housing and congregate dining and to assure that assisted living services are available when needed for four or more adult persons unrelated to the proprietor and that offers units containing, at a minimum, one

unfurnished room, a private bathroom, a kitchenette and a lockable door on the unit entrance.

“Certified household” means a household that has been certified by an Administrative Agent as a low-income household or moderate-income household.

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

“DCA” means the State of New Jersey Department of Community Affairs.

“Deficient housing unit” means a housing unit with health and safety code violations that require the repair or replacement of a major system. A major system includes weatherization, roofing, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement and/or load bearing structural systems.

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

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

“Development Fee” means money paid by a developer for the improvement of property as permitted in *N.J.A.C. 5:93-8*.

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

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

“Green Building Strategies” means those strategies that minimize the impact of development on the environment and enhance the health, safety and well-being of residents by producing durable, low-maintenance, resource-efficient housing while making optimum use of existing infrastructure and community services.

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

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

"Low-income household" means a household with a total gross annual household income equal to 50% or less of the median household income.

"Low-income unit" means a restricted unit that is affordable to a low-income household.

"Major system" means the primary structural, mechanical, plumbing, electrical, fire protection, or occupant service components of a building which include but are not limited to, weatherization, roofing, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement or load bearing structural systems.

"Market-rate units" means housing not restricted to low- and moderate-income households that may sell or rent at any price.

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

"Moderate-income household" means a household with a total gross annual household income in excess of 50% but less than 80% of the median household income.

"Moderate-income unit" means a restricted unit that is affordable to a moderate-income household.

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

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

"Regional asset limit" means the maximum housing value in each housing region

affordable to a four-person household with an income at 80% of the regional median as defined by adopted/approved Regional Income Limits.

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

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

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

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

“UHAC” means the Uniform Housing Affordability Controls set forth in *N.J.A.C. 5:80-26.1 et seq.*

“Very-low income household” means a household with a total gross annual household income equal to 30% or less of the median household income.

“Very-low income unit” means a restricted unit that is affordable to a very-low income household.

“Weatherization” means building insulation (for attic, exterior walls and crawl space), siding to improve energy efficiency, replacement storm windows, replacement storm doors, replacement windows and replacement doors, and is considered a major system for rehabilitation.

§81-3. Borough-wide Mandatory Set-Aside

- A. A multi-family or single-family attached development providing a minimum of five (5) new housing units created through any municipal rezoning or Joint Land Use Board action on a use or density variance, redevelopment plan, or rehabilitation plan that provide for densities at or above six (6) units per acre is required to include an affordable housing set-aside of 20% if the affordable units will be for sale and 15% if the affordable units will be for rent. ***This requirement does not give any developer the right to any such rezoning, variance or other relief, or establish any obligation on the part of the Borough of Allendale to grant such rezoning, variance or other relief. No subdivision shall be permitted or approved for the purpose of avoiding compliance with this requirement.***
- B. This Borough-wide mandatory set-aside requirement does not supersede the

effects or requirements of the Inclusionary Overlay Zoning Districts established per sections §270-185 et. seq. for any inclusionary multi-family residential development that occurs within the boundaries of those districts.

- C. In the event that the inclusionary set-aside percentage (15% or 20%) of the total number of residential units does not result in a full integer, the developer may choose one of two options of addressing the fractional unit:
1. The developer shall round the set-aside upward to construct a whole additional affordable unit; or
 2. If the set-aside includes a fractional unit equal to 0.49 or less, the developer may round the set-aside downward and construct the lesser whole number of affordable units, but must also make a payment in-lieu of constructing the fractional additional unit (“fractional payment in-lieu”).
 - (a) The fractional payment in-lieu amount shall be calculated as the fractional unit multiplied by the base payment in-lieu dollar amount established in §81-4.C.1 of the Borough Code.
 3. For Example: If seven (7) total units are developed at an inclusionary site, a 20% set-aside would require 1.4 affordable units. Per the requirements above:
 - (a) The developer shall round up the 0.4 unit to one (1) whole affordable unit so as to construct a total of two (2) affordable housing units, in accordance with §81-3.C.1; or
 - (b) In accordance with §81-3.C.2, the developer shall round the set-aside downward so as to construct only (1) affordable unit AND shall pay into the Borough’s affordable housing trust fund a fractional in-lieu payment equal to the dollar amount established in §2-4.C.1 multiplied by 0.4 units.

§81-4. New Construction. The following requirements shall apply to all new or planned developments that contain low- and moderate- income housing units.

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

Maximum Percentage of

Minimum Percentage of Low-

Market-Rate Units <u>Completed</u>	and Moderate- Income <u>Units Completed</u>
25	0
25+1	10
50	50
75	75
90	100

- B. Design. In inclusionary developments, to the extent possible, low- and moderate-income units shall be integrated with the market units.
- C. Payments-in-lieu and off-site construction. The standards for the collection of payments-in-lieu of constructing affordable units or standards for constructing affordable units off-site, shall be in accordance with the requirements below:
1. The base dollar amount of the payment in-lieu of constructing an affordable unit at the time of adoption of this Ordinance shall be \$180,267¹. This amount shall be adjusted periodically by the Borough to reflect the most current and accurate market conditions or better cover the cost to the Borough to subsidize affordable housing construction. The payment shall be imposed as a condition of development approval by the Joint Land Use Board.
 - (a) During the development approval process, a developer may demonstrate to the Governing Body that the actual construction cost of an affordable unit less estimated capitalized revenue at the development in question is lower than the imposed payment in-lieu in §81-4.C.1. At its discretion, the Governing Body may impose a lower payment in-lieu amount equal or proximate to the amount estimated by the developer.
- D. Utilities. Affordable units shall utilize the same type of heating source as market units within the affordable development.
- E. Low/Moderate Split and Bedroom Distribution of Affordable Housing Units:
1. The fair share obligation shall be divided equally between low- and moderate- income units, except that where there is an odd number of affordable housing units, the extra unit shall be a low income unit.
 2. In each affordable development, at least 50% of the restricted units within each bedroom distribution shall be low-income units.
 3. Within rental developments, of the total number of affordable rental units, at least 13% shall be affordable to very-low income households.
 4. At least half of the affordable units in each bedroom distribution within

¹ As set forth in N.J.A.C. 5:97-6.4(c)3

each affordable housing development shall be affordable to low-income households.

5. Affordable developments that are not age-restricted shall be structured in conjunction with realistic market demands such that:
 - (a) The combined number of efficiency and one-bedroom units shall be no greater than 20% of the total low- and moderate-income units;
 - (b) At least 30% of all low- and moderate-income units shall be two bedroom units;
 - (c) At least 20% of all low- and moderate-income units shall be three bedroom units; and
 - (d) The remaining units may be allocated among two and three bedroom units at the discretion of the developer.
6. Affordable developments that are age-restricted shall be structured such that the number of bedrooms shall equal the number of age-restricted low- and moderate-income units within the inclusionary development. The standard may be met by having all one-bedroom units or by having a two-bedroom unit for each efficiency unit.

E. Accessibility Requirements:

1. The first floor of all new restricted townhouse dwelling units and all restricted multistory dwelling units attached to at least one (1) other dwelling unit shall be subject to the technical design standards of the Barrier Free Subcode, *N.J.A.C. 5:23-7*.
2. All restricted townhouse dwelling units and all restricted multistory dwelling units attached to at least one (1) other dwelling unit shall have the following features:
 - (a) An adaptable toilet and bathing facility on the first floor;
 - (b) An adaptable kitchen on the first floor;
 - (c) An interior accessible route of travel on the first floor;
 - (1) An interior accessible route of travel shall not be required between stories within an individual unit;
 - (e) An adaptable room that can be used as a bedroom, with a door or the casing for the installation of a door, on the first floor; and
 - (f) An accessible entranceway as set forth at P.L. 2005, c. 350

(*N.J.S.A. 52:27D-311a et seq.*) and the Barrier Free Subcode, *N.J.A.C. 5:23-7*, or evidence that the Borough has collected funds from the developer sufficient to make 10% of the adaptable entrances in the development accessible:

(1) Where a unit has been constructed with an adaptable entrance, upon the request of a disabled person who is purchasing or will reside in the dwelling unit, an accessible entrance shall be installed.

(2) To this end, the builder of restricted units shall deposit funds within the Borough of Allendale's affordable housing trust fund sufficient to install accessible entrances in 10% of the affordable units that have been constructed with adaptable entrances.

(3) The funds deposited under paragraph (2) herein, shall be used by the Borough for the sole purpose of making the adaptable entrance of any affordable unit accessible when requested to do so by a person with a disability who occupies or intends to occupy the unit and requires an accessible entrance.

(4) The developer of the restricted units shall submit a design plan and cost estimate for the conversion from adaptable to accessible entrances to the Construction Official of the Borough of Allendale.

(5) Once the Construction Official has determined that the design plan to convert the unit entrances from adaptable to accessible meet the requirements of the Barrier Free Subcode, *N.J.A.C. 5:23-7*, and that the cost estimate of such conversion is reasonable, payment shall be made to the Borough of Allendale's affordable housing trust fund in care of the Municipal Treasurer who shall ensure that the funds are deposited into the affordable housing trust fund and appropriately earmarked.

(6) Full compliance with the foregoing provisions shall not be required where an entity can demonstrate that it is site impracticable to meet the requirements. Determinations of site impracticability shall be in compliance with the Barrier Free Subcode, *N.J.A.C. 5:23-7*.

F. Maximum Rents and Sales Prices.

1. In establishing rents and sales prices of affordable housing units, the administrative agent shall follow the procedures set forth in UHAC and by the Superior Court, utilizing the regional income limits established.

2. The maximum rent for restricted rental units within each affordable development shall be affordable to households earning no more than 60% of median income, and the average rent for restricted low- and moderate-income units shall be affordable to households earning no more than 52% of median income.
3. The developers and/or municipal sponsors of restricted rental units shall establish at least one rent for each bedroom type for both low-income and moderate-income units.
 - (a) At least 13% of all low- and moderate-income rental units shall be affordable to households earning no more than 30% of median income.
4. The maximum sales price of restricted ownership units within each affordable development shall be affordable to households earning no more than 70% of median income, and each affordable development must achieve an affordability average of 55% for restricted ownership units; in achieving this affordability average, moderate-income ownership units must be available for at least three different prices for each bedroom type, and low-income ownership units must be available for at least two different prices for each bedroom type.
5. In determining the initial sales prices and rents for compliance with the affordability average requirements for restricted units other than assisted living facilities, the following standards shall be met:
 - (a) A studio or efficiency unit shall be affordable to a one-person household;
 - (b) A one-bedroom unit shall be affordable to a one and one-half person household;
 - (c) A two-bedroom unit shall be affordable to a three-person household;
 - (d) A three-bedroom unit shall be affordable to a four and one-half person household; and
 - (e) A four-bedroom unit shall be affordable to a six-person household.
6. In determining the initial rents for compliance with the affordability average requirements for restricted units in assisted living facilities, the following standards shall be met:
 - (a) A studio or efficiency unit shall be affordable to a one-person household;

- (b) A one-bedroom unit shall be affordable to a one and one-half person household; and
 - (c) A two-bedroom unit shall be affordable to a two-person household or to two one-person households.
7. The initial purchase price for all restricted ownership units shall be calculated so that the monthly carrying cost of the unit, including principal and interest (based on a mortgage loan equal to 95% of the purchase price and the Federal Reserve H.15 rate of interest), taxes, homeowner and private mortgage insurance and condominium or homeowner association fees do not exceed 28% of the eligible monthly income of the appropriate size household as determined under *N.J.A.C. 5:80-26.4*, as may be amended and supplemented; provided, however, that the price shall be subject to the affordability average requirement of *N.J.A.C. 5:80-26.3*, as may be amended and supplemented.
 8. The initial rent for a restricted rental unit shall be calculated so as not to exceed 30% of the eligible monthly income of the appropriate household size as determined under *N.J.A.C. 5:80-26.4*, as may be amended and supplemented; provided, however, that the rent shall be subject to the affordability average requirement of *N.J.A.C. 5:80-26.3*, as may be amended and supplemented.
 9. The price of owner-occupied low- and moderate-income units may increase annually based on the percentage increase in the regional median income limit for each housing region. In no event shall the maximum resale price established by the administrative agent be lower than the last recorded purchase price.

Income limits for all units for which income limits are not already established through a federal program exempted from the Uniform Housing Affordability Controls pursuant to *N.J.A.C. 5:80-26.1* shall be updated by the Borough 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 1 based on the median income by household size, which shall be established by a regional weighted average of the uncapped Section 8 income limits published by HUD. To compute this regional income limit, the HUD determination of median county income for a family of four is multiplied by the estimated households within the county according to the most recent decennial Census. The resulting product for each county within the housing region is summed. The sum is divided by the estimated total households from the most recent decennial Census in Region 1. 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 calculated each year shall be the result of applying the percentages set forth in paragraph (a) above to HUD's determination of median income for the relevant fiscal year, and shall be utilized until the Borough 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 Borough 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.
- 10. The rent levels of very-low-, low- and moderate-income units may be increased annually based on the percentage increase in the Housing Consumer Price Index for the Northeast Urban Area, upon its publication for the prior calendar year. This increase shall not exceed 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.
 - 11. Tenant-paid utilities that are included in the utility allowance shall be so stated in the lease and shall be consistent with the utility allowance approved by DCA for its Section 8 program.

§81-5. Condominium and Homeowners Association Fees.

For any affordable housing unit that is part of a condominium association and/or homeowner's association, the Master Deed shall reflect that the association fee assessed for each affordable housing unit shall be established at 100% of the market rate fee.

§81-6. Reserved.

§81-7. Reserved.

§81-8. Reserved.

§81-9. Reserved.

ARTICLE II
Affordable Unit Controls and Requirements

§81-10. Purpose.

The requirements of this section apply to all developments that contain affordable housing units, including any currently unanticipated future developments that will provide low- and moderate- income housing units.

§81-11. Affirmative Marketing.

- A. The Borough shall adopt by resolution an Affirmative Marketing Plan, subject to approval of the Superior Court, compliant with *N.J.A.C. 5:80-26.15*, as may be amended and supplemented.
- B. The affirmative marketing plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to housing units which are being marketed by a developer, sponsor or owner of affordable housing. The affirmative marketing plan is also intended to target those potentially eligible persons who are least likely to apply for affordable units in that region. It is a continuing program that directs all marketing activities toward COAH Housing Region 1 and covers the period of deed restriction.
- C. The affirmative marketing plan shall provide a regional preference for all households that live and/or work in COAH Housing Region 1, comprised of Bergen, Hudson, Sussex, and Passaic Counties.
- D. The Administrative Agent designated by the Borough shall assure the affirmative marketing of all affordable units is consistent with the Affirmative Marketing Plan for the municipality.
- E. The Borough shall add to the list of community and regional organizations in its affirmative marketing plan, pursuant to *N.J.A.C. 5:80-26.15(f)(5)*, Fair Share

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

- F. In implementing the affirmative marketing plan, the Administrative Agent shall provide a list of counseling services to low- and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements, and landlord/tenant law.
- G. The affirmative marketing process for available affordable units shall begin at least four months prior to the expected date of occupancy.
- H. The costs of advertising and affirmative marketing of the affordable units shall be the responsibility of the developer, sponsor or owner, unless otherwise determined or agreed to by the Borough of Allendale.

§81-12. Occupancy Standards.

- A. In referring certified households to specific restricted units, to the extent feasible, and without causing an undue delay in occupying the unit, the Administrative Agent shall strive to:
 - 1. Provide an occupant for each bedroom;
 - 2. Provide separate bedrooms for parents and children;
 - 3. Provide children of different sexes with separate bedrooms; and
 - 4. Prevent more than two persons from occupying a single bedroom.
- B. Additional provisions related to occupancy standards (if any) shall be provided in the municipal Operating Manual.

§81-13. Selection of Occupants of Affordable Housing Units.

- A. The administrative agent shall use a random selection process to select occupants of low- and moderate- income housing.
- B. A waiting list of all eligible candidates will be maintained in accordance with the provisions of *N.J.A.C. 5:80-26 et seq.*

§81-14. Control Periods for Restricted Ownership Units and Enforcement Mechanisms.

- A. Control periods for restricted ownership units shall be in accordance with *N.J.A.C. 5:80-26.5*, and each restricted ownership unit shall remain subject to the controls on affordability for a period of at least 30 years, until the municipality takes action to release the controls on affordability.
- B. Rehabilitated owner-occupied housing units that are improved to code standards shall be subject to affordability controls for a period of 10 years.
- C. The affordability control period for a restricted ownership unit shall commence on the date the initial certified household takes title to the unit.
- D. The affordability controls set forth in this Ordinance shall remain in effect despite the entry and enforcement of any judgment of foreclosure with respect to restricted ownership units.
- E. A restricted ownership unit shall be required to obtain a Continuing Certificate of Occupancy or a certified statement from the Construction Official stating that the unit meets all code standards upon the first transfer of title that follows the expiration of the applicable minimum control period provided under *N.J.A.C. 5:80-26.5(a)*, as may be amended and supplemented.

§81-15. Price Restrictions for Restricted Ownership Units, Homeowner Association Fees and Resale Prices.

Price restrictions for restricted ownership units shall be in accordance with *N.J.A.C. 5:80-26.1*, as may be amended and supplemented, including:

- A. The initial purchase price for a restricted ownership unit shall be approved by the Administrative Agent.
- B. The Administrative Agent shall approve all resale prices, in writing and in advance of the resale, to assure compliance with the foregoing standards.
- C. The method used to determine the condominium association fee amounts and special assessments shall be indistinguishable between the low- and moderate-income unit owners and the market unit owners.
- D. The owners of restricted ownership units may apply to the Administrative Agent to increase the maximum sales price for the unit on the basis of capital improvements. Eligible capital improvements shall be those that render the unit suitable for a larger household or the addition of a bathroom.

§81-16. Buyer Income Eligibility.

- A. Buyer income eligibility for restricted ownership units shall be in accordance with *N.J.A.C. 5:80-26.1*, as may be amended and supplemented, such that low-income ownership units shall be reserved for households with a gross household income less than or equal to 50% of median income and moderate-income ownership units shall be reserved for households with a gross household income less than 80% of median income.
- B. The Administrative Agent shall certify a household as eligible for a restricted ownership unit when the household is a low-income household or a moderate-income household, as applicable to the unit, and the estimated monthly housing cost for the particular unit (including principal, interest, taxes, homeowner and private mortgage insurance and condominium or homeowner association fees, as applicable) does not exceed 33% of the household's certified monthly income.

§81-17. Limitations on indebtedness secured by ownership unit; subordination.

- A. Prior to incurring any indebtedness to be secured by a restricted ownership unit, the administrative agent shall determine in writing that the proposed indebtedness complies with the provisions of this section.
- B. With the exception of original purchase money mortgages, during a control period neither an owner nor a lender shall at any time cause or permit the total indebtedness secured by a restricted ownership unit to exceed 95% of the maximum allowable resale price of that unit, as such price is determined by the administrative agent in accordance with *N.J.A.C.5:80-26.6(b)*.

§81-18. Control Periods for Restricted Rental Units.

- A. Control periods for restricted rental units shall be in accordance with *N.J.A.C. 5:80-26.11*, and each restricted rental unit shall remain subject to the controls on affordability for a period of at least 30 years, until the municipality takes action to release the controls on affordability.
 - 1. Restricted rental units created as part of developments receiving nine percent (9%) Low Income Housing Tax Credits must comply with a control period of not less than a 30-year compliance period plus a 15-year extended use period.
- B. Rehabilitated renter-occupied housing units that are improved to code standards shall be subject to affordability controls for a period of 10 years.
- C. Deeds of all real property that include restricted rental units shall contain deed restriction language. The deed restriction shall have priority over all mortgages

on the property, and the deed restriction shall be filed by the developer or seller with the records office of the County of Bergen. A copy of the filed document shall be provided to the Administrative Agent within 30 days of the receipt of a Certificate of Occupancy.

- D. A restricted rental unit shall remain subject to the affordability controls of this Ordinance, despite the occurrence of any of the following events:
1. Sublease or assignment of the lease of the unit;
 2. Sale or other voluntary transfer of the ownership of the unit; or
 3. The entry and enforcement of any judgment of foreclosure.

§81-19. Price Restrictions for Rental Units; Leases.

- A. A written lease shall be required for all restricted rental units, except for units in an assisted living residence, and tenants shall be responsible for security deposits and the full amount of the rent as stated on the lease. A copy of the current lease for each restricted rental unit shall be provided to the Administrative Agent.
- B. No additional fees or charges shall be added to the approved rent (except, in the case of units in an assisted living residence, to cover the customary charges for food and services) without the express written approval of the Administrative Agent.
- C. Application fees (including the charge for any credit check) shall not exceed 5% of the monthly rent of the applicable restricted unit and shall be payable to the Administrative Agent to be applied to the costs of administering the controls applicable to the unit as set forth in this Ordinance.

§81-20. Tenant Income Eligibility.

- A. Tenant income eligibility shall be in accordance with *N.J.A.C. 5:80-26.13*, as may be amended and supplemented, and shall be determined as follows:
1. Very-low-income rental units shall be reserved for households with a gross household income less than or equal to 30% of median income.
 2. Low-income rental units shall be reserved for households with a gross household income less than or equal to 50% of median income.
 3. Moderate-income rental units shall be reserved for households with a gross household income less than 80% of median income.
- B. The Administrative Agent shall certify a household as eligible for a restricted

rental unit when the household is a very-low-income, low-income household or a moderate-income household, as applicable to the unit, and the rent proposed for the unit does not exceed 35% (40% for age-restricted units) of the household's eligible monthly income as determined pursuant to *N.J.A.C. 5:80-26.16*, as may be amended and supplemented; provided, however, that this limit may be exceeded if one or more of the following circumstances exists:

1. The household currently pays more than 35% (40% for households eligible for age-restricted units) of its gross household income for rent, and the proposed rent will reduce its housing costs;
 2. The household has consistently paid more than 35% (40% for households eligible for age-restricted units) of eligible monthly income for rent in the past and has proven its ability to pay;
 3. The household is currently in substandard or overcrowded living conditions;
 4. The household documents the existence of assets with which the household proposes to supplement the rent payments; or
 5. The household documents proposed third-party assistance from an outside source such as a family member in a form acceptable to the Administrative Agent and the owner of the unit.
- C. The applicant shall file documentation sufficient to establish the existence of the circumstances in (b)1 through 5 above with the Administrative Agent, who shall counsel the household on budgeting.

§81-21. Conversions.

Each housing unit created through the conversion of a non-residential structure shall be considered a new housing unit and shall be subject to the affordability controls for a new housing unit.

§81-22. Alternative Living Arrangements.

- A. The administration of an alternative living arrangement shall be in compliance with *N.J.A.C. 5:93-5.8* and UHAC, with the following exceptions:
1. Affirmative marketing (*N.J.A.C. 5:80-26.15*), provided, however, that the units or bedrooms may be affirmatively marketed by the provider in accordance with an alternative plan approved by the Court;
 2. Affordability average and bedroom distribution (*N.J.A.C. 5:80-26.3*).
- B. With the exception of units established with capital funding through a 20-year operating contract with the Department of Human Services, Division of Developmental Disabilities, alternative living arrangements shall have at least 30

year controls on affordability in accordance with UHAC, unless an alternative commitment is approved by the Court.

- C. The service provider for the alternative living arrangement shall act as the Administrative Agent for the purposes of administering the affirmative marketing and affordability requirements for the alternative living arrangement.

§81-23. Reserved.

§ 2-23. Reserved.

§81-24. Reserved.

ARTICLE III **Administration**

§81-25. Municipal Housing Liaison.

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

Fair Share Plan;

5. Compiling, verifying and submitting annual reports as required by the Superior Court;
6. Coordinating meetings with affordable housing providers and Administrative Agents, as applicable; and
7. Attending continuing education opportunities on affordability controls, compliance monitoring and affirmative marketing as offered or approved by the Superior Court.

§81-26. Administrative Agent.

- A. The Borough shall designate by resolution of the Borough Council, subject to the approval of the Superior Court, one or more Administrative Agents to administer newly constructed affordable units in accordance with *N.J.A.C. 5:93* and UHAC.
- B. An Operating Manual shall be provided by the Administrative Agent(s) to be adopted by resolution of the governing body and subject to approval of the Superior Court. The Operating Manuals shall be available for public inspection in the Office of the Municipal Clerk and in the office(s) of the Administrative Agent(s).
- C. The Administrative Agent shall perform the duties and responsibilities of an administrative agent as are set forth in UHAC and which are described in full detail in the Operating Manual, including those set forth in *N.J.A.C. 5:80-26.14, 16 and 18* thereof, which includes:
 1. Attending continuing education opportunities on affordability controls, compliance monitoring, and affirmative marketing as offered or approved by the Superior Court;
 2. Affirmative Marketing;
 3. Household Certification;
 4. Affordability Controls;
 5. Records retention;
 6. Resale and re-rental;
 7. Processing requests from unit owners; and
 8. Enforcement, although the ultimate responsibility for retaining controls on the units rests with the municipality.

9. The Administrative Agent shall, as delegated by the Borough Council, have the authority to take all actions necessary and appropriate to carry out its responsibilities, hereunder.

§81-27. Enforcement of Affordable Housing Regulations.

- A. Upon the occurrence of a breach of any of the regulations governing the affordable unit by an Owner, Developer or Tenant, the municipality shall have all remedies provided at law or equity, including but not limited to foreclosure, tenant eviction, municipal fines, a requirement for household recertification, acceleration of all sums due under a mortgage, recoupment of any funds from a sale in the violation of the regulations, injunctive relief to prevent further violation of the regulations, entry on the premises, and specific performance.
- B. After providing written notice of a violation to an Owner, Developer or Tenant of a low- or moderate-income unit and advising the Owner, Developer or Tenant of the penalties for such violations, the municipality may take the following action against the Owner, Developer or Tenant for any violation that remains uncured for a period of 60 days after service of the written notice:
 1. The municipality may file a court action pursuant to *N.J.S.A. 2A:58-11* alleging a violation, or violations, of the regulations governing the affordable housing unit. If the Owner, Developer or Tenant is found by the court to have violated any provision of the regulations governing affordable housing units the Owner, Developer or Tenant shall be subject to one or more of the following penalties, at the discretion of the court:
 - (a) A fine of not more than \$500.00 or imprisonment for a period not to exceed 90 days, or both. Each and every day that the violation continues or exists shall be considered a separate and specific violation of these provisions and not as a continuing offense;
 - (b) In the case of an Owner who has rented his or her low- or moderate-income unit in violation of the regulations governing affordable housing units, payment into the Borough of Allendale Affordable Housing Trust Fund of the gross amount of rent illegally collected;
 - (c) In the case of an Owner who has rented his or her low- or moderate-income unit in violation of the regulations governing affordable housing units, payment of an innocent tenant's reasonable relocation costs, as determined by the court.
 2. The municipality may file a court action in the Superior Court seeking a judgment, which would result in the termination of the Owner's equity or other interest in the unit, in the nature of a mortgage foreclosure. Any

judgment shall be enforceable as if the same were a judgment of default of the First Purchase Money Mortgage and shall constitute a lien against the low- and moderate-income unit.

- C. Such judgment shall be enforceable, at the option of the municipality, by means of an execution sale by the Sheriff, at which time the low- and moderate-income unit of the violating Owner shall be sold at a sale price which is not less than the amount necessary to fully satisfy and pay off any First Purchase Money Mortgage and prior liens and the costs of the enforcement proceedings incurred by the municipality, including attorney's fees. The violating Owner shall have the right to possession terminated as well as the title conveyed pursuant to the Sheriff's sale.
- D. The proceeds of the Sheriff's sale shall first be applied to satisfy the First Purchase Money Mortgage lien and any prior liens upon the low- and moderate-income unit. The excess, if any, shall be applied to reimburse the municipality for any and all costs and expenses incurred in connection with either the court action resulting in the judgment of violation or the Sheriff's sale. In the event that the proceeds from the Sheriff's sale are insufficient to reimburse the municipality in full as aforesaid, the violating Owner shall be personally responsible for and to the extent of such deficiency, in addition to any and all costs incurred by the municipality in connection with collecting such deficiency. In the event that a surplus remains after satisfying all of the above, such surplus, if any, shall be placed in escrow by the municipality for the Owner and shall be held in such escrow for a maximum period of two years or until such earlier time as the Owner shall make a claim with the municipality for such. Failure of the Owner to claim such balance within the two-year period shall automatically result in a forfeiture of such balance to the municipality. Any interest accrued or earned on such balance while being held in escrow shall belong to and shall be paid to the municipality, whether such balance shall be paid to the Owner or forfeited to the municipality.
- E. Foreclosure by the municipality due to violation of the regulations governing affordable housing units shall not extinguish the restrictions of the regulations governing affordable housing units as the same apply to the low- and moderate-income unit. Title shall be conveyed to the purchaser at the Sheriff's sale, subject to the restrictions and provisions of the regulations governing the affordable housing unit. The Owner determined to be in violation of the provisions of this plan and from whom title and possession were taken by means of the Sheriff's sale shall not be entitled to any right of redemption.
- F. If there are no bidders at the Sheriff's sale, or if insufficient amounts are bid to satisfy the First Purchase Money Mortgage and any prior liens, the municipality may acquire title to the low- and moderate-income unit by satisfying the First Purchase Money Mortgage and any prior liens and crediting the violating owner with an amount equal to the difference between the First Purchase Money Mortgage and any prior liens and costs of the enforcement proceedings, including legal fees and the maximum resale price for which the low- and moderate-income

unit could have been sold under the terms of the regulations governing affordable housing units. This excess shall be treated in the same manner as the excess which would have been realized from an actual sale as previously described.

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

§81-28. Appeals. Appeals from all decisions of an Administrative Agent designated pursuant to this Ordinance shall be filed in writing with the Borough.

Article IV Development Fees

§81-29. Purpose.

- A. In *Holmdel Builder's Association v. Holmdel Township*, 121 N.J. 550 (1990), the New Jersey Supreme Court determined that mandatory development fees are authorized by the Fair Housing Act of 1985 (the Act), N.J.S.A. 52:27D-301 et seq., and the State Constitution, subject to the Council on Affordable Housing's (COAH's) adoption of rules.
- B. COAH was authorized by P.L. 2008, c. 46, Section 8 (N.J.S.A. 52:27D-329.2), and the Statewide Nonresidential Development Fee Act (N.J.S.A. 40:55D-8.1 through 40:55D-8.7) to adopt and promulgate regulations necessary for the establishment, implementation, review, monitoring and enforcement of municipal affordable housing trust funds and corresponding spending plans. Municipalities that are under the jurisdiction of COAH or a court of competent jurisdiction and have a COAH- or court-approved spending plan may retain fees collected from nonresidential development.
- C. In Re: Adoption of N.J.A.C. 5:96 and 5:97 by the New Jersey Council on Affordable Housing, 221 N.J. 1 (2015), also known as the Mount Laurel IV decision, the Supreme Court remanded COAH's duties to the Superior Court. As a result, affordable housing development fee collections and expenditures from the municipal affordable housing trust funds to implement municipal Third Round Fair Share Plans through July 1, 2025 are under the Court's jurisdiction and are

subject to approval by the Court.

- D. This chapter establishes standards for the collection, maintenance, and expenditure of development fees pursuant to COAH's regulations and in accordance with P.L. 2008, c. 46, Sections 8 and 32 through 38². Fees collected pursuant to this chapter shall be used for the sole purpose of providing low- and moderate-income housing. This chapter shall be interpreted within the framework of COAH's rules on development fees, codified at N.J.A.C. 5:93-8.

§81-30. Basic requirements.

- A. COAH had previously approved ordinances adopting and amending Article II of Chapter 2, which established the Borough's affordable housing trust fund. The Borough's development fee ordinance which has been further amended and relocated to Article IV of Chapter 81 remains effective pursuant to the Superior Court's jurisdiction in accordance with N.J.A.C. 5:93.8.
- B. COAH approved the Borough's initial Spending Plan in 1994 and approved the Borough's Third Round Spending Plan in 2009, and an amendment to the Spending Plan in 2010. Subsequently, the Superior Court approved second and third amendments to the Borough's Third Round Spending Plan on September 20, 2016 and January 5, 2017. At such time that the Court approves the Borough's Amended Third Round Housing Element and Fair Share Plan and the fourth amended Third Round Spending Plan, the Borough may begin spending development fees in conformance with N.J.A.C. 5:93-8 for the new 2018 Plan activities.

§81-31. Residential development fees.

- A. Imposed fees.
1. Within all Zoning Districts, residential developers, except for developers of the types of development specifically exempted below, shall pay a fee of 1.5% of the equalized assessed value for residential development, provided no increased density is permitted.
 2. When an increase in residential density pursuant to N.J.S.A. 40:55D-70d(5) (known as a "d" variance) has been permitted, developers may be required to pay a development fee of 6% of the equalized assessed value for each additional unit that may be realized. However, if the zoning on a site has changed during the two-year period preceding the filing of such a variance application, the base density for the purposes of calculating the bonus development fee shall be the highest density permitted by right during the two-year period preceding the filing of the variance application. Example: If an approval allows four units to be constructed on a site that was zoned for

² Editor's Note: See N.J.S.A. 52:27D-329.2 and N.J.S.A. 40:55D-8.1 through 40:55D-8.7, respectively.

two units, the fees could equal 1.5% of the equalized assessed value on the first two units; and the specified higher percentage up to six percent of the equalized assessed value for the two additional units, provided zoning on the site has not changed during the two-year period preceding the filing of such a variance application.

B. Eligible exactions, ineligible exactions and exemptions for residential development.

1. Affordable housing developments, developments where the developer is providing for the construction of affordable units elsewhere in the municipality, and developments where the developer has made a payment in lieu of on-site construction of affordable units shall be exempt from development fees.
2. Developments that have received preliminary or final site plan approval prior to the adoption of a municipal development fee ordinance shall be exempt from development fees, unless the developer seeks a substantial change in the approval. Where a site plan approval does not apply, a zoning and/or building permit shall be synonymous with preliminary or final site plan approval for this purpose. The fee percentage shall be vested on the date that the building permit is issued.
3. Development fees shall be imposed and collected when an existing structure undergoes a change to a more intense use, is demolished and replaced, or is expanded, if the expansion is not otherwise exempt from the development fee requirement. The development fee shall be calculated on the increase in the equalized assessed value of the improved structure.
4. Developers of residential structures demolished and replaced as a result of a natural disaster shall be exempt from paying a development fee.

§81-32. Nonresidential development fees.

A. Imposed fees.

1. Within all zoning districts, nonresidential developers, except for developers of the types of development specifically exempted, shall pay a fee equal to 2.5% of the equalized assessed value of the land and improvements for all new nonresidential construction on an unimproved lot or lots.
2. Nonresidential developers, except for developers of the types of development specifically exempted, shall also pay a fee equal to 2.5% of the increase in equalized assessed value resulting from any additions to existing structures to be used for nonresidential purposes.
3. Development fees shall be imposed and collected when an existing structure is demolished and replaced. The development fee of 2.5% shall be calculated on the difference between the equalized assessed value of

the preexisting land and improvement and the equalized assessed value of the newly improved structure, i.e., land and improvement, at the time final certificate of occupancy is issued. If the calculation required under this section results in a negative number, the nonresidential development fee shall be zero.

B. Eligible exactions, ineligible exactions and exemptions for nonresidential development.

1. The nonresidential portion of a mixed-use inclusionary or market rate development shall be subject to the two-and-one-half-percent development fee, unless otherwise exempted below.
2. The two-and-one-half-percent fee shall not apply to an increase in equalized assessed value resulting from alterations, change in use within existing footprint, reconstruction, renovations and repairs.
3. Nonresidential developments shall be exempt from the payment of nonresidential development fees in accordance with the exemptions required pursuant to P.L. 2008, c. 46, as specified in the Form N-RDF, "State of New Jersey Nonresidential Development Certification/Exemption" form. Any exemption claimed by a developer shall be substantiated by that developer.
4. A developer of a nonresidential development exempted from the nonresidential development fee pursuant to P.L. 2008, c. 46, shall be subject to it at such time the basis for the exemption no longer applies and shall make the payment of the nonresidential development fee, in that event, within three years after that event or after the issuance of the final certificate of occupancy of the nonresidential development, whichever is later.
5. If a property which was exempted from the collection of a nonresidential development fee thereafter ceases to be exempt from property taxation, the owner of the property shall remit the fees required pursuant to this section within 45 days of the termination of the property tax exemption. Unpaid nonresidential development fees under these circumstances may be enforceable by the Borough as a lien against the real property of the owner.

§81-33. Collection procedures.

- A. Upon the granting of a preliminary, final or other applicable approval for a development, the applicable approving authority shall direct its staff to notify the Construction Official responsible for the issuance of a building permit.
- B. For nonresidential developments only, the developer shall also be provided with a copy of Form N-RDF, "State of New Jersey Nonresidential Development Certification/Exemption," to be completed as per the instructions provided. The

developer of a nonresidential development shall complete Form N-RDF as per the instructions provided. The Construction Official shall verify the information submitted by the nonresidential developer as per the instructions provided in the Form N-RDF. The Tax Assessor shall verify exemptions and prepare estimated and final assessments as per the instructions provided in Form N-RDF.

- C. The Construction Official responsible for the issuance of a building permit shall notify the local Tax Assessor of the issuance of the first building permit for a development which is subject to a development fee.
- D. Within 90 days of receipt of that notice, the Municipal Tax Assessor, based on the plans filed, shall provide an estimate of the equalized assessed value of the development.
- E. The Construction Official responsible for the issuance of a final certificate of occupancy notifies the local Assessor of any and all requests for the scheduling of a final inspection on property which is subject to a development fee.
- F. Within 10 business days of a request for the scheduling of a final inspection, the Municipal Assessor shall confirm or modify the previously estimated equalized assessed value of the improvements of the development; calculate the development fee; and thereafter notify the developer of the amount of the fee.
- G. Should Allendale fail to determine or notify the developer of the amount of the development fee within 10 business days of the request for final inspection, the developer may estimate the amount due and pay that estimated amount consistent with the dispute process set forth in Subsection b of Section 37 of P.L. 2008, c. 46 (N.J.S.A. 40:55D-8.6).
- H. Fifty percent of the development fee shall be collected at the time of issuance of the building permit. The remaining portion shall be collected at the issuance of the certificate of occupancy. The developer shall be responsible for paying the difference between the fee calculated at building permit and that determined at issuance of certificate of occupancy.
- I. Appeal of development fees.
 - 1. A developer may challenge residential development fees imposed by filing a challenge with the County Board of Taxation. Pending a review and determination by the Board, collected fees shall be placed in an interest-bearing escrow account by Allendale. Appeals from a determination of the Board may be made to the Tax Court in accordance with the provisions of the State Uniform Tax Procedure Law, N.J.S.A. 54:48-1 et seq., within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.
 - 2. A developer may challenge nonresidential development fees imposed by filing a challenge with the Director of the Division of Taxation. Pending a review and determination by the Director, which shall be made within 45

days of receipt of the challenge, collected fees shall be placed in an interest-bearing escrow account by Allendale. Appeals from a determination of the Director may be made to the Tax Court in accordance with the provisions of the State Uniform Tax Procedure Law, N.J.S.A. 54:48-1 et seq., within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.

§81-34. Affordable housing trust fund.

- A. There is hereby created a separate, interest-bearing housing trust fund to be maintained by the Chief Financial Officer for the purpose of depositing development fees collected from residential and nonresidential developers and proceeds from the sale of units with extinguished controls.
- B. The following additional funds shall be deposited in the affordable housing trust fund and shall at all times be identifiable by source and amount:
 - 1. Payments in lieu of on-site construction of affordable units;
 - 2. Developer-contributed funds to make 10% of the adaptable entrances in a townhouse or other multistory attached development accessible;
 - 3. Rental income from municipally operated units;
 - 4. Repayments from affordable housing program loans;
 - 5. Recapture funds;
 - 6. Proceeds from the sale of affordable units; and
 - 7. Any other funds collected in connection with Allendale's affordable housing program.
- C. Allendale Borough previously provided COAH with written authorization, in the form of three-party escrow agreements between the municipality, Lakeland Bank, and COAH, to permit COAH to direct the disbursement of the funds as provided for in N.J.A.C. 5:93-8. The Superior Court shall now have such jurisdiction to direct the disbursement of the Borough's trust funds per N.J.A.C. 5:93-8.
- D. All interest accrued in the housing trust fund shall only be used on eligible affordable housing activities approved by the Court.

§81-35. Use of funds.

- A. The expenditure of all funds shall conform to a spending plan approved by the Court. Funds deposited in the housing trust fund may be used for any activity approved by the Court to address the Borough's fair share obligation and may be set up as a grant or revolving loan program. Such activities include, but are not limited to, preservation or purchase of housing for the purpose of maintaining or implementing affordability

controls, rehabilitation, new construction of affordable housing units and related costs, accessory apartment, market to affordable, or regional housing partnership programs, conversion of existing nonresidential buildings to create new affordable units, green building strategies designed to be cost saving and in accordance with accepted national or state standards, purchase of land for affordable housing, improvement of land to be used for affordable housing, extensions or improvements of roads and infrastructure to affordable housing sites, financial assistance designed to increase affordability, administration necessary for implementation of the Housing Element and Fair Share Plan, or any other activity as permitted pursuant to N.J.A.C. 5:93-8.16 and specified in the approved spending plan.

- B. Funds shall not be expended to reimburse Allendale for past housing activities.
- C. At least 30% of all development fees collected and interest earned shall be used to provide affordability assistance to low- and moderate-income households in affordable units included in the municipal Fair Share Plan. One-third of the affordability assistance portion of development fees collected shall be used to provide affordability assistance to those households earning 30% or less of median income by region.
 - 1. Affordability assistance programs may include down payment assistance, security deposit assistance, low-interest loans, rental assistance, assistance with homeowners' association or condominium fees and special assessments, and assistance with emergency repairs.
 - 2. Affordability assistance to households earning 30% or less of median income may include buying down the cost of low- or moderate-income units in the municipal Fair Share Plan to make them affordable to households earning 30% or less of median income.
 - 3. Payments in lieu of constructing affordable units on site and funds from the sale of units with extinguished controls shall be exempt from the affordability assistance requirement.
- D. Allendale may contract with a private or public entity to administer any part of its Housing Element and Fair Share Plan, including the requirement for affordability assistance, in accordance with N.J.A.C. 5:93-8.16.
- E. No more than 20% of all revenues collected from development fees may be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to develop or implement a new construction program, a Housing Element and Fair Share Plan, and/or an affirmative marketing program. In the case of a rehabilitation program, no more than 20% of the revenues collected from development fees shall be expended for such administrative expenses. Administrative funds may be used for income qualification of households, monitoring the turnover of sale and rental units, and compliance with the monitoring requirements set forth in the Court-approved September 15, 2017 executed Settlement Agreement with Fair Share Housing Center. Legal or other fees related to litigation opposing affordable housing sites or objecting to the Council's regulations and/or action are not eligible uses of the affordable housing trust fund.

§81-36. Monitoring.

- A. On or about September 15 of each year through 2025, Allendale shall provide annual reporting of trust fund activity to the New Jersey Department of Community Affairs (“DCA”), COAH, or Local Government Services (“LGS”)), or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center and posted on the municipal website, using forms developed for this purpose by the DCA, COAH, or LGS. This reporting shall include an accounting of all housing trust fund activity, including the collection of development fees from residential and nonresidential developers, payments in lieu of constructing affordable units on site, funds from the sale of units with extinguished controls, barrier-free escrow funds, rental income, repayments from affordable housing program loans, and any other funds collected in connection with Allendale’s housing program, as well as to the expenditure of revenues and implementation of the plan approved by the Court.

§81-37. Ongoing collection of fees.

- A. The ability for Allendale to impose, collect and expend development fees shall expire with its Court-issued Judgment of Compliance and Repose unless Allendale has filed an adopted Housing Element and Fair Share Plan with the Court or other appropriate jurisdiction, has filed a Declaratory Judgment Action, and has received the Court’s approval of its development fee ordinance. If Allendale fails to renew its ability to impose and collect development fees prior to the expiration of its Judgment of Compliance and Repose, it may be subject to forfeiture of any or all funds remaining within its municipal trust fund. Any funds so forfeited shall be deposited into the "New Jersey Affordable Housing Trust Fund" established pursuant to Section 20 of P.L. 1985, c. 222 (N.J.S.A. 52:27D-320). Allendale shall not impose a residential development fee on a development that receives preliminary or final site plan approval after the expiration of its Judgment Compliance and Repose, nor shall Allendale retroactively impose a development fee on such a development. Allendale shall not expend development fees after the expiration of its Judgment Compliance and Repose.

Section VI. Repealer. All ordinances or Code provisions or parts thereof inconsistent with this Ordinance are hereby repealed to the extent of such inconsistency.

Section VII. Severability. If any section, subsection, paragraph, sentence or any other part of this ordinance is adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remainder of this ordinance.

Section VIII. Effective Date. This ordinance shall take effect upon its passage and publication, as required by law.

	Motion	Second	Yea	Nay	Absent	Abstain
Bernstein	✓		✓			
Homan			✓			
O’Connell			✓			

Sasso			✓			
Strauch					✓	
Wilczynski		✓	✓			
White						

I hereby certify the above to be a true copy of an Ordinance adopted by the Governing Body of the Borough of Allendale on September 27, 2018


 Mayor Elizabeth White


 Anne Dodd, RMC
 Municipal Clerk



APPENDIX Q

RAMSEY COUNTRY CLUB

INCLUSIONARY OVERLAY ZONING

ORDINANCE

**BOROUGH OF ALLENDALE
COUNTY OF BERGEN**

ORDINANCE NO. 18-16

**AN ORDINANCE OF THE BOROUGH OF ALLENDALE TO AMEND CHAPTER 270,
"ZONING" OF THE BOROUGH CODE, TO CREATE THE RAMSEY GOLF COURSE
INCLUSIONARY OVERLAY RESIDENTIAL ZONE DISTRICT, ALSO KNOWN AS MFRO-2**

BE IT ORDAINED by the Mayor and Council of the Borough of Allendale as follows:

Section 1. Article XXXIV "Ramsey Golf Course Inclusionary Overlay Residential District" Created. That Article XXXIV is hereby added to Chapter 270 to read as follows:

§ 270-195. Purpose and area of application.

To address its affordable housing unmet need obligation, the Borough shall implement an Inclusionary Overlay Zone Ordinance that creates a realistic opportunity for housing that is affordable to low- and moderate-income households in the portion of the Ramsey Country Club and Golf Course located within the Borough of Allendale, also known as Block 301, Lot 37, and Block 406, Lot 21.01. This Ordinance establishes the Ramsey Golf Course Inclusionary Overlay Zone – the MFRO-2 District –and permits multi-family and townhouse development on the properties identified above provided that such housing complies with a required 20% inclusionary set-aside requirement and with the requirements of this ordinance. This Ordinance shall not take effect unless the golf course / country club use ceases, or portions thereof located within the Borough become released for residential development. In such an event, the golf course / country club use may not be changed to any other non-residential use.

§ 270-196. Special Rules

- A. In any inclusionary development permitted by this ordinance, at least 20% of the residential units must be affordable to low- and moderate-income households. In the event that 20% of the total number of residential units does not result in a full integer, the developer (as defined in §81-2) shall refer to §81-3.C with regard to addressing the fractional unit.
 - (1) In any development having five (5) or more residential units, at least one (1) unit must be established as affordable to low- and moderate-income households
- B. Where this Ordinance contradicts §81-3 of the Borough's Affordable Housing Ordinance, the effects and requirements of this Ordinance shall supersede the requirements of §81-3.

§ 270-197. Primary intended uses.

The following principal uses and structures shall be permitted in the MFRO-2 Zone District:

- A. Single-family attached dwellings, also known as "townhouses."
- B. Multi-family buildings, also known as apartment buildings.

- C. Apartments located in the same building with townhouse dwellings.

§ 270-198. Accessory uses.

Permitted accessory uses shall be limited to those uses customarily incidental to the permitted principal uses in the district, and in the case of townhouses and apartments, including but not limited to clubhouses, pools, tennis courts and similar personal recreation facilities for the exclusive use of the residents and guests of the development, etc.

§ 270-199. Prohibited uses.

Any use other than the uses permitted by § 270-187 and §270-188 shall be prohibited.

§ 270-200. Lot, bulk and intensity of use regulations.

- A. The maximum density of any development in the MFRO-2 District shall not exceed ten (10) units per acre.
- B. All residential buildings in the MFRO-2 District shall be subject to the following regulations:
 - (1) Minimum front yard. There shall be provided a front yard abutting all public streets at least 40 feet in depth, measured perpendicular to the street right-of-way line. Principal buildings shall be located at least 20 feet from the traveled way of private internal streets, roadways, etc.
 - (2) Minimum side and rear yards. There shall be provided yards at least 30 feet in depth adjacent to all property lines, except for front yards as set forth in Subsection C above.
 - (3) Maximum height of principal buildings. No building shall exceed 35 feet in height or 2 1/2 stories. For purposes of administering this provision, "one-half-story" shall mean the top floor of a building directly beneath a sloping roof, such that the habitable floor area is not more than 1/2 of the habitable floor area of the story below.
 - (4) Accessory buildings. Accessory buildings and structures shall comply with the following minimum setback requirements:
 - (a) Forty feet from public streets; 20 feet from the traveled way of private internal streets, roadways, etc.
 - (b) Thirty feet from all property lines other than public street right-of-way lines.
 - (c) Forty feet from residential buildings located in the MFRO-2 District.
- C. Maximum impervious coverage by improvements. Not more than 60% of the tract area may be occupied by buildings, paved areas and other improvements. At least 40% of the tract area shall be landscaped or, in the case of wetlands, wetland transition areas, water bodies or other undevelopable areas, preserved in a natural condition.

- D. Minimum buffer. There shall be provided a buffer along all property lines, other than along public streets, which adjoin any property zoned for residential purposes, regardless of whether the residential zone is developed for residential use or not. The buffer shall be designed to effectively screen the view of the MFRO-2 Zone property from such adjoining residential zone during all seasons.
- (1) The buffer shall be at least 20 feet in depth in front yards and 25 feet in depth for side or rear yards of a tract.
 - (2) No improvements shall be permitted within the buffer other than plantings, berms, walls, fences or a combination of the foregoing, and when determined necessary by the Joint Land Use Board utility structures, drainage pipes and related structures, etc., provided that such utility and drainage structures shall not reduce the effectiveness of the buffer.
 - (3) In the event that berms, walls and fences are the primary method used for screening, plantings shall also be required within the buffer for aesthetic reasons, as determined by the Joint Land Use Board, as applicable. Plantings shall be provided between the tract boundary and any walls or fences used for buffers in order to improve the appearance of the wall or fence from outside the tract.
 - (4) In the event that plantings are the primary method used for screening, the plantings shall include evergreen trees at least six (6) feet in height at the time of planting. Additional plantings may be included or required, as determined by the Joint Land Use Board as applicable. The precise type, quantity and spacing of plantings in the buffer shall be determined as part of any site plan review required by the Joint Land Use Board as necessary to achieve the intent of this subsection.
 - (5) In the event that wetlands or other undevelopable areas exist in the location of a required buffer, and such areas do not provide an effective buffer in their natural state, plantings and/or berms and/or fencing, etc., sufficient to meet the intent of the buffer, as determined by the Joint Land Use Board shall be required to be provided outside of such undevelopable areas. The foregoing shall not be construed to require that such additional plantings, etc., have a minimum depth as required herein. The nature and extent of the buffer in such case shall be determined by the Joint Land Use Board based upon field conditions.

§ 270-201. Other requirements.

- A. Minimum distance between buildings. The following minimum dimensions shall separate principal buildings:
- (1) Front wall facing front wall: 60 feet.
 - (2) Front wall facing rear wall: 50 feet.
 - (3) Front wall facing end/side wall: 35 feet.
 - (4) End/side wall facing end/side wall: 25 feet.
 - (5) End/side wall facing rear wall: 30 feet.
 - (6) Rear wall facing rear wall: 50 feet.

- (7) In case of uncertainty as to the definition of "front," "rear," "end/side" wall or in case the angle of the walls facing each other make interpretation of the required setbacks uncertain, the more restrictive of possible interpretations shall apply.

B. Building design.

- (1) Apartment flat units may be located in buildings containing townhouse units. In such buildings containing more than six (6) total units, a minimum of 40% shall be townhouse units. In such buildings containing up to six (6) total units, a minimum of 33% shall be townhouse units. There shall not be more than six (6) buildings in the development combining apartment flats and townhouse units that contain six (6) or fewer total units.
- (2) Apartment-only buildings and buildings containing townhouses and apartment flats shall be designed in a manner that does not distinguish between the exterior design and appearance of apartment and townhouse units.
 - (a) In buildings containing apartment flats and townhouses, apartment flats must be incorporated into the building in a manner consistent with overall architectural theme of the building and shall emulate the facade design and treatment of the townhouse units in order to create the exterior appearance of a townhouse unit. If apartment flats are stacked one unit over the other, the units must be accessed via a common interior hallway with a single front and single rear door.
 - (b) Buildings containing apartment flats with or without attached townhouses shall contain a minimum of two (2) and a maximum of twelve (12) dwelling units.
- (3) Buildings containing all townhouse units shall contain a minimum of two (2) and a maximum of six (6) dwelling units.
- (4) No building façade shall exceed 150 feet in length.
- (5) All residential buildings shall provide a staggered front-wall building setback of at least five (5) feet for every two (2) units, so as to avoid a flat, continuous façade. Additionally, each unit shall have not fewer than two (2) walls with window exposure. For the purposes of regulating facade articulation pursuant to this section, stacked apartment flats shall constitute a single unit, so that multi-family buildings without townhouses appear similar to buildings with townhouses.

C. Landscaping.

- (1) Attractive landscape plantings shall be provided and maintained.
- (2) Existing trees shall be retained wherever possible. Removal and preservation of trees shall comply with all applicable regulations of the Borough of Allendale and any other entity having jurisdiction.
- (3) Shade trees shall be provided along both sides of roadways at a ratio of at least one (1) tree for each 30 feet of roadway center line length (one (1) tree for each 60 feet on each side). All shade trees shall be at least three (3) inches in caliper at the time of planting.
- (4) Shade trees and shrubs shall be provided within and/or around the perimeter of parking areas, except driveway parking. Shade trees shall be provided at a ratio of at least one (1)

tree for each 10 parking spaces.

- D. Access and circulation. The design of access and circulation improvements serving development within the MFRO-2 District shall be in accordance with the New Jersey Residential Site Improvement Standards (N.J.A.C. 5:21-1 et seq.), and shall minimize detrimental impacts to area streets and residential neighborhoods. The following additional provisions shall apply:
- (1) Location of access. Any development in the MFRO-2 District shall provide two means of access; one at Canterbury Drive in Ramsey Borough and one at Ethel Avenue in Allendale Borough. If feasible, access to Heights Road should be considered. Traffic controls and limitations as to vehicular ingress and egress at such locations will be determined by the Joint Land Use Board during the course of its site plan review, as provided by the Municipal Land Use Law, local ordinances and applicable law. The Board may require traffic studies, as it deems appropriate, in order to address issues relating to traffic safety and the distribution and impact of traffic. The site's internal circulation design shall incorporate measures designed to prevent through traffic by nonresidents.
 - (2) Private streets. Private streets, roadways and other means of access shall be designed to comply with all applicable laws, statutes, rules and regulations.
- E. Parking. The amount and design of on-site parking shall be provided in accordance with the requirements of the New Jersey Residential Site Improvement Standards (N.J.A.C. 5:21-1 et seq.). In addition, the following provisions shall apply:
- (1) Parking areas shall not be located in the front yard between townhouse or apartment buildings and public streets. Individual driveways serving townhouses or apartment housing units shall not have direct access to a public street, but may have direct access to an internal street, roadway, etc.
 - (2) Parking areas shall not be located between townhouse or apartment buildings and internal streets, roadways, etc., except that parking spaces in the individual driveways located in front of garage doors shall be permitted in such locations. Furthermore, parking areas containing a single row (i.e. one side of the access aisle only) of up to 10 spaces shall be permitted in such locations.
 - (3) Parking areas and driveways shall be set back at least five (5) feet from all property lines abutting a nonresidential zone, and at least 20 feet from all other property lines, except as may otherwise be required for buffers as set forth in § 270-190E.
 - (4) Parking areas shall be set back at least seven (7) feet from building walls, except parking spaces in driveways located in front of garage doors.
 - (5) Parking areas shall be set back at least 10 feet from the traveled way of internal streets, roadways, etc., except that parking spaces adjacent to the traveled way and which use the traveled way for direct access to the space shall be exempt from this requirement.
 - (6) Parking spaces and private driveways shall be paved in accordance with the requirements for the same in the New Jersey Residential Site Improvement Standards (N.J.A.C. 5:21-1 et seq.).
- F. Lighting. All exterior lighting shall be arranged to direct light away from all adjoining premises.
- (1) Unless specifically approved as part of a submitted site plan development application by the applicable approving board, no lighting shall be attached to the roof of a building.

(2) Any lighting within a building shall be of an intensity and shall be designed and focused to eliminate, to the maximum extent practicable, any emission of lighting outside of the building; all lighting outside of a building shall be provided via lighting fixtures approved by the applicable approving board, as part of an approval for a submitted site plan development application. The applicant is required to submit a lighting plan indicating the location of the lighting fixtures, the direction of illumination, the wattage and isolux curves for each fixture, the hours of operation of the lighting and the details of the lighting poles and the luminaries, all in accordance with the following:

- (a) The lighting is to be provided by fixtures with a mounting height not higher than 15 feet, measured from the ground level to the centerline of the light source;
- (b) The lighting fixtures are to include non-glare lights with recessed lenses focused downward and with "cut-off" shields as appropriate in order to mitigate against adverse impacts upon adjacent and nearby properties, the safety of traffic along adjacent roadways and overhead sky glow;
- (c) The light intensity provided at ground level shall be indicated in footcandles on the submitted plans and shall average not more than five-tenths footcandle throughout the area to be illuminated. The reviewing board may adjust these light levels where deemed appropriate to reduce the effects of the light levels on surrounding properties.

§ 270-202. Review Requirements

Prior to the issuance of any construction permit, the Joint Land Use Board as applicable, shall review and approve a final site plan for the entire project in accordance with the provisions of the Land Subdivision and Site Plan Ordinance and all other applicable ordinances of the Borough of Allendale.


Section II. Repealer. All ordinances or Code provisions or parts thereof inconsistent with this Ordinance are hereby repealed to the extent of such inconsistency.

Section III. Severability. If any section, subsection, paragraph, sentence or any other part of this ordinance is adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remainder of this ordinance.


Section IV. Effective Date. This ordinance shall take effect upon its passage and publication, as required by law.

	Motion	Second	Yea	Nay	Absent	Abstain
Bernstein	✓		✓			
Homan			✓			
O'Connell			✓			
Sasso			✓			
Strauch					✓	
Wilczynski		✓	✓			
White						

I hereby certify the above to
be a true copy of an Ordinance
adopted by the Governing Body
of the Borough of Allendale on
September 27, 2018



Anne Dodd, RMC
Municipal Clerk



Mayor Elizabeth White



APPENDIX R

**FRANKLIN TURNPIKE INCLUSIONARY
OVERLAY ZONING ORDINANCE**

**BOROUGH OF ALLENDALE
COUNTY OF BERGEN**

ORDINANCE NO. 18-15

**AN ORDINANCE OF THE BOROUGH OF ALLENDALE TO AMEND CHAPTER 270,
“ZONING” OF THE BOROUGH CODE, TO CREATE THE FRANKLIN TURNPIKE
INCLUSIONARY OVERLAY RESIDENTIAL ZONE DISTRICT, ALSO KNOWN AS MFRO-4**

BE IT ORDAINED by the Mayor and Council of the Borough of Allendale as follows:

Section 1. Article XXXVI “Franklin Turnpike Inclusionary Overlay Residential District” Created. That Article XXXVI is hereby added to Chapter 270 to read as follows:

§ 270-201. Purpose and area of application.

To address its affordable housing unmet need obligation, the Borough shall implement an Inclusionary Overlay Zone Ordinance that creates a realistic opportunity for housing that is affordable to low- and moderate-income households on Block 1803, Lot 1 also known as the Church of the Guardian Angel, at 320 Franklin Turnpike. This Ordinance establishes the Franklin Turnpike Inclusionary Overlay Zone – the MFRO-4 District, and permits the creation of townhouse and multi-family housing on the property identified above provided that such housing complies with a required 20% inclusionary set-aside requirement and with the requirements of this ordinance. The Ordinance will not take effect unless the church use ceases, or portions of the property become released for residential development. In such an event, the church use may not be changed to any other non-residential use.

§ 270-202. Special Rules

- A. In any inclusionary development permitted by this ordinance, at least 20% of the residential units must be affordable to low- and moderate-income households. In the event that 20% of the total number of residential units does not result in a full integer, the developer / property owner shall refer to §81-3.C with regard to addressing the fractional unit.
 - (1) In any development having five (5) or more residential units, at least one (1) unit must be established as affordable to low- and moderate-income households
- B. Where this Ordinance contradicts §81-3 of the Borough’s Affordable Housing Ordinance, the effects and requirements of this Ordinance shall supersede the requirements of §81-3.

§ 270-203. Primary intended uses.

The following principal uses and structures shall be permitted in the MFRO-4 Zone District:

- A. Multi-family development, also known as apartments or flats
- B. Single-family attached dwellings, also known as townhouses

§ 270-204. Accessory uses.

Permitted accessory uses shall be limited to those uses customarily incidental to the uses permitted in this District, including but not limited to clubhouses, pools, tennis courts and similar personal recreation facilities for the exclusive use of the residents and guests of the development, etc.

§ 270-205. Prohibited uses.

Any use other than the uses permitted by §270-203 and §270-204 shall be prohibited.

§ 270-206. Lot, bulk and intensity of use regulations.

All buildings shall be subject to the following regulations:

- A. Maximum Density. Twelve (12) units per acre.
- B. Principal building standards
 - (1) Maximum height of principal buildings. 35 feet in height or 2 ½ stories.
 - (2) Minimum front yard from Franklin Turnpike. 35 feet
 - (3) Minimum front yard setback from interior driveways and roads: 20 feet from the traveled way of private internal streets, roadways, etc.
 - (4) Minimum side yard to interior driveways and roads: 10 feet
 - (5) Setback to residential zone districts: 50 feet
 - (6) Rear Yard setback: 25 feet
- C. Accessory building standards. Accessory buildings and structures shall comply with the following minimum setback requirements:
 - (1) Forty (40) feet from public streets; 20 feet from the traveled way of private internal driveways and roads.
 - (2) Thirty (30) feet from all property lines other than public street right-of-way lines.
 - (3) Forty (40) feet from residential buildings located in the MFRO-4 District.
- D. Maximum coverage by improvements. Not more than 65% of the tract area may be occupied by buildings, paved areas and other improvements. At least 35% of the tract area shall be landscaped or, in the case of wetlands, wetland transition areas, water bodies or other undevelopable areas, preserved in a natural condition.
- E. Minimum distance between buildings. The following minimum dimensions shall separate principal buildings:
 - (1) Front wall facing front wall: 60 feet.
 - (2) Front wall facing rear wall: 50 feet.

- (3) Front wall facing end/side wall: 35 feet.
- (4) End/side wall facing end/side wall: 25 feet.
- (5) End/side wall facing rear wall: 30 feet.
- (6) Rear wall facing rear wall: 50 feet.
- (7) In case of uncertainty as to the definition of "front," "rear," "end/side" wall or in case the angle of the walls facing each other make interpretation of the required setbacks uncertain, the more restrictive of possible interpretations shall apply.

F. Building design.

- (1) Apartment flat units may be located in buildings containing townhouse units. In such buildings containing more than six (6) total units, a minimum of 40% shall be townhouse units. In such buildings containing up to six (6) total units, a minimum of 33% shall be townhouse units. There shall not be more than six (6) buildings in the development combining apartment flats and townhouse units that contain six (6) or fewer total units.
- (2) Apartment-only buildings and buildings containing townhouses and apartment flats shall be designed in a manner that does not distinguish between the exterior design and appearance of apartment and townhouse units.
 - (a) In buildings containing apartment flats and townhouses, apartment flats must be incorporated into the building in a manner consistent with overall architectural theme of the building and shall emulate the facade design and treatment of the townhouse units in order to create the exterior appearance of a townhouse unit. If apartment flats are stacked one unit over the other, the units must be accessed via a common interior hallway with a single front and single rear door.
 - (b) Buildings containing apartment flats with or without attached townhouses shall contain a minimum of two (2) and a maximum of twelve (12) dwelling units.
- (3) Buildings containing all townhouse units shall contain a minimum of two (2) and a maximum of six (6) dwelling units.
- (4) No building façade shall exceed 150 feet in length.
- (5) All residential buildings shall provide a staggered front-wall building setback of at least five (5) feet for every two (2) units, so as to avoid a flat, continuous façade. Additionally, each unit shall have not fewer than two (2) walls with window exposure. For the purposes of regulating facade articulation pursuant to this section, stacked apartment flats shall constitute a single unit, so that multi-family buildings without townhouses appear similar to buildings with townhouses.

G. Buffer standards.

- (1) Minimum buffer from residential zones: 25 feet
- (2) No improvements shall be permitted within the buffer other than plantings, berms, walls, fences or a combination of the foregoing, and when determined necessary by the Joint Land Use Board utility structures, drainage pipes and related structures, etc., provided that such utility and drainage structures shall not reduce the effectiveness of the buffer.

- (3) In the event that berms, walls and fences are the primary method used for screening, plantings shall also be required within the buffer for aesthetic reasons, as determined by the Joint Land Use Board, as applicable. Plantings shall be provided between the tract boundary and any walls or fences used for buffers in order to improve the appearance of the wall or fence from outside the tract.
 - (4) In the event that plantings are the primary method used for screening, the plantings shall include evergreen shrubs or trees at least six feet high at the time of planting. Additional plantings may be included or required, as determined by the Joint Land Use Board, as applicable. The precise type, quantity and spacing of plantings in the buffer shall be determined as part of any site plan review required by the Joint Land Use Board as necessary to achieve the intent of this subsection.
 - (5) In the event that wetlands or other undevelopable areas exist in the location of a required buffer, and such areas do not provide an effective buffer in their natural state, plantings and/or berms and/or fencing, etc., sufficient to meet the intent of the buffer, as determined by the Joint Land Use Board shall be required to be provided outside of such undevelopable areas. The foregoing shall not be construed to require that such additional plantings, etc., have a minimum depth as prescribed herein. The nature and extent of the buffer in such case shall be determined by the Joint Land Use Board based upon field conditions.
- H. Parking. The amount and design of on-site parking shall be provided in accordance with the requirements of the New Jersey Residential Site Improvement Standards (N.J.A.C. 5:21-1 et seq.). In addition, the following provisions shall apply:
- (1) Parking areas shall not be located in the front yard between townhouse or apartment buildings and public streets. Individual driveways serving townhouses or apartment housing units shall not have direct access to a public street, but may have direct access to an internal street, roadway, etc.
 - (2) Parking areas shall not be located between townhouse or apartment buildings and internal streets, roadways, etc., except that parking spaces in the individual driveways for townhouse and apartment units located in front of garage doors shall be permitted in such locations, and furthermore parking areas containing a single row (i.e., one side of the access aisle only) of up to 10 spaces shall be permitted in such locations.
 - (3) Parking areas and driveways shall be set back at least five feet from all property lines abutting a nonresidential zone, and at least 20 feet from all other property lines, except as may otherwise be required for buffers as set forth in § 270-207E.
 - (4) Parking areas shall be set back at least seven feet from building walls, except parking spaces in driveways located in front of garage doors.
 - (5) Parking areas shall be set back at least 10 feet from the traveled way of internal streets, roadways, etc., except that parking spaces adjacent to the traveled way and which use the traveled way for direct access to the space shall be exempt from this requirement.
 - (6) Parking spaces and private driveways shall be paved in accordance with the requirements for the same in the New Jersey Residential Site Improvement Standards (N.J.A.C. 5:21-1 et seq.).

- I. Lighting. All exterior lighting shall be arranged to direct light away from all adjoining premises.
- (1) Unless specifically approved as part of a submitted site plan development application by the applicable approving board, no lighting shall be attached to the roof of a building.
 - (2) Any lighting within a building shall be of an intensity and shall be designed and focused to eliminate, to the maximum extent practicable, any emission of lighting outside of the building; all lighting outside of a building shall be provided via lighting fixtures approved by the applicable approving board, as part of an approval for a submitted site plan development application. The applicant is required to submit a lighting plan indicating the location of the lighting fixtures, the direction of illumination, the wattage and isolux curves for each fixture, the hours of operation of the lighting and the details of the lighting poles and the luminaries, all in accordance with the following:
 - (a) The lighting is to be provided by fixtures with a mounting height not higher than 15 feet, measured from the ground level to the centerline of the light source;
 - (b) The lighting fixtures are to include non-glare lights with recessed lenses focused downward and with "cut-off" shields as appropriate to mitigate against adverse impacts upon adjacent and nearby properties, the safety of traffic along adjacent roadways and overhead sky glow;
 - (c) The light intensity provided at ground level shall be indicated in footcandles on the submitted plans and shall average not more than five-tenths footcandle throughout the area to be illuminated. The reviewing board may adjust these light levels where deemed appropriate to reduce the effects of the light levels on surrounding properties.

§ 270-208. Site plan review and approval.

Prior to the issuance of any construction permit, the Joint Land Use Board shall review and approve a final site plan for the entire project in accordance with the provisions of the Land Subdivision and Site Plan Ordinance and all other applicable ordinances of the Borough of Allendale.

Section II. Repealer. All ordinances or Code provisions or parts thereof inconsistent with this Ordinance are hereby repealed to the extent of such inconsistency.

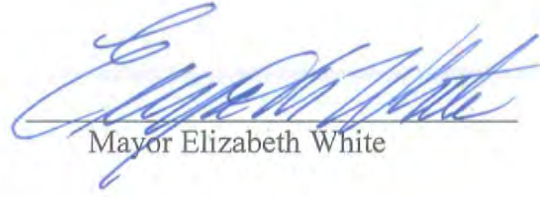
Section III. Severability. If any section, subsection, paragraph, sentence or any other part of this ordinance is adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remainder of this ordinance.

Section IV. Effective Date. This ordinance shall take effect upon its passage and publication, as required by law.

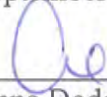
	Motion	Second	Yea	Nay	Absent	Abstain
Bernstein	✓		✓			
Homan			✓			
O'Connell			✓			
Sasso			✓			
Strauch					✓	

Wilczynski		✓	✓			
White						

I hereby certify the above to be a true copy of an Ordinance adopted by the Governing Body of the Borough of Allendale on September 27, 2018



Mayor Elizabeth White



Anne Dodd, RMC
Municipal Clerk



APPENDIX S

**ALLENDALE CORPORATE CENTER
INCLUSIONARY OVERLAY ORDINANCE**

**BOROUGH OF ALLENDALE
COUNTY OF BERGEN**

ORDINANCE NO. 18-14

**AN ORDINANCE OF THE BOROUGH OF ALLENDALE TO AMEND CHAPTER 270,
“ZONING” OF THE BOROUGH CODE, TO CREATE THE ALLENDALE CORPORATE CENTER
INCLUSIONARY OVERLAY RESIDENTIAL ZONE DISTRICT, ALSO KNOWN AS MFRO-3**

BE IT ORDAINED by the Mayor and Council of the Borough of Allendale as follows:

Section 1. Article XXXV “Allendale Corporate Center Inclusionary Overlay Residential District” Created.
That Article XXXV is hereby added to Chapter 270 to read as follows:

§ 270-193. Purpose and area of application.

To address its affordable housing unmet need obligation, the Borough shall implement an Inclusionary Overlay Zone Ordinance that creates a realistic opportunity for housing that is affordable to low- and moderate-income households on Block 702, Lot 14, also known as the Allendale Corporate Center. This Ordinance establishes the Allendale Corporate Center Inclusionary Overlay Zone – the MFRO-3 District— and permits the creation of multi-family development on the property identified above provided that such housing complies with a required 20% inclusionary set-aside requirement and with the requirements of this ordinance. This ordinance shall not take effect until such time that the site ceases to be used for warehousing, distribution, and any ancillary office use, or the site becomes available for residential development.

§ 270-194. Special Rules

- A. In any inclusionary development permitted by this ordinance, at least 20% of the residential units must be affordable to low- and moderate-income households. In the event that 20% of the total number of residential units does not result in a full integer, the developer (as defined in §81-2) shall refer to §81-3.C with regard to addressing the fractional unit.
 - (1) In any development having five (5) or more residential units, at least one (1) unit must be established as affordable to low- and moderate-income households
- B. Where this Ordinance contradicts §81-3 of the Borough’s Affordable Housing Ordinance, the effects and requirements of this Ordinance shall supersede the requirements of §81-3.

§ 270-195. Primary intended uses.

- A. Multi-family development, also known as apartments

§ 270-196. Accessory uses.

Permitted accessory uses shall be limited to those uses customarily incidental to the permitted principal uses in the district, including but not limited to clubhouses, pools, tennis courts and similar personal recreation facilities for the exclusive use of the residents and guests of the development, etc.

§ 270-197. Prohibited uses.

Any use other than the uses permitted by § 270-195 and §270-196 shall be prohibited.

§ 270-198. Lot, bulk and intensity of use regulations.

All buildings shall be subject to the following regulations:

- A. Maximum Density. The maximum density of housing units shall be twelve (12) units per acre.
- B. Principal building standards
 - (1) Maximum height of principal buildings. 35 feet in height or 3 stories.
 - (2) Minimum building setback to any property line or zone boundary shall be 50 feet
- C. Accessory buildings. Accessory buildings and structures shall comply with the following minimum setback requirements:
 - (1) Forty (40) feet from public streets; 20 feet from the traveled way of private internal streets, roadways, etc.
 - (2) Thirty (30) feet from all property lines other than public street right-of-way lines.
 - (3) Forty (40) feet from residential buildings located in the MFRO-3 District.
- D. Maximum impervious coverage by improvements. Not more than 60% of the tract area may be occupied by buildings, paved areas and other improvements.
- E. Building separation. There shall be a separation of at least 40 feet between adjacent multi-family buildings.
- F. Building scale. No building in the District shall exceed 150 feet in length.
- G. Recreation areas. At least 5% of the gross site area shall be set aside for casual recreational use, such as an open grassy area for games and other activities.
- H. Landscaping. Attractive landscape plantings shall be provided and maintained, and existing trees shall be retained wherever possible.
- I. Driveways. The right-of-way and pavement widths of all internal driveways shall be adequate in size and location to accommodate the maximum anticipated traffic and access of fire-fighting and police vehicles. Minimum paved width shall be 12 feet for a one-way driveway and 20 feet for a two-way driveway.
- J. Lighting. All exterior lighting shall be arranged so as to reflect the light away from all adjoining premises.
- K. Minimum buffer. There shall be provided a buffer along all property lines, other than along public streets, which adjoin any property zoned for residential purposes, regardless of whether the residential zone is developed for residential use or not. The buffer shall be designed to effectively screen the view of the MFRO-3 Zone property from such adjoining residential zone during all seasons.
 - (1) The buffer shall be at least 25 feet in depth.

- (2) No improvements shall be permitted within the buffer other than plantings, berms, walls, fences or a combination of the foregoing, and when determined necessary by the Joint Land Use Board utility structures, drainage pipes and related structures, etc., provided that such utility and drainage structures shall not reduce the effectiveness of the buffer.
- (3) In the event that berms, walls and fences are the primary method used for screening, plantings shall also be required within the buffer for aesthetic reasons, as determined by the Joint Land Use Board, as applicable. Plantings shall be provided between the tract boundary and any walls or fences used for buffers in order to improve the appearance of the wall or fence from outside the tract.
- (4) In the event that plantings are the primary method used for screening, the plantings shall include evergreen trees, with trees planted at a minimum height of six (6) feet at the time of planting. Additional plantings may be included or required, as determined by the Joint Land Use Board, as applicable. The precise type, quantity and spacing of plantings in the buffer shall be determined as part of any site plan review required by the Joint Land Use Board as necessary to achieve the intent of this subsection.
- (5) In the event that wetlands or other undevelopable areas exist in the location of a required buffer, and such areas do not provide an effective buffer in their natural state, plantings and/or berms and/or fencing, etc., sufficient to meet the intent of the buffer, as determined by the Joint Land Use Board shall be required to be provided outside of such undevelopable areas. The foregoing shall not be construed to require that such additional plantings, etc., have a minimum depth of 20 feet. The nature and extent of the buffer in such case shall be determined by the Joint Land Use Board based upon field conditions.

L. Building design.

- (1) Apartment-only buildings containing flats shall be designed as follows:
 - (a) In buildings containing apartment flats stacked one unit over the other, the units must be accessed via a common interior hallway with a single front and single rear door.
 - (b) Buildings containing apartment flats shall contain a minimum of two (2) and a maximum of sixteen (16) dwelling units.
- (2) No building façade shall exceed 150 feet in length.
- (3) All residential buildings shall provide a staggered front-wall building setback of at least five (5) feet for every two (2) units, so as to avoid a flat, continuous façade. For the purposes of regulating facade articulation pursuant to this section, stacked apartment flats shall constitute a single unit, so that multi-family buildings without townhouses appear similar to buildings with townhouses.

M. Parking. The amount and design of on-site parking shall be provided in accordance with the requirements of the New Jersey Residential Site Improvement Standards (N.J.A.C. 5:21-1 et seq.). In addition, the following provisions shall apply:

- (1) Parking areas shall not be located in the front yard between buildings and public streets. Individual building driveways shall not have direct access to a public street, but may have direct access to an internal street, roadway, etc.
- (2) Parking areas shall not be located between buildings and internal streets, roadways, etc.,

except that parking spaces in the individual driveways located in front of garage doors shall be permitted in such locations, and furthermore parking areas containing a single row (i.e., one side of the access aisle only) of up to 10 spaces shall be permitted in such locations.

- (3) Parking areas and driveways shall be set back at least five (5) feet from all property lines abutting a nonresidential zone, and at least 20 feet from all other property lines, except as may otherwise be required for buffers as set forth in § 270-198J.
 - (4) Parking areas shall be set back at least seven (7) feet from building walls, except parking spaces in driveways located in front of garage doors.
 - (5) Parking areas shall be set back at least 10 feet from the traveled way of internal streets, roadways, etc., except that parking spaces adjacent to the traveled way and which use the traveled way for direct access to the space shall be exempt from this requirement.
 - (6) Parking spaces and private driveways shall be paved in accordance with the requirements for the same in the New Jersey Residential Site Improvement Standards (N.J.A.C. 5:21-1 et seq.).
- B. Lighting. All exterior lighting shall be arranged to direct light away from all adjoining premises.
- (1) Unless specifically approved as part of a submitted site plan development application by the applicable approving board, no lighting shall be attached to the roof of a building.
 - (2) Any lighting within a building shall be of an intensity and shall be designed and focused to eliminate, to the maximum extent practicable, any emission of lighting outside of the building; all lighting outside of a building shall be provided via lighting fixtures approved by the applicable approving board, as part of an approval for a submitted site plan development application. The applicant is required to submit a lighting plan indicating the location of the lighting fixtures, the direction of illumination, the wattage and isolux curves for each fixture, the hours of operation of the lighting and the details of the lighting poles and the luminaries, all in accordance with the following:
 1. The lighting is to be provided by fixtures with a mounting height not higher than 15 feet, measured from the ground level to the centerline of the light source;
 2. The lighting fixtures are to include non-glare lights with recessed lenses focused downward and with "cut-off" shields as appropriate in order to mitigate against adverse impacts upon adjacent and nearby properties, the safety of traffic along adjacent roadways and overhead sky glow;
 3. The light intensity provided at ground level shall be indicated in footcandles on the submitted plans and shall average not more than five-tenths footcandle throughout the area to be illuminated. The reviewing board may adjust these light levels where deemed appropriate to reduce the effects of the light levels on surrounding properties.

§ 270-200. Site plan review and approval.

Prior to the issuance of any construction permit, the Joint Land Use Board shall review and approve a final site plan for the entire project in accordance with the provisions of the Land Subdivision and Site Plan Ordinance and all other applicable ordinances of the Borough of Allendale.

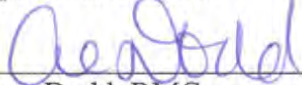
Section II. Repealer. All ordinances or Code provisions or parts thereof inconsistent with this Ordinance are hereby repealed to the extent of such inconsistency.


Section III. Severability. If any section, subsection, paragraph, sentence or any other part of this ordinance is adjudged unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remainder of this ordinance.

Section IV. Effective Date. This ordinance shall take effect upon its passage and publication, as required by law.

	Motion	Second	Yea	Nay	Absent	Abstain
Bernstein	✓		✓			
Homan			✓			
O'Connell			✓			
Sasso			✓			
Strauch					✓	
Wilczynski		✓	✓			
White						

I hereby certify the above to be a true copy of an Ordinance adopted by the Governing Body of the Borough of Allendale on September 27, 2018


 Anne Dodd, RMC
 Municipal Clerk


 Mayor Elizabeth White



APPENDIX T

**SPENDING PLAN, RESOLUTION OF
INTENT TO FUND, RESOLUTION
ADOPTING SPENDING PLAN**



Introduction

Allendale Borough's ("Borough") Third Round Housing Element and Fair Share Plan ("HEFSP") was certified by the Council on Affordable Housing ("COAH") on October 14, 2009 in accordance with the Fair Housing Act and COAH regulations. COAH approved the Borough's Third Round Spending Plan in 2009, and approved a spending plan amendment in 2010. On September 20, 2016, the Superior Court approved a second amendment to the Spending Plan to spend \$50,000 from the Borough's affordable housing trust fund toward the creation of the Eastern Christian Children's Retreat ("Eastern Christian", or "ECCR") group home at 135 West Crescent Avenue. The Court approved a third amendment to the Spending Plan on January 5, 2017 to spend \$20,000 of the Borough's trust fund toward the second ECCR group home at 200 West Crescent Avenue and \$325,000 toward the municipally sponsored development proposed at 220 West Crescent Avenue.

The Borough adopted a development fee ordinance on December 9, 1992, creating a dedicated revenue source for affordable housing. The ordinance was amended, and approved by COAH, in December of 2008. The ordinance establishes the Borough's affordable housing trust fund for which this spending plan is prepared, and sets development fees at 1.5% and 2.5% of equalized assessed property value, for residential development and non-residential development, respectively.

Through the end of 2017, the Borough has collected a total of \$3,764,433.07 in development fees, payments in-lieu of construction, interest, and other income. It has spent a total of \$3,677,989.99, leaving a balance of \$86,443.08. All development fees, payments in-lieu of constructing affordable units on site, "other" income, and interest generated by the fees are deposited in separate interest-bearing affordable housing trust fund accounts in Lakeland for affordable housing purposes. These funds shall be spent in accordance with *N.J.A.C. 5:93-8.16*, as described in the sections that follow.

In order to implement its prior Court-approved spending plans, the Borough will expend \$30,000 from its trust fund to help construct a group home at 200 West Crescent Avenue, pursuant to an agreement with Eastern Christian Children's Retreat, and a minimum of \$143,343 toward providing four (4) affordable rental units at 220 West Crescent Avenue. The Borough may also use \$66,900 of its trust funds to create or render existing low- or moderate-income units affordable to very-low income affordable family units.

Per the Borough's Settlement Agreement with Fair Share Housing Center ("FSHC") dated September 15, 2017, the Borough requests the Court's approval that the



expenditures of funds contemplated under the Borough’s HEFSP and Spending Plan constitute “commitment” for expenditure pursuant to *N.J.S.A. 52:27D-329.2* and *-329.3*, with the four-year time period for expenditure designated pursuant to those provisions beginning to run with the entry of a final judgment approving the Borough’s HEFSP and Spending Plan in accordance with the provisions of *In re Tp. Of Monroe, 442 N.J. Super. 565 (Law Div. 2015) (aff’d 442 N.J. Super. 563)*.

Revenues for Certification Period

To calculate a projection of revenue anticipated during the period of third round Judgement of Repose (“JoR”), the Borough considered the following:

- (a) Development fees:
 - 1. Residential and nonresidential projects which have had development fees imposed upon them at the time of preliminary or final development approvals;
 - 2. All projects currently before the planning and zoning boards for development approvals that may apply for building permits and certificates of occupancy; and
 - 3. Future development that is likely to occur based on historical rates of development.

- (b) Payment in lieu (“PIL”): \$0
Actual and committed payments-in-lieu (“PIL”) of construction from developers. The Borough received \$2,542,486 from Garden Homes (aka The Whitney), Allendale Glen Estates, and other developments. No additional revenues from PILs are expected over the Third Rond JoR period.

- (c) Other funding sources: \$0
The Borough has previously collected funds from other sources, but does not anticipate future funds from this category at this time. Funds from other sources, include, but are not limited to the sale of units with extinguished controls, repayment of affordable housing program loans, rental income, and proceeds from the sale of affordable units. All monies in the Affordable Housing Trust fund are anticipated to come from development fees and interest.



(d) Projected interest: \$8,000

Based on the current average interest rate, interest earned in recent years, and projected rates of development fee revenue, the Borough anticipates collecting \$8,000 in interest through 2025.



Clarke Caton Hintz

Source of Funds – Housing Trust Fund 2018 through 2025

Year	To Date	2018	2019	2020	2021	2022	2023	2024	2025	2018-2025 Total
Source of Funds										
Projected Residential Development	\$86,443 STARTING BALANCE (January 2018)	\$29.1k	\$29.1k	\$29.1k	\$29.1k	\$29.1k	\$29.1k	\$29.1k	\$29.1k	\$232.8k
Projected Non-Residential Development		\$0k	\$6.5k	\$0k	\$0k	\$0k	\$6.5k	\$0k	\$0k	\$13k
Interest		\$1k	\$1k	\$1k	\$1k	\$1k	\$1k	\$1k	\$1k	\$1k	$8k
Total		30.1k	\$36.6k	30.1k	\$30.1k	\$30.1k	\$36.6k	\$30.1k	\$30.1k	\$253.8k



ALLENDALE BOROUGH | SPENDING PLAN

Clarke Caton Hintz

Architecture

Planning

Landscape Architecture

The Borough projects a total of \$253,800 in revenue to be collected between January 2018 and July 2025, from residential and non-residential development fees and accrued interest. Development fees are projected based on historic development fee receipts and expected development patterns. Nearly all development fees received over the life of the trust fund have come from residential developments and additions. The projected residential development fee revenue reflects an average per-unit revenue of \$4,850 and assumes six (6) new units per year, based on certificates of occupancy for new single-family construction since 2007. The Borough expects future fee generating development to come in the form of additions and tear downs. Although the Borough is not aware of any non-residential development, and although no non-residential development fees have been received for over a decade, the spending plan assumes that at least one non-residential improvement might occur which would generate development fees.

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 Borough:

(a) Collection of development fee revenues:

All collection of development fee revenues will be consistent with local regulations which follow COAH administrative models for both residential and non-residential developments and in accordance with *N.J.S.A. 40:55D-8.1* through 8.7.

(b) Distribution of development fee revenues:

The governing body reviews a spending request for consistency with the spending plan and adopts the recommendation by resolution.

The release of funds requires the adoption of the governing body resolution. Once a request is approved by resolution, the Chief Financial Officer releases the requested revenue from the trust fund for the specific use approved in the governing body's resolution.



Description of Anticipated Use of Affordable Housing Funds

- (a) Affordability Assistance (*N.J.A.C. 5:93-8.16(c)*)

The Borough is required to spend a minimum of 30 percent of development fee revenue and interest to render existing affordable units more affordable. At least one-third of that amount must be dedicated to very-low income households (i.e. households earning less than 30 percent of the regional median income) or to create very-low income units.

Projected minimum affordability assistance requirement

Actual development fees to date		\$917,021
Actual interest earned to date	+	\$150,490
Development fees projected 2018 - 2025	+	\$245,000
Interest projected 2018 - 2025	+	\$8,000
Total	=	\$1,321,310
30 percent requirement	$\times 0.30 =$	\$396,393
Less Affordability assistance expenditures to date	-	\$545,000
PROJECTED MINIMUM Affordability Assistance Requirement	=	\$0
PROJECTED MINIMUM Very Low-Income Affordability Assistance Requirement	$\div 3 =$	\$0

Based on fees and interest collected to date, and projected revenues, and the Borough’s history of using affordable housing trust funds to create very-low income units and to render units more affordable, the Borough has no affordability assistance requirement to address. Notwithstanding, the Borough may make \$66,900 of trust funds available to create very-low income family units after it has finished using its trust funds toward 200 and 220 West Crescent Avenue between 2018 and 2020.



The Borough has expended, and will continue to expend, more than the minimum required affordability assistance amount through the creation of very-low income units, including the eight (8) very-low income units at Crescent Commons and 10 total very-low income units from the Eastern Christian Children’s Retreat sites at 135 West Crescent Avenue and 200 West Crescent Avenue.

(b) Administrative Expenses (N.J.A.C. 5:93-8.16(e))

The Borough may use affordable housing trust fund revenue for related administrative costs up to a 20 percent limitation pending funding availability after programmatic and affordability assistance expenditures. The Roberts Bill (P.L. 2008, c. 46), which was adopted on July 17, 2008, amended the Fair Housing Act to differentiate between payments in-lieu of construction (“PILs”) from development fees, among other things. Historically, municipalities counted PILs received prior to July 17, 2008 as revenues that can be spent toward administration, while subtracting past spending on RCA programs from the gross revenue basis of the administrative expenses cap calculation.

Projected Administrative Expenses

Development fees/interest collected to date		\$1,067,510
Payment-in-lieu of construction through July 17, 2008	+	\$1,842,486
Development fees projected 2018-2025	+	\$245,800
Interest projected 2018-2025	+	\$8,000
Less RCA Expenditures	-	\$240,000
Total	=	\$2,923,796
20 percent maximum permitted administrative expenses	x 0.20 =	\$584,759
Less administrative expenditures through 12/31/2017	-	\$413,968
Projected allowed administrative expenditures	=	\$170,791

The Borough projects that \$170,791 may be available from the affordable housing trust fund to be used for administrative purposes. However, at this time the Borough anticipates spending only \$100,000 on administrative costs through 2025. Projected administrative expenditures, subject to the 20 percent cap, are as follows:



- Borough Attorney, Engineer, Planner, and other consultant fees related to plan preparation and implementation.

(c) New Construction Project:

The Borough previously received approval from the Court to spend \$325,000 from its trust fund toward a down-payment to purchase 220 West Crescent for municipally sponsored housing. The site is proposed for a 20-unit multi-family senior development of which four (4) units will be affordable and 16 will be non-restricted. The Borough will continue to spend \$143,343 from its trust fund to render the four (4) units at the site affordable to low-income senior households.

Expenditure Schedule

The Borough intends to use affordable housing trust fund revenues for the creation of affordable senior rental units and very-low income special needs and family units. Where applicable, the funding schedule below will parallel the implementation schedule to be set forth in the Housing Element and Fair Share Plan and is summarized as follows.

Projected Expenditure Schedule 2018 Through 2025

Program	Units/ Bedrooms	2018- 2019	2020- 2021	2022- 2023	2024- 2025	Total
Affordability Assistance						
200 W. Crescent Ave.	5	\$30k	\$0	\$0	\$0	\$30k
Very-Low Income Family		\$0	\$0	\$36.7k	\$30.2k	\$66.9k
220 W. Crescent Ave.	4	\$103.1k	\$40.2k	\$0k	\$0k	\$143.3k
Administration		\$20k	\$20k	\$30k	\$30k	\$100k
TOTAL		\$153.1k	\$60.2k	\$66.7k	\$60.2k	\$340.2k



Excess or Shortfall of Funds

The Borough has sufficient funds for the agreed-upon payment of \$30,000 to Eastern Christian Children's Retreat for the group home at 200 West Crescent Avenue, and anticipates receiving a mortgage for the construction of the multi-family development at 220 West Crescent Avenue after all other funding sources have been exhausted. In the event of a shortfall of funds for either the group home or the four (4) affordable units at 220 West Crescent Avenue, the Borough will adopt a resolution of intent to fund these affordable housing compliance mechanisms.

Summary

The Borough intends to spend affordable housing trust fund revenues pursuant to the extant regulations governing such funds and consistent with the Borough's 2018 Third Round Housing Element and Fair Share Plan. The Borough had a balance of \$86,443 at the start of 2018. The Borough anticipates an additional \$253,800 in revenues before the expiration of a Third Round Judgement of Repose for a total of \$340,243. The Borough has exceeded its affordability assistance expenditure requirement through previous spending toward the creation of very-low income units (including five (5) units at the Eastern Christian group home at 135 West Crescent Avenue, approved in September 2016). The Borough may also expend up to \$170,791 of trust funds on administrative costs during the period of repose. However, it only anticipates spending \$100,000 on administrative costs. At this time, the Borough desires to spend \$30,000 of trust fund money to further assist in the creation of five (5) special needs very-low income bedrooms at 200 West Crescent Avenue and \$143,343 on four (4) affordable senior rental units at 220 West Crescent Avenue (though more may be spent toward this project if sufficient funds are available). The balance of the Borough's trust fund revenues, projected at \$66,900 will be used to create or render existing low- and moderate-income units affordable to very-low income family households.



Spending Plan Summary

Revenues	
Balance as of January 2018	\$86,443
Projected Revenue from 2018 through 2025	\$253,800
1. Development fees	+ \$245,800
2. Payments in lieu of construction	+ \$0
3. Other funds	+ \$0
Interest	+ \$8,000
Total Projected Revenue	= \$340,243
Expenditures	
Affordability Assistance	
200 West Crescent Avenue	- \$30,000
Very-Low Income Family	- \$66,900
220 West Crescent Avenue	- \$143,343
Administration	- \$100,000
Total Projected Expenditures	= \$340,243

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RESOLUTION #

**A RESOLUTION OF THE COUNCIL OF THE BOROUGH
OF ALLENDALE EXPRESSING ITS INTENT TO PROVIDE
THE FUNDS NECESSARY TO SATISFY THE BOROUGH'S
AFFORDABLE HOUSING OBLIGATIONS**

WHEREAS, the Joint Land Use Board of the Borough of Allendale, Bergen County, State of New Jersey ("JLUB") adopted a Third Round Housing Element and Fair Share Plan on June 20, 2018 pursuant to N.J.S.A. 40:55D- 28, and N.J.A.C. 5:93, and the Court approved Settlement Agreement between the Borough and Fair Share Housing Center that established the Borough's fair share obligation, granted a vacant land adjustment of the Borough's Third Round obligation, and outlined the Borough's compliance mechanisms; and

WHEREAS, the Borough Council endorsed the Plan on June 28, 2018 at a properly-noticed public meeting; and

WHEREAS, the Borough's Housing Element and Fair Share Plan includes a number of compliance mechanisms, such as a Rehabilitation Program to be administered by the County of Bergen, four (4) municipally sponsored age-restricted rental units at 220 West Crescent Avenue, and a five (5) bedroom group home for adults with developmental disabilities operated by Eastern Christian Children's Retreat;

WHEREAS, pursuant to the State's affordable housing regulations and policies, and the conditions of the Court-approved FSHC Settlement Agreement, in order to assure the creditworthiness of the various compliance techniques included in its Housing Element and Fair Share Plan, the Borough must demonstrate adequate and stable funding sources; and

WHEREAS, since the Borough is committed to securing judicial approval of its Affordable Housing Plan, in order to provide an adequate and stable funding source for the

components of the Borough's Housing Element and Fair Share Plan, the Borough shall rely on the funds in its Affordable Housing Trust Fund, established by its Development Fee Ordinance; and

WHEREAS, if -- after exhausting every potential funding source and every valid compliance technique -- the Borough still cannot secure sufficient financing to completely satisfy its affordable housing obligations without being forced to raise or expend municipal revenues in order to provide low- and moderate-income housing, the Borough will cover such costs through bonding and/or other legal means; and

WHEREAS, the Court has indicated its intent to review the Borough's Housing Element and Fair Share Plan, and the Borough wishes to leave no question as to the Borough's intent to cover the cost of implementing its Housing Element and Fair Share Plan or any modification thereof that may be necessary as a result of the Court's review.

NOW, THEREFORE, BE IT RESOLVED by Council of the Borough of Allendale, County of Bergen, State of New Jersey, as follows:

1. In order to provide adequate and stable funding for the County's HIP housing rehabilitation program, the four (4) affordable age-restricted rental units, and the five (5) bedroom group home in its Housing Element and Fair Share Plan, and in order to maintain the timetables set forth in the Settlement Agreement between the Borough and Fair Share Housing Center, Allendale Borough shall make a *bona fide*, diligent, and good faith effort to exhaust the potential funding sources included in "A Guide to Affordable Housing Funding Sources" ("Funding Guide"), dated October 28, 2008, and currently posted on COAH's official website.

2. The Borough shall also maximize use of the funds from its Development Fee Ordinance to facilitate the economic feasibility of the Borough's Housing Element and Fair Share Plan;
and
3. If, after exhausting every potential funding source in the Funding Guide and its Development Fee Trust Fund, the Borough still cannot secure sufficient financing to completely satisfy its affordable housing obligations within the timeframe agreed upon between the Borough and Fair Share Housing Center and approved by the Court, the Borough will fully fund, by way of municipal bonding, any gaps in financing to assure the economic feasibility of the compliance techniques listed above included in the Borough's 2018 Third Round Housing Element and Fair Share Plan.
4. The Borough reserves the right to recoup any subsidy provided through future collections of development fees as such funds become available.

I, Anne Dodd, Borough Clerk of the Borough of Allendale, hereby certifies that the foregoing resolution was duly adopted by the Council of said Borough at a meeting held on _____.



APPENDIX U

AFFIRMATIVE MARKETING PLAN

AFFIRMATIVE FAIR HOUSING MARKETING PLAN
For Affordable Housing in (REGION 1)

I. APPLICANT AND PROJECT INFORMATION

(Complete Section I individually for all developments or programs within the municipality.)

<p>1a. Administrative Agent Name, Address, Phone Number</p> <p>Piazza & Associates, Inc. Tel: 609-786-1100 Fax: 609-786-1105 216 Rockingham Row, Princeton, NJ 08540 fpiazza@PiazzaNJ.com</p>		<p>1b. Development or Program Name, Address</p> <p>Garden Homes/The Whitney Whitney Lane</p>	
<p>1c. Number of Affordable Units: 12</p> <p>Number of Rental Units: 12</p> <p>Number of For-Sale Units:</p>	<p>1d. Price or Rental Range</p> <p>From</p> <p>To</p>	<p>1e. State and Federal Funding Sources (if any)</p>	
<p>1f.</p> <p><input type="checkbox"/> Age Restricted</p> <p><input checked="" type="checkbox"/> Non-Age Restricted</p>	<p>1g. Approximate Starting Dates</p> <p>Advertising: Occupied Occupancy: Occupied</p>		
<p>1h. County</p> <p>Bergen, Hudson, Passaic, Sussex</p>		<p>1i. Census Tract(s):</p> <p>Block 2101, Lots 1-3, 5-7</p>	
<p>1j. Managing/Sales Agent's Name, Address, Phone Number</p> <p>Whitney at Allendale 2006 Whitney Lane Allendale, NJ Telephone Number: 201-236-1600 Fax Number: 201-236-2300</p>			
<p>1k. Application Fees (if any):</p>			

<p>1a. Administrative Agent Name, Address, Phone Number</p> <p>Housing Affordability Service 637 South Clinton Avenue, Trenton, NJ 08650 Phone: 609-278-7505</p>		<p>1b. Development or Program Name, Address</p> <p>Allendale Brook Estates</p>	
<p>1c. Number of Affordable Units: 9</p> <p>Number of Rental Units:</p> <p>Number of For-Sale Units: 9</p>	<p>1d. Price or Rental Range</p> <p>From \$69,743</p> <p>To \$154,238</p>	<p>1e. State and Federal Funding Sources (if any)</p>	
<p>1f.</p> <p><input type="checkbox"/> Age Restricted</p> <p><input checked="" type="checkbox"/> Non-Age Restricted</p>	<p>1g. Approximate Starting Dates</p> <p>Advertising: Occupied Occupancy: Occupied</p>		
<p>1h. County</p> <p>Bergen, Hudson, Passaic, Sussex</p>		<p>1i. Census Tract(s):</p> <p>Block 2101, Lot 9</p>	

1a. Administrative Agent Name, Address, Phone Number BCUW/Madeline Housing Partners, LLC 6 Forest Avenue Suite 210 Paramus, NJ 07652		1b. Development or Program Name, Address Allendale Senior Housing 1-16 Ceback Court	
1c. Number of Affordable Units: 16 Number of Rental Units: 16 Number of For-Sale Units:	1d. Price or Rental Range From To		1e. State and Federal Funding Sources (if any)
1f. <input checked="" type="checkbox"/> Age Restricted <input type="checkbox"/> Non-Age Restricted	1g. Approximate Starting Dates Advertising: Occupied Occupancy: Occupied		
1h. County Bergen, Hudson, Passaic, Sussex		1i. Census Tract(s): Block 1806, Lot 10.01	
1j. Managing/Sales Agent's Name, Address, Phone Number			
1k. Application Fees (if any):			

1a. Administrative Agent Name, Address, Phone Number Madeline Corporation 555 10 th Street Palisades Park, NJ 07650-2339 Phone: 201.944.3222 Fax: 201.944.3422 Email: SDePalma@MadelineCorp.com		1b. Development or Program Name, Address 220 West Crescent Avenue	
1c. Number of Affordable Units: 4 Number of Rental Units: 4 Number of For-Sale Units:	1d. Price or Rental Range From To		1e. State and Federal Funding Sources (if any)
1f. <input checked="" type="checkbox"/> Age Restricted <input type="checkbox"/> Non-Age Restricted	1g. Approximate Starting Dates Advertising: Occupancy:		
1h. County Bergen, Hudson, Passaic, Sussex		1i. Census Tract(s):	
1j. Managing/Sales Agent's Name, Address, Phone Number			
1k. Application Fees (if any):			

(Sections II through IV should be consistent for all affordable housing developments and programs within the municipality. Sections that differ must be described in the approved contract between the municipality and the administrative agent and in the approved Operating Manual.)

II. RANDOM SELECTION

2a. All programs listed herein shall give preference to households from Region 1.

2b. Describe the random selection process that will be used once applications are received.

- a) An initial deadline date, no less than 60 days after the start of the marketing process, will be established. All of the preliminary applications received by the administrative agent, on or before the initial deadline date, shall be deemed received on that date.
- b) Households that apply for very-low, low- and moderate- income housing will be prescreened by the administrative agent for preliminary income eligibility by comparing their total income and household size to the very-low-, low- and moderate- income limits adopted by COAH or their successors, and other program restrictions that may apply. All households will be notified as to their preliminary status.
- c) A drawing will be held under the direction of the administrative agent to determine the priority order of the prequalified applications received on or before the initial deadline date. All preliminary applications received after the initial deadline, will be processed on a "first come, first served" basis.
- d) In order to ensure an adequate supply of qualified applicants, the advertising phase will continue until there are at least ten (10) pre-qualified applicants for each low and moderate income unit available, or until applicants have been approved for all of the low and moderate income units within the development.
- e) Final applications will be mailed by the administrative agent to an adequate number of pre-qualified applicants, in priority order, for each available low and moderate income unit. The final application will require the applicants to supply documents to verify their identity and household composition as well as their income and assets.
- f) Completed final applications will be forwarded to the administrative agent. The administrative agent will make a determination as to their eligibility for a low or moderate income unit. Applicants will receive a letter from the administrative agent with respect to the status of their application each time a review is performed.
- g) At the same time, applicants will also be subject to any criteria set forth by the administrative agent, such as credit worthiness, etc. The criteria shall comply with all fair housing standards and be set forth in a policy statement made available to all applicants in the leasing office. The administrative agent will be responsible for the assessment of all criteria beyond the income and household size criteria set forth by the Uniform Housing Affordability Controls and COAH rules.
- h) Subsequent to the initial rent-up period, a list of pre-qualified applicants will be maintained by the administrative agent for each type of low and moderate income unit.

III. MARKETING

3a. Direction of Marketing Activity: Based on demographic data from the 2010 census, this table provides a comparison of race and ethnic origin between COAH Housing Region 1 and the Borough of Allendale. The most significant negative differences point to the greatest need for affirmative marketing. In this case, African Americans (11%); Persons falling into the "Some Other Race" cohort (12.4%); and especially Hispanic (-26.2%) represent the clearest differences between the municipality and the region.

Subject	RACE							HISPANIC OR LATINO	
	Total population	Race alone or in combination with one or more other races: [4]						Total population	
		White	Black or African American	American Indian and Alaska Native	Asian	Native Hawaiian and Other Pacific Islander	Some Other Race	Hispanic or Latino (of any race)	Not Hispanic or Latino
Bergen	9 05,116	668,395	59,235	5,016	140,413	1,259	55,012	145,281	759,835
Sussex	5 01,226	328,081	70,517	6,124	29,024	977	86,234	185,677	315,549
Hudson	63 4,266	362,592	93,248	7,828	91,810	1,614	106,846	267,853	366,413
Passaic	5 01,226	328,081	70,517	6,124	29,024	977	86,234	185,677	315,549
Region 1	2,5 41,834	1,687,149	293,517	25,092	290,271	4,827	334,326	784,488	1,757,346
% Region 1	100%	66.4%	11.5%	1.0%	11.4%	0.2%	13.2%	30.9%	69.1%
Allendale	6505	5,686	33	3	627	0	54	304	6,201
% Allendale	100%	87.4%	0.5%	0%	9.6%	0.0%	0.8%	4.7%	95.3%
Difference		21%	-11%	-1%	-1.8%	-0.2%	-12.4%	-26.2%	26.2%

White (non-Hispanic)
 Black (non-Hispanic)
 Hispanic
 American Indian or Alaskan Native
 Asian or Pacific Islander
 Other group:

3b. Commercial Media (required) (check all that apply)

	DURATION & FREQUENCY OF OUTREACH	NAMES OF REGIONAL NEWSPAPER(S)	CIRCULATION AREA
TARGETS ENTIRE COAH REGION 1			
Web Listings			
X	On-going	njHousing.gov	Entire State
X	On-going	Housingquest.com	Entire State

TARGETS ENTIRE COAH REGION 1				
Daily Newspaper				
X	Once at the start of the marketing phase. Additional as needed.	Star-Ledger	Northern and Central N J	
TARGETS PARTIAL COAH REGION 1				
Daily Newspaper				
X	Once at the start of the marketing phase. Additional as needed.	Record, The	Bergen	
X	Once at the start of the marketing phase. Additional as needed.	Ridgewood News		
X	Once at the start of the marketing phase. Additional as needed.	Jersey Journal	Hudson	
X	Once at the start of the marketing phase. Additional as needed.	Herald News	Passaic	
X	Once at the start of the marketing phase. Additional as needed.	New Jersey Herald	Sussex	
		DURATION & FREQUENCY OF OUTREACH	NAMES OF TV STATIONS	BROADCAST AREA
TARGETS COAH REGION 1				
TV				
<input type="checkbox"/>		2 WCBS-TV CBS Broadcasting	Entire COAH Region 1	
<input type="checkbox"/>		4 WNBC NBC Telemundo License Co.	Entire COAH Region 1	
<input type="checkbox"/>		5 WNYW Fox Television Stations, Inc. (News Corp.)		
<input type="checkbox"/>		11 WPIX WPIX Inc.		
<input type="checkbox"/>		12 News 12	Statewide	
<input type="checkbox"/>		13 WNET Educational Broadcasting Corporation		
<input type="checkbox"/>		25 WNYE-TV		
<input type="checkbox"/>		31 WPXN TV		
<input type="checkbox"/>		7 WABC TV		
<input type="checkbox"/>		40WXTV	Spanish	
<input type="checkbox"/>		WFUT 30	Spanish	

	DURATION & FREQUENCY OF OUTREACH	NAMES OF REGIONAL RADIO STATION(S)	BROADCAST AREA AND/OR RACIAL/ETHNIC IDENTIFICATION OF READERS/AUDIENCE
TARGETS COAH REGION 1			
AM			
<input type="checkbox"/>		WOR 710	
<input type="checkbox"/>		WABC 770	
<input type="checkbox"/>		WCBS 880	
<input type="checkbox"/>		WBBR 1130	
<input type="checkbox"/>		WNYC 820	
<input type="checkbox"/>		WWDJ 970	Christian
<input type="checkbox"/>		WINS 1010	
<input type="checkbox"/>		WADO 1280	Spanish
<input type="checkbox"/>		WFAN 60	
FM			
<input type="checkbox"/>		WAWZ 99.1	Christian
<input checked="" type="checkbox"/>		WXKW101.5	Region
<input type="checkbox"/>		WCBS-FM 101.1	
<input type="checkbox"/>		WFDU 89.1	
<input type="checkbox"/>		WHTZ 100.3	
<input type="checkbox"/>		WHUD 100.7	
<input type="checkbox"/>		WKTU 103.5	
<input type="checkbox"/>		WNEW 102.7	
<input type="checkbox"/>		WNJP 91.5	
<input type="checkbox"/>		WPAT 93.1	Spanish
<input type="checkbox"/>		WFAN 101.9	
<input type="checkbox"/>		WQHT 97.1	
<input type="checkbox"/>		WSKQ-FM 97.9	Spanish

3c. Other Publications (such as neighborhood newspapers, religious publications, and organizational newsletters) (Check all that applies)				
		NAME OF PUBLICATIONS	OUTREACH AREA	RACIAL/ETHNIC IDENTIFICATION OF READERS/AUDIENCE
TARGETS ENTIRE COAH REGION 1				
Bi-Monthly				
<input checked="" type="checkbox"/>	Once at the start of the affirmative marketing process.	Al Manassah		Arab-American
Monthly				
<input checked="" type="checkbox"/>	Once at the start of the affirmative marketing process.	Sino Monthly	North Jersey/ NYC area	Chinese-American
TARGETS PARTIAL COAH REGION 1				
Daily				
<input type="checkbox"/>		24 Horas	Bergen, Essex, Hudson, Middlesex, Passaic, Union Counties	Portuguese-Language
Weekly				
<input type="checkbox"/>		Arab Voice Newspaper	North Jersey/ NYC area	Arab-American
<input checked="" type="checkbox"/>	Once at the start of the affirmative marketing process.	Desi Talk	Regional	Indian American
<input type="checkbox"/>		La Voz	Hudson, Union, Middlesex Counties	Cuban community
<input type="checkbox"/>		Italian Tribune	North Jersey/ NYC area	Italian community
<input type="checkbox"/>		Jewish Standard	Bergen, Passaic, Hudson Counties	Jewish community
<input type="checkbox"/>		El Especialito	Union City	Spanish-Language
<input type="checkbox"/>		El Nuevo	Hudson County	Spanish-Language
<input checked="" type="checkbox"/>	Once at the start of the affirmative marketing process.	Reporte Hispano	Regional	Spanish-Language
<input type="checkbox"/>		Su Guia	Bergen and Passaic	Spanish-Language
<input type="checkbox"/>		Banda Oriental Latinoamérica	North Jersey/ NYC area	South American community
<input type="checkbox"/>		Ukranian Weekly	New Jersey	Ukranian community

3d. Community Contacts (names of community groups/organizations throughout the housing region that will be directly notified of the availability of affordable units and will be contacted to post advertisements and distribute flyers regarding available affordable housing)

	Name of Group/Organization	Outreach Area	Racial/Ethnic Identification of Readers/Audience	Duration & Frequency of Outreach
X	Bergen County Board of Social Services 216 Route 17 N. Rochelle Park, NJ 07662-3300 Tel 201-368-4200			
X	Bergen County Housing Authority 25 Rockwood Pl Ste 110 Englewood, NJ 07631			
X	Hudson County Office on Aging 595 Newark Avenue Jersey City, NJ 07306			
X	Sussex County Office on Aging 1 Cochran Plaza 2nd Floor Newton, NJ 07860			
X	Passaic County Office on Aging 209 Totowa Rd. Wayne, NJ 07470			
X	Bergen County Housing Coalition 389 Main Street Hackensack, NJ 07601			
X	Urban League of Bergen County 106 West Palisade Avenue Englewood, NJ 07631 Tel: (201) 568-4988			
X	Urban League of Hudson County (Jersey City) 253 Martin Luther King Dr. Jersey City, NJ 07305			
X	SERV Behavioral Health 20 Scotch Rd. West Trenton, NJ 08628			
X	Bergen County Department of Senior Services / Aging & Disability Resource Connection One Bergen County Plaza 2nd Floor Hackensack, NJ 07601 Ph: 201-336-7400 Fx: 201-336-7424			
X	Bergen County Housing, Health, and Human Services Center 120 South River St. Hackensack, NJ 07601 Ph: 201-336-6475 Fx: 201-488-9298			
X	Fair Share Housing Center 510 Park Boulevard Cherry Hill, NJ 08002			
X	NJ State Conference of the NAACP 13 West Front Street			

	Trenton, New Jersey 08608			
X	Latino Action Network PO Box 943 Freehold, NJ 07728		Hispanic/Latino	
X	Bergen County Branch of NAACP PO Box 1136 Teaneck, NJ 07666 201-814-4270			
X	Bergen County United Way Bergen County's United Way 6 Forest Avenue, Paramus, NJ 07652			
X	Bergen County Department of Veterans Services One Bergen County Plaza (2nd Floor) Hackensack, NJ 07601 Phone: 201-336-6325 Fax: 201-336-6327 E-Mail: veterans@co.bergen.nj.us			
X	V.F.W. Department of New Jersey 171 Jersey Street Bldg. #5, 2nd Floor Trenton, NJ 08611 Phone: (609) 393-1929 Email: depthq@njvfw.com			
X	American Legion Department of New Jersey 171 Jersey Street Bldg. #5, 2nd Floor Trenton, NJ 08611 Phone: 609-695-5418 Fax: 609-394-1532 E-mail: adjutant@njamericanlegion.org			
X	New Jersey Community Development Corporation 32 Spruce Street Paterson, New Jersey 07501			
X	Northwest New Jersey Community Action Program, Inc. (Phillipsburg) 350 Marshall St Phillipsburg, NJ 08865-3273			
X	Catholic Charities (Diocese of Newark) 321 Central Ave Newark, NJ 07103 (973) 268-2403			
X	Catholic Family & Community Services (Diocese of Paterson) 24 DeGrasse Street Paterson, NJ 07505-2001			
X	Lutheran Ministries of New Jersey (Trenton) 1056 Stuyvesant Ave Trenton, NJ 08618 (609) 392-0156			

X	Habitat for Humanity 10 Banta Place Hackensack, NJ 07601			
X	Interreligious Fellowship for the Homeless of Bergen County 479 Maitland Avenue Teaneck, NJ 07666			
X	SonRise Development Corp. 351 Englewood Ave. Englewood, NJ 07631			
X	Episcopal Community Development, Inc. 31 Mulberry St. Newark, NJ 07102			
X	Fairmont Housing Corp. 270 Fairmont Ave. Jersey City, NJ 07306			
X	Jersey City Episcopal CDC 514 Newark Ave. Jersey City, NJ 07306			
X	Monticello Community Development Corp. 99 Monticello Ave. Jersey City, NJ 07304			
X	St. Joseph House 81 York Street Jersey City, NJ 07302			
X	SEED Corp. 333 Dodd Street Suite 3 East Orange, NJ 07017			
X	Paterson Habitat for Humanity 146 North 1st Street PO BOX 2585 Paterson, NJ 07509			
X	St. Paul's Community Development Corp. 451 Van Houten St. Paterson, NJ 07501			
X	New Jersey Tenant Organization 389 Main Street Hackensack, NJ 07601			
X	New Jersey Citizen Action 744 Broad Street #2060 Newark, NJ 07102			
X	Johnson Free Public Library 274 Main Street Hackensack, NJ 07601			
X	Hudson County Library 25 Journal Sq Jersey City, NJ 07306			
X	Passaic NAACP President: Calvin Merritt PO Box 1600 Passaic 07055			

X	Paterson NAACP President: Rev. Kenneth Clayton PO Box AQ Paterson 07509			
X	Warren/Sussex County NAACP President: Charles Boddy PO Box 229 Washington 07882			
X	Bayonne NAACP President: Al Strickland PO Box 1764 1195 East 21st Street Bayonne 07002			
X	Hoboken NAACP President: Eugene Drayton MPO 1219 Hoboken 07030 201-420-1906 Fax: Email: gedrayton@aol.com			
X	Jersey City NAACP President: William Braker 153 Martin Luther King Drive Jersey City 07305			
3e. Employer Outreach (names of employers throughout the housing region that can be contacted to post advertisements and distribute flyers regarding available affordable housing) (Check all that applies)				
	DURATION & FREQUENCY OF OUTREACH	NAME OF EMPLOYER/COMPANY	LOCATION	
Hudson County				
X		United Parcel Service Inc. NY Corp	492 County Ave, Secaucus	
X		USPS	80 County Road, Jersey City	
X		Ritter Sysco Food Service	20 Theodore Conrad Dr. Jersey City	
X		Jersey City Medical Center Inc.	50 Grand St, Secaucus	
X		Marsh USA Inc.	121 River St, Hoboken	
X		Port Authority of NY and NJ	241 Erie St. Jersey City and 120 Academy St. Jersey City	
X		Bayonne Hospital	29th Street and Ave E, Bayonne	
X		National Financial Service	1000 Plaza, Jersey City	


	Bergen County		
X		Hackensack University Medical Center	30 Prospect Ave, Hackensack, NJ 07601
X		County of Bergen, NJ	1 Bergen County Plaza Hackensack, NJ 07601
X		Society of the Valley Hospital	223 N Van Dien Ave Ridgewood
X		NJ Sports & Expo Authority	50 State Highway 120 East Rutherford
X		Aramark Svcs Management of NJ Inc.	50 Route 120 East Rutherford
X		Holy Name Hospital	718 Teaneck Road Teaneck
X		Bergen Regional Medical Center	230 East Ridgewood Ave Paramus
X		Howmedica Osteonics Corp / Stryker	59 Route 17 Allendale
X		Becton Dickinson & Company Corp	1 Becton Dr. Franklin Lakes
X		Pearson Education, Inc.	221 River St, Hoboken, NJ 07030
X		Sharp Electronics	100 Paragon Dr., Montvale
	Passaic County		
X		St. Mary's Hospital	350 Boulevard Passaic, NJ 07055
X		St. Joseph's Hospital	703 Main St. Paterson, NJ 07503
X		Valley National Bank Headquarters	1455 Valley Road Wayne, New Jersey 07470
	Sussex County		
X		Selective Insurance	40 Wantage Ave, Branchville, NJ
X		Andover Subacute and Rehab Center	99 Mulford Rd Bldg. 2, Andover, NJ
X		Mountain Creek Resorts	200 State Rte. 94, Vernon, NJ
X		County of Sussex	One Spring Street, Newton, NJ 07860
X		Newton Memorial Hospital Inc.	175 High St, Newton, NJ
X		Vernon Township Board of Education	539 State Rt 515, Vernon, NJ
X		Hopatcong Board of Education	2 Windsor Ave, Hopatcong, NJ

X		Saint Clare's Hospital	20 Walnut St, Sussex, NJ
X		Ames Rubber Corp	19 Ames Blvd, Hamburg, NJ

IV. APPLICATIONS

Applications for affordable housing for the above units will be available at the following locations:	
4a. County Administration Buildings and/or Libraries for all counties in the housing region (list county building, address, contact person) (check all that apply)	
BUILDING	LOCATION
Bergen County Administration Building	One Bergen County Plaza, Hackensack, NJ 07601 201.336.6000
Hudson County Administration Building	695 Newark Avenue, Jersey City, NJ 07306
Sussex County Main Library	125 Morris Turnpike, Newton, NJ 07860
Passaic County Administration Building	401 Grand Street, Paterson, NJ 07505
4b. Municipality in which the units are located (list municipal building and municipal library, address, contact person)	
Allendale Borough Hall & Library	500 West Crescent Ave., Allendale, NJ 07501 201.818.4400
Brookside School Library	100 Brookside Ave., Allendale, NJ 07501 201.327.2020
4c. Non-Governmental offices	
The Board of Realtors of Eastern Bergen	411 Route 17 South, 5th Floor, Hasbrouck Heights, NJ
The Liberty Board of Realtors – (Secaucus)	110A Meadowlands Parkway Suite 103 Secaucus, NJ 07094 Phone: (201) 867-4415 cs@libertybor.com
The Passaic County Board of Realtors	204 Berdan Ave, Wayne, NJ 07470 (973) 305-1100
The Sussex County Association of Realtors	1 Wilson Dr. # 4, Sparta, NJ 07871 (973) 383-3949
Realsource Association of Realtors (Waldwick)	5 Franklin Tpke, Waldwick, NJ 07463 Phone: (201) 444-3100

V. CERTIFICATIONS AND ENDORSEMENTS

I hereby certify that the above information is true and correct to the best of my knowledge. I understand that knowingly falsifying the information contained herein may affect the municipality's Judgment of Compliance.	
<u>Daniel Hauben, PP, AICP</u>	
Name (Type or Print)	
<u>Affordable Housing Planning Consultant, Allendale Borough, Bergen County, NJ</u>	
Title/Municipality	
<u></u>	5/10/2018
Signature	Date

**BOROUGH OF ALLENDALE
COUNTY OF BERGEN**

DATE:
RESOLUTION# _____

Council	Moved	Second	Yes	No	Abstain	Absent
Bernstein						
Homan						
O’Connell						
Sasso						
Strauch						
Wilczynski						
Mayor White						

A RESOLUTION OF THE BOROUGH COUNCIL OF THE BOROUGH OF ALLENDALE APPROVING THE AMENDED AFFIRMATIVE MARKETING PLAN OF THE BOROUGH’S 2018 HOUSING ELEMENT AND FAIR SHARE PLAN

WHEREAS, on January 10, 2018, the Honorable Menelaos W. Toskos, J.S.C., issued a Court Order approving a Settlement Agreement (“Agreement”) between the Borough and Fair Share Housing Center (“FSHC”) that established the Borough’s fair share obligation, granted a vacant land adjustment of the Borough’s Third Round obligation, and preliminarily approved the Borough’s compliance mechanisms; and

WHEREAS, on June 20, 2018 the Joint Land Use Board of the Borough of Allendale (“JLUB”) adopted the Borough’s 2018 Third Round Housing Element and Fair Share Plan (“Plan”), addressing the Borough’s prior round obligation, third round obligation, and rehabilitation share as established in the Agreement; and

WHEREAS, the Borough Council endorsed the Plan on June 28, 2018 at a properly-noticed public meeting; and

WHEREAS, the adopted and endorsed Plan includes an Affirmative Marketing Plan component, as required by the Council on Affordable Housing’s (“COAH”) rules at N.J.A.C. 5:93-11, which is designed to attract households of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to the affordable units located in the Borough; and

WHEREAS, the Affirmative Marketing Plan was prepared in accordance with COAH’s rules, the Uniform Housing Affordability Controls at N.J.A.C. 5:80-26, and the Court-approved Settlement Agreement, including the addition of the following community and regional

organizations that shall be directly noticed of all available affordable housing units in the Borough: Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, Bergen County Branch of the NAACP, Bergen County Urban League, and Bergen County Housing Coalition.

NOW THEREFORE, BE IT RESOLVED the Borough Council of the Borough of Allendale, Bergen County, State of New Jersey, hereby approves the Affirmative Marketing Plan component of the Housing Element and Fair Share Plan.

I hereby certify the above to be a true copy of a Resolution adopted by the Governing Body of the Borough of Allendale on June 28, 2018.

Anne Dodd, RMC
Municipal Clerk



APPENDIX V

**RESOLUTION APPOINTING
MUNICIPAL HOUSING LIAISON**

**RESOLUTION
BOROUGH OF ALLENDALE
BERGEN COUNTY, NJ**

DATE: 12/14/2017

RESOLUTION# 17-287

Council	Motion	Second	Yes	No	Abstain	Absent
Bernstein			✓			
Homan		✓	✓			
McSwiggan			✓			
Sasso			✓			
Strauch						✓
Wilczynski	✓		✓			
Mayor White	---	---				

WHEREAS, on November 29, 2017 the Superior Court ("Court") held a fairness hearing and approved the Settlement Agreement between the Borough of Allendale ("Borough") and Fair Share Housing Center ("FSHC"), which included the Borough's Third Round fair share obligation and preliminary compliance measures; and

WHEREAS, the Borough will be filing with the Court an Amended Housing Element and Fair Share Plan in order to secure a Judgment of Compliance and Repose approving said Plan to protect the Borough from any Mount Laurel lawsuits; and

WHEREAS, pursuant to N.J.A.C. 5:93-1 et seq. and N.J.A.C. 5:80-26.1, et seq., Allendale is required to appoint a Municipal Housing Liaison for the administration of Allendale's Affordable Housing Program to enforce the requirements of N.J.A.C. 5:93-1 et seq. and N.J.A.C. 5:80-26.1, et seq.; and

WHEREAS, Article XI, entitled "Municipal Housing Liaison", of Chapter 53 of the Borough's Code, entitled "Officers and Employees", adopted on July 27, 2006, provides for the appointment of a Municipal Housing Liaison to administer Allendale's Affordable Housing Program; and

NOW, THEREFORE, BE IT RESOLVED, by the Governing Body of the Borough of Allendale, County of Bergen, State of New Jersey, that Anne Dodd is hereby appointed by the Governing Body as the Municipal Housing Liaison for the administration of the Affordable Housing Program, pursuant to and in accordance with Chapter 53, Article XI of Allendale's Code.

I hereby certify the above to be a true copy of a Resolution adopted by the Governing Body of the Borough of Allendale on December 14, 2017.

Anne Dodd, RMC
Municipal Clerk



APPENDIX W

**ADMINISTRATIVE AGENT
CONTRACTS AND RESOLUTIONS**

CONTRACT FOR THE ADMINISTRATION OF AFFORDABLE HOUSING UNITS

THIS CONTRACT, entered into as of this the ____ day of _____, 2018,

BETWEEN

Allendale Borough, a municipality and instrumentality of the State, having offices at 500 West Crescent Avenue, Allendale Borough, NJ, 07401 hereinafter called the "Borough"; and

Madeline Corporation, having offices at 555 10th Street, Palisades Park, NJ 07650-2339, hereinafter called the "Administrative Agent."

WITNESSETH

WHEREAS, under authorization of the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301, *et seq.*, hereinafter the "Act") the Borough is implementing a program to provide affordable housing units to low- and moderate-income households desiring to live within the Borough; and

WHEREAS, at Title 5, Chapter 80, Subchapter 26 of the New Jersey Administrative Code ("Uniform Housing Affordability Controls", or "UHAC"), the State has promulgated affordability controls in regulations designed to implement the Act, by assuring that low- and moderate-income units that are created under the Act are occupied by low- and moderate-income households for an appropriate period of time (the "Rules"); and

WHEREAS, the UHAC requirement at N.J.A.C. 5:80-26.3(d) requiring 10% of all low- and moderate-income units to be set-aside for households earning less than 35% of regional median income is superseded by the statutory requirement at N.J.S.A. 52:27D-329.1, and as reflected in paragraphs 9 and 12 of the September 15, 2017 Settlement Agreement between the Borough and Fair Share Housing Center ("FSHC"), which requires the Borough to set aside at least 13% of its affordable units for very-low income households earning less than 30% of regional median income; and

WHEREAS, Section 5:80-26.14 of the Rules provides that affordability controls may be administered by an administrative agent acting on behalf of a municipality; and

WHEREAS, Madeline Corporation has submitted a proposal to provide affordable housing Administrative Agent services to the Borough; and

WHEREAS, the Borough has selected Madeline Corporation to be the Administrative Agent for the purposes of providing affordability control services for affordable units in the proposed development at 220 West Crescent Avenue and for any affordable units generated from new inclusionary development in the Borough resulting from the Borough-wide mandatory set-aside requirement at §81-3 or the inclusionary overlay zoning ordinances in Chapter 270 of the Borough Code.

NOW THEREFORE, subject to Superior Court approval, the Borough and the Administrative Agent hereby agree to the following terms and conditions:

Section 1. Term

This Contract shall become effective as of the _____ day of _____, 2018, and shall have a term of 1 years, terminating at the close of business on the _____ day of _____, 2019, subject to the termination and renewal provisions set forth in *Section 4*, below.

Section 2. Applicability and Supersession

This Contract shall define and govern all terms between the parties with respect to affordability controls for affordable housing units provided under the Act, and shall supersede all prior contracts, agreements, or documents related thereto.

Section 3. Agency and Enforcement Delegation

The Borough and the Administrative Agent acknowledge that under the Rules, the Administrative Agent is acting hereunder primarily as an agent of the Borough. Anything herein to the contrary notwithstanding, however, the Borough hereby delegates to the Administrative Agent, and the Administrative Agent hereby accepts, primary responsibility for enforcing substantive provisions of the Act and the Rules. The Borough, however, shall retain the ultimate responsibility for ensuring effective compliance with the Rules and the Administrative Agent will come under the supervision of the Municipal Housing Liaison.

Section 4. Termination and Renewal

- (1) The Contract may be terminated at the discretion of the Borough with 30 days' written notice without cause and by Madeline Corporation with 90 days' written notice without cause, to the address and in the form as set forth in *Section 8*, below, provided however, that no such termination may take effect unless and until an alternate Administrative Agent has been selected by the Borough and approved by all required governmental authorities.
- (2) Unless terminated, this Contract shall automatically be renewed for _____ successive terms of _____ years each.

Section 5. Assignment of Affordable Housing Units

For the term hereof, and without exception, this Contract shall govern the provision of affordability control services for the following affordable housing units located within the Borough and programs that fall under the jurisdiction of the Act:

- (1) 220 West Crescent Avenue

- (2) Any affordable units created through inclusionary development requirements established in the Borough Code.

Section 6. Responsibilities of the Administrative Agent

The Administrative Agent shall perform the duties and responsibilities of an administrative agent as are set forth in the Rules, including those set forth in N.J.A.C. 5:80-26.14, 16 and 18 thereof, which includes:

(1) Affirmative Marketing

- (a) Conducting an outreach process to insure affirmative marketing of affordable housing units in accordance with the Affirmative Marketing Plan of Allendale Borough and the provisions of N.J.A.C. 5:80-26.15;
- (b) Attending continuing education opportunities on affordability controls, compliance monitoring, and affirmative marketing as offered or approved by COAH, the Court, or another appropriate jurisdiction; and
- (c) Providing counseling or contracting to provide counseling services to low and moderate income applicants on subjects such as budgeting, credit issues, rental lease requirements, and landlord/tenant law.
- (d) As required by the September 15, 2017 Settlement Agreement between the Borough and Fair Share Housing Center, and as further provided in the Affirmative Marketing Plan adopted by the Joint Land Use Board on _____, 2018, the Administrative Agent shall reach out to Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, Bergen County Branch of the NAACP, the Bergen County Urban League, the Bergen County Housing Coalition, and the Bergen County United Way as part of its affirmative marketing strategy.

(2) Household Certification

- (a) Soliciting, scheduling, conducting and following up on interviews with interested households;
- (b) Conducting interviews and obtaining sufficient documentation of gross income and assets upon which to base a determination of income eligibility for a low- or moderate-income unit;
- (c) Providing written notification to each applicant as to the determination of eligibility or non-eligibility;

- (d) Requiring that all certified applicants for restricted units execute a certificate substantially in the form of rental certificates set forth in Appendix K of N.J.A.C. 5:80-26.1 et. seq.;
 - (e) Creating and maintaining a referral list of eligible applicant households living in the housing region and eligible applicant households with members working in the housing region where the units are located; and
 - (f) Employing a random selection process as provided in the Affirmative Marketing Plan of Allendale Borough when referring households for certification to affordable units.
- (3) Affordability Controls
- (a) Furnishing to attorneys or closing-agents forms of deed restrictions and mortgages for recording at the time of conveyance of title of each restricted unit;
 - (b) Creating and maintaining a file on each restricted unit for its control period, including the recorded deed with restrictions, recorded mortgage and note, as appropriate;
 - (c) Ensuring that the removal of the deed restrictions and cancellation of the mortgage note are effectuated and properly filed with the appropriate county's register of deeds or county clerk's office after the termination of the affordability controls for each restricted unit;
 - (d) Communicating with lenders regarding foreclosures; and
 - (e) Ensuring the issuance of Continuing Certificates of Occupancy or certifications pursuant to N.J.A.C. 5:80-26.10.
- (4) Rental
- (a) Instituting and maintaining an effective means of communicating information between owners and the Administrative Agent regarding the availability of restricted units for rental; and
 - (b) Instituting and maintaining an effective means of communicating information to low- and moderate-income households regarding the availability of restricted units for re-rental.
- (6) Enforcement
- (a) Securing from all developers and sponsors of restricted units, at the earliest point of contact in the processing of the project or development, written acknowledgement of the requirement that no restricted unit can be offered, or in

any other way committed, to any person, other than a household duly certified to the unit by the Administrative Agent;

- (b) The posting annually in all rental properties, including two-family homes, of a notice as to the maximum permitted rent together with the telephone number of the Administrative Agent where complaints of excess rent can be made;
 - (c) Sending annual mailings to all owners of affordable dwelling units, reminding them of the notices and requirements outlined in N.J.A.C. 5:80-26.18(d)4;
 - (d) Establishing a program for diverting unlawful rent payments to the Borough's affordable housing trust fund or other appropriate municipal fund approved by the Court;
 - (f) Creating and publishing a written operating manual, as approved by the Courts, setting forth procedures for administering such affordability controls; and
 - (g) Providing annual reports to the Courts and Fair Share Housing Center, and posting the annual report on the Borough's website by September 15th of every year.
- (7) Records received, retained, retrieved, or transmitted under the terms of this contract may constitute public records of Allendale Borough as defined by N.J.S.A. 47:3-16, and are legal property of Allendale Borough. The Administrative Agent named in this contract must agree to administer and dispose of such records in compliance with the State's public records laws and associated administrative rules.
- (8) The Administrative Agent shall have authority to take all actions necessary and appropriate to carry out its responsibilities hereunder.

Section 7. Responsibilities of The Borough

The Borough shall:

- (1) Provide to the Administrative Agent the name, title and telephone number of the municipal official designated as the Municipal Housing Liaison to the Administrative Agent on all matters related to this Contract;
- (2) Ensure that applicable local ordinances are not in conflict with, and enable efficient implementation of, the Rules and the provisions of this Contract;
- (3) Monitor the status of all restricted units in the Borough's Fair Share Plan;
- (4) Compile, verify, and submit annual reports as required by the Courts;
- (5) Coordinate meetings with affordable housing providers and Administrative Agents, as applicable;

- (6) Develop an Affirmative Marketing Plan and distribute to the Administrative Agent;
- (7) Ensure that all restricted units are identified as affordable within the tax assessor's office and any Municipal Utility Authority (MUA). The Borough and MUA shall promptly notify the Administrative Agent of a change in billing address, payment delinquency of two billing cycles, transfer of title, or institution of a writ of foreclosure on all affordable units; and
- (8) Provide all reasonable and necessary assistance to the Administrative Agent in support of efforts to enforce provisions of the Act, the Rules, deed covenants, mortgages, court decisions or other authorities governing the affordability control services to be provided under the Agreement.

Section 8. Notices

All notices and other written communications between the Borough and the Administrative Agent shall be to the addresses and personnel specified below:

if to the Borough:

Allendale Municipal Building
500 West Crescent Avenue
Allendale, NJ 07401

Attn: Anne Dodd, Borough Clerk

if to the Administrative Agent:

Madeline Corporation
555 10th Street
Palisades Park, NJ 07650-2339

Attn: Shari DePalma, Executive Director

Section 9. Non-Waiver of Conditions

The failure of either party to insist upon strict performance of any provision of this Contract in any one or more instances shall not constitute a consent to waiver of or excuse for any other different or subsequent breach of the same or other provision, nor as a result shall either party relinquish any rights which it may have under this Contract. No terms or provisions hereof shall be deemed waived and no breach excused unless such waiver or consent is in writing and signed by the waiving party.

Section 10. Merger and Amendment

This written Contract, together with its Exhibits, constitutes the sole contract between the parties

with respect to the matters covered therein, and no other written or oral communication exists which shall bind the parties with respect thereto, provided however that this Contract may be modified by written amendments clearly identified as such and signed by both the Borough and the Administrative Agent.

Section 11. Partial Invalidation of Contract

Should any provision of this Contract be deemed or held to be invalid, ineffective or unenforceable, under present or future laws, the remainder of the provisions shall remain in full force and effect.

IN WITNESS WHEREOF, the Borough and the Administrative Agent have executed this Contract in triplicate as of the date first above written.

THE BOROUGH OF ALLENDALE

BY _____
Liz White
Mayor

MADELINE CORPORATION

BY _____
Shari DePalma
Executive Director

ACKNOWLEDGEMENTS

On this the ____ day of _____, 2018 before me came Liz White known and known to me to be the Mayor of the Borough of Allendale, the Municipality identified as such in the foregoing Contract, who states that (s)he is duly authorized to execute said Contract on behalf of said Municipality, and that (s)he has so executed the foregoing Contract for the purposes stated therein.

NOTARY PUBLIC

On this the ____ day of _____, 2018 before me came Shari DePalma, known and known to me to be the Executive Director of Madeline Corporation, the Administrative Agent identified as such in the foregoing Contract, who states that (s)he has signed said Contract on behalf of said Administrative Agent for the purposes stated therein.

NOTARY PUBLIC

**BOROUGH OF ALLENDALE
COUNTY OF BERGEN**

DATE:
RESOLUTION# _____

Council	Moved	Second	Yes	No	Abstain	Absent
Bernstein						
Homan						
O'Connell						
Sasso						
Strauch						
Wilczynski						
Mayor White						

**RESOLUTION OF THE BOROUGH COUNCIL OF THE BOROUGH OF ALLENDALE,
BERGEN COUNTY, AUTHORIZING ENTERING INTO A CONTRACT WITH AN
ADMINISTRATIVE AGENT FOR THE ADMINISTRATION OF AFFORDABLE UNITS**

WHEREAS, in an order dated January 10, 2018, the Superior Court approved the Settlement Agreement (“Agreement”) between the Borough of Allendale (“Borough”) and Fair Share Housing Center (“FSHC”), which included the Borough’s preliminary compliance measures; and

WHEREAS, on June 20, 2018 the Joint Land Use Board of the Borough of Allendale adopted the Borough’s 2018 Third Round Housing Element and Fair Share Plan (“Plan”); and

WHEREAS, the Borough Council endorsed the Plan on June 28, 2018 at a properly-noticed public meeting; and

WHEREAS, the Mayor and Council of the Borough of Allendale wish to enter into a contract with Madeline Corporation for the purpose of administering and enforcing the affordability controls and the Affirmative Marketing Plan of the Borough of Allendale, in accordance with the regulations of the Council on Affordable Housing pursuant to N.J.A.C. 5:93 et seq., the New Jersey Uniform Housing Affordability Controls pursuant to N.J.A.C. 5:80-26.1 et seq., and the Borough’s responsibilities as established by the Settlement Agreement executed on September 15, 2017; and

WHEREAS, the UHAC requirement at N.J.A.C. 5:80-26.3(d) requiring 10% of all low- and moderate-income units to be set-aside for households earning less than 35% of regional median income is superseded by the statutory requirement at N.J.S.A. 52:27D-329.1, and as reflected in paragraphs 9 and 12 of the Settlement Agreement executed on September 15, 2017

between the Borough and FSHC, which requires the Borough to set aside at least 13% of its affordable units for very-low income households earning less than 30% of regional median income; and

WHEREAS, the contract designates Madeline Corporation as the Administrative Agent for four (4) affordable age-restricted rental units at 220 West Crescent Avenue and any affordable units created through inclusionary development requirements established in the Borough Code.

NOW THEREFORE BE IT RESOLVED, that subject to the Court's approval of this contract, the Mayor and Borough Clerk are hereby authorized to sign this contract dated _____; and

BE IT FURTHER RESOLVED, the Borough of Allendale hereby designates the Municipal Housing Liaison as the liaison to Madeline Corporation; and

BE IT FURTHER RESOLVED, this contract is hereby attached to the original of this resolution.

I hereby certify the above to be a true copy of a Resolution adopted by the Governing Body of the Borough of Allendale on June 28, 2018.

Anne Dodd, RMC
Municipal Clerk

**BOROUGH OF ALLENDALE
COUNTY OF BERGEN**

DATE:
RESOLUTION# _____

Council	Moved	Second	Yes	No	Abstain	Absent
Bernstein						
Homan						
O’Connell						
Sasso						
Strauch						
Wilczynski						
Mayor White						

**RESOLUTION OF THE BOROUGH COUNCIL OF THE BOROUGH OF ALLENDALE,
BERGEN COUNTY, APPOINTING AN ADMINISTRATIVE AGENT FOR THE
ADMINISTRATION OF THE BOROUGH’S AFFORDABLE HOUSING PROGRAM**

WHEREAS, in an order dated January 10, 2018 the Superior Court approved the Settlement Agreement (“Agreement”) between the Borough of Allendale (“Borough”) and Fair Share Housing Center (“FSHC”), which included the Borough’s preliminary compliance measures; and

WHEREAS, on June 20, 2018 the Joint Land Use Board of the Borough of Allendale (“Joint Land Use Board”) adopted the Borough’s 2018 Third Round Housing Element and Fair Share Plan (“Plan”); and

WHEREAS, the Borough Council endorsed the Plan on June 28, 2018 at a properly-noticed public meeting; and

WHEREAS, under authorization of the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301, *et seq.*, hereinafter the “Act”) the Borough is implementing a program to provide affordable housing units to very-low, low- and moderate-income households desiring to live within the Borough; and

WHEREAS, at Title 5, Chapter 80, Subchapter 26 of the New Jersey Administrative Code, the State has promulgated affordability controls in regulations designed to implement the Act, by assuring that low- and moderate-income units that are created under the Act are occupied by low- and moderate-income households for an appropriate period of time (the “Rules”); and

WHEREAS, Section 5:80-26.14 of the Rules provides that affordability controls shall be administered by an administrative agent acting on behalf of a municipality; and

WHEREAS, the UHAC requirement at N.J.A.C. 5:80-26.3(d) requiring 10% of all low- and moderate-income units to be set-aside for households earning less than 35% of regional median income is superseded by the statutory requirement at N.J.S.A. 52:27D-329.1, and as reflected in paragraphs 9 and 12 of the Settlement Agreement executed on September 15, 2017 between the Borough and FSHC, which requires the Borough to set aside at least 13% of its affordable units for very-low income households earning less than 30% of regional median income; and

WHEREAS, the Borough has selected Madeline Corporation (hereinafter referred to as “Administrative Agent”) to be the Administrative Agent for the purposes of providing affordability control services four (4) affordable age-restricted rental units at 220 West Crescent Avenue and any affordable units created through inclusionary development requirements established in the Borough Code; and

WHEREAS, the Administrative Agent shall perform the duties and responsibilities of an administrative agent as are set forth in the Rules, including those set forth in Sections 5:80-26.14, 16 and 18 thereof, which includes:

(1) Affirmative Marketing

- (a) Conducting an outreach process to insure affirmative marketing of affordable housing units in accordance with the Affirmative Marketing Plan of Allendale Borough and the provisions of N.J.A.C. 5:80-26.15;
- (b) Attending continuing education opportunities on affordability controls, compliance monitoring, and affirmative marketing as offered or approved by COAH, the Court, or another appropriate jurisdiction; and
- (c) Providing counseling or contracting to provide counseling services to low and moderate income applicants on subjects such as budgeting, credit issues, rental lease requirements, and landlord/tenant law.
- (d) As required by the September 15, 2017 Settlement Agreement between the Borough and Fair Share Housing Center, and as further provided in the Affirmative Marketing Plan adopted by the Joint Land Use Board on _____, 2018, the Administrative Agent shall reach out to Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, Bergen County Branch of the NAACP, the Bergen County Urban League, the Bergen County Housing Coalition, and the Bergen County United Way as part of its affirmative marketing strategy.

(2) Household Certification

- (a) Soliciting, scheduling, conducting and following up on interviews with interested households;
- (b) Conducting interviews and obtaining sufficient documentation of gross income and assets upon which to base a determination of income eligibility for a low- or moderate-income unit;
- (c) Providing written notification to each applicant as to the determination of eligibility or non-eligibility;
- (d) Requiring that all certified applicants for restricted units execute a certificate substantially in the form of rental certificates set forth in Appendix K of N.J.A.C. 5:80-26.1 et. seq.;
- (e) Creating and maintaining a referral list of eligible applicant households living in the housing region and eligible applicant households with members working in the housing region where the units are located; and
- (f) Employing a random selection process as provided in the Affirmative Marketing Plan of Allendale Borough when referring households for certification to affordable units.

(3) Affordability Controls

- (a) Furnishing to attorneys or closing-agents forms of deed restrictions and mortgages for recording at the time of conveyance of title of each restricted unit;
- (b) Creating and maintaining a file on each restricted unit for its control period, including the recorded deed with restrictions, recorded mortgage and note, as appropriate;
- (c) Ensuring that the removal of the deed restrictions and cancellation of the mortgage note are effectuated and properly filed with the appropriate county's register of deeds or county clerk's office after the termination of the affordability controls for each restricted unit;
- (d) Communicating with lenders regarding foreclosures; and
- (e) Ensuring the issuance of Continuing Certificates of Occupancy or certifications pursuant to N.J.A.C. 5:80-26.10.

(4) Rental

- (a) Instituting and maintaining an effective means of communicating information between owners and the Administrative Agent regarding the availability of restricted units for rental; and
 - (b) Instituting and maintaining an effective means of communicating information to low- and moderate-income households regarding the availability of restricted units for re-rental.
- (6) Enforcement
- (a) Securing from all developers and sponsors of restricted units, at the earliest point of contact in the processing of the project or development, written acknowledgement of the requirement that no restricted unit can be offered, or in any other way committed, to any person, other than a household duly certified to the unit by the Administrative Agent;
 - (b) The posting annually in all rental properties, including two-family homes, of a notice as to the maximum permitted rent together with the telephone number of the Administrative Agent where complaints of excess rent can be made;
 - (c) Sending annual mailings to all owners of affordable dwelling units, reminding them of the notices and requirements outlined in N.J.A.C. 5:80-26.18(d)4;
 - (d) Establishing a program for diverting unlawful rent payments to the Borough's affordable housing trust fund or other appropriate municipal fund approved by the Court;
 - (f) Creating and publishing a written operating manual, as approved by the Courts, setting forth procedures for administering such affordability controls; and
 - (g) Providing annual reports to the Court and Fair Share Housing Center, and posting the annual report on the Borough's website by September 15th of every year.
- (7) Records received, retained, retrieved, or transmitted under the terms of this contract may constitute public records of Allendale Borough as defined by N.J.S.A. 47:3-16, and are legal property of Allendale Borough. The Administrative Agent named in this contract must agree to administer and dispose of such records in compliance with the State's public records laws and associated administrative rules.
- (8) The Administrative Agent shall have authority to take all actions necessary and appropriate to carry out its responsibilities hereunder.

NOW THEREFORE BE IT RESOLVED, by the Borough Council of the Borough of Allendale in the County of Bergen, and the State of New Jersey that Madeline Corporation is hereby appointed by the Borough Council of the Borough of Allendale as the Administrative Agent for the administration of the Borough's affordable housing program.

I hereby certify the above to be a true copy of a Resolution adopted by the Governing Body of the Borough of Allendale on June 28, 2018.

Anne Dodd, RMC
Municipal Clerk



APPENDIX X
WATER/SEWER LETTER



THE BOROUGH OF ALLENDALE

N E W J E R S E Y

500 WEST CRESCENT AVENUE, ALLENDALE, NJ 07401

WWW.ALLENDALENJ.GOV

Elizabeth M. White
Mayor

May 24, 2018

Daniel Hauben, PP, AICP
Clarke Caton Hintz
100 Barrack Street
Trenton, NJ 08608

Re: Sewer & Water Availability

Dear Daniel,

At your request, we have reviewed the projects listed below and can confirm that all sites have physical access to sewer and water utilities, that the projects are within the Water Quality Management Plan, and that there is sufficient capacity in the Borough's water and sewer systems for the number of units proposed and approved.

Former Farm / Allendale Heights (Block 506, Lot 4): The project will be comprised of 10 single-family dwellings, of which eight (8) will be market-rate for-sale units and two (2) will be affordable rental units for veterans and their families. The project is not age-restricted.

Eastern Christian Group Home (Block 1005, Lot 4): This is a five (5) bedroom group home having at least five (5) special needs occupants. The group home is not age-restricted.

220 West Crescent Avenue (Block 1005, Lot 20): The site is proposed for 20 rental apartments, of which 17 will be age-restricted and three (3) will be non-age restricted. All apartments will be one-bedroom units.

If you have any questions or require additional information, please contact me

Sincerely,

Elizabeth M. White, Mayor
Borough of Allendale