

Housing Element and Fair Share Plan

Prepared for:

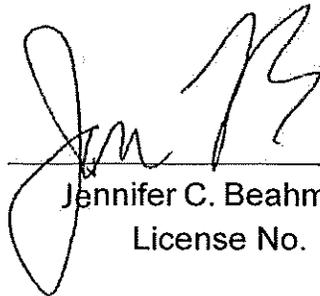
**Neptune Township
Monmouth County, New Jersey**

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INTRODUCTION

In the case of Southern Burlington County NAACP v. the Township of Mount Laurel, (commonly known as Mount Laurel I), the New Jersey Supreme Court established the doctrine that developing municipalities in New Jersey have a constitutional obligation to provide a realistic opportunity for the construction of low and moderate income housing in their communities. In its Mount Laurel decision, decided on January 20, 1983 (Mount Laurel II), the Supreme Court expanded the Mount Laurel doctrine by stating that this constitutional responsibility extended to all municipalities in New Jersey. The Court also established various remedies, including the “builder remedy” or court-imposed zoning, to ensure that municipalities affirmatively addressed this obligation.

In response to the Mount Laurel II decision, the New Jersey Legislature adopted the Fair Housing Act in 1985 (Chapter 222, Laws Of New Jersey, 1985). The Fair Housing Act established a Council on Affordable Housing (COAH) as an administrative alternative to the courts. COAH was also given the responsibility of establishing various housing regions in the state, determining regional and municipal fair share affordable housing obligations and adopting regulations establishing the guidelines and approaches that municipalities may use in addressing their affordable housing need.

Under COAH’s regulations, low income households are defined as those with incomes no greater than 50 percent of the median household income, adjusted for household size, of the housing region in which the municipality is located, and moderate-income households are those with incomes no greater than 80 percent and no less than 50 percent of the median household income, adjusted for household size, of the housing region. For the Township of Neptune, the housing region is defined by COAH as Region 4 and is comprised of Mercer, Monmouth, and Ocean counties. For 2024, the Region 4 median income for a four-person household is \$130,054, the moderate-income limit is \$104,043, the low-income limit is \$65,027, and the very low income limit is \$39,016.

Pursuant to both the Fair Housing Act and the Municipal Land Use Law (MLUL), municipalities in New Jersey are required to include a housing element in their master plans. The principal purpose of the housing element is to provide for methods of achieving the goal of access to affordable housing to meet the municipality’s low- and moderate-income housing needs. The statutory required contents of the housing element are:

- 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;
- A projection of the municipality’s housing stock, including the probable future construction of low- and moderate-income housing, for the ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of

applications for development and probable residential development of lands;

- 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;
- A determination of the municipality's present and prospective fair share for low- and moderate-income housing and its capacity to accommodate its present and prospective housing needs, including its fair share for low- and moderate-income housing; and
- A consideration of the lands that are 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.

MUNICIPAL SUMMARY

The Township of Neptune is an 8.13 square mile, diverse, suburban, community located in the southern half of Monmouth County, directly abutting the Atlantic Ocean. It is bordered by the City of Asbury Park, to the north-east, Ocean Township, to the north, the Borough of Avon-By-The-Sea and the Borough of Bradley Beach, to the east, the Borough of Tinton Falls, to the west, Wall Township, to the south, and the Borough of Neptune City, towards the central portion of the Township, lying directly on the Shark River to the east. The Borough of Belmar shares a maritime border with Neptune along the Shark River, to the south-east. Neptune is a Jersey Shore Town, and its land uses are typical of a suburban coastal community and consist mostly of residential areas with commercial uses located along major transportation corridors including NJ Route 35, Asbury Avenue, NJ Route 66, and NJ Route 33.

Most of the Township is located inland, except for the small historic district/ Victorian beachfront neighborhood of Ocean Grove, and the Shark River Hills/Island areas. Ocean Grove is an unincorporated community and Census Designated Place within Neptune Township and had 2023 population of 2,916.

Neptune had a population of 28,108 in 2023, according to the U.S. Census Bureau's American Community Survey Demographics and Housing Estimates. Neptune has a population density of 3,453 persons per square mile of land area, which is higher than Monmouth County's overall density of 1,375 persons per square mile.

Neptune grew older between 2010 and 2023, with a 2010 median age of 41.6, and a 2023 median age of 45.6 years of age. The Township's 2023 median household income estimate of \$90,827 was lower than that of the County (\$122,727) and that of the State (\$101,050). In the guidelines established by the COAH, Neptune Township is located in affordable housing Region 4 which is comprised of Mercer, Monmouth, and Ocean Counties.

DEMOGRAPHIC CHARACTERISTICS

POPULATION

In 2023, the Township of Neptune had a total population of 28,180. This number represented a net increase of 255 individuals or 0.9 percent since the 2010 Census. During this same time Monmouth County experienced a population increase of 2.5 percent, and a net increase of 15,503 individuals. Neptune's population grew steadily from 1940 through 1970 but had begun to slow by the year 1980.

The decade of the 1960s saw Neptune experience its greatest overall population increase, adding 7,874 new residents, growing by 57.8 percent. The decade of the 2000s would see Neptune's largest recorded decline in population, losing 458 residents, or 1.6 percent of the Township's population. The 2023 estimated population of 28,108 represented approximately 4.4 percent of the total population of Monmouth County. The total population pattern over time for Neptune, Monmouth County, and the State of New Jersey are detailed below.

TABLE 1: POPULATION TRENDS, 1940-2050

Year	Neptune			Monmouth County			New Jersey		
	Population	Change		Population	Change		Population	Change	
		Number	Percent		Number	Percent		Number	Percent
1940	10,207	-	-	161,238	-	-	4,160,165	-	-
1950	13,613	3,406	33.4%	225,327	64,089	39.7%	4,835,329	675,164	16.2%
1960	21,487	7,874	57.8%	334,401	109,074	48.4%	6,066,782	1,231,453	25.5%
1970	27,863	6,376	29.7%	461,849	127,448	38.1%	7,171,112	1,110,330	18.2%
1980	28,366	503	1.8%	503,173	41,324	8.9%	7,365,011	193,899	2.7%
1990	28,148	-218	-0.8%	553,124	49,951	9.9%	7,730,188	365,177	5.0%
2000	27,690	-458	-1.6%	615,301	62,177	11.2%	8,414,350	684,162	9.0%
2010	27,925	235	0.8%	628,112	12,811	2.1%	8,721,577	307,227	3.7%
2020*	27,547	-378	-1.4%	620,821	-7,291	-1.2%	8,885,418	163,841	1.9%
2023*	28,108	561	2.1%	643,615	15,503	2.5%	9,267,014	545,437	6.3%
2050**	29,626	1,518	5.4%	669,624	26,009	4.1%	-	-	-

Source: U.S. Census Bureau Decennial Census (table DP-1)

NJSDC 2000 Census Publication: New Jersey Population Trends 1790 to 2000

*U.S. Census Bureau, 2010-2023 ACS 5-Year Estimates (table DP05)

**Projections from North Jersey Transportation Planning Authority

Population Composition by Age

The age composition of Neptune has shifted noticeably since the 2010 Census. According to American Community Survey 2023 5-Year Estimates, significant changes occurred in many age groups. Children and young adults, aged 5 to 19, saw substantial declines, as did the 44 to 54 year old adult population and the 75 to 84 year old population. The largest percent decrease (-37.7%) was seen among adolescents aged 10 to 14 years old, followed closely by the 45 to 54 demographic which experienced a 36.5 percent decrease.

In terms of growth, the greatest gains were seen in the 60-64 demographic, which

experienced a 94.3 percent increase. With the exception of persons aged 75-84, every age demographic over 55 years experienced positive growth from the time of the 2010 Census.

TABLE 2: POPULATION BY AGE COHORT, NEPTUNE, 2010-2023

Population	2010		2023		Change 2010-2023	
	Number	Percent	Number	Percent	Number	Percent
Total population	27,925	100.0%	28,108	100.0%	183	0.7%
Under 5 years	1,874	6.7%	1,410	5.0%	-464	-24.8%
5 to 9 years	1,710	6.1%	1,639	5.8%	-71	-4.2%
10 to 14 years	1,726	6.2%	1,075	3.8%	-651	-37.7%
15 to 19 years	1,964	7.0%	1,552	5.5%	-412	-21.0%
20 to 24 years	1,333	4.8%	1,695	6.0%	362	27.2%
25 to 34 years	2,969	10.6%	3,096	11.0%	127	4.3%
35 to 44 years	3,551	12.7%	3,414	12.1%	-137	-3.9%
45 to 54 years	5,058	18.1%	3,213	11.4%	-1,845	-36.5%
55 to 59 years	1,876	6.7%	2,569	9.1%	693	37.0%
60 to 64 years	1,396	5.0%	2,712	9.6%	1,316	94.3%
65 to 74 years	2,028	7.3%	3,315	11.8%	1,287	63.5%
75 to 84 years	1,932	6.9%	1,513	5.4%	-419	-21.7%
85 years and over	508	1.8%	905	3.2%	397	78.2%

U.S. Census Bureau, American Community Survey 2010, 2023 5- Year Estimates (table DP-05) S0101

Monmouth County also experienced shifts in the age make-up of its population. Similarly to Neptune, the County also experienced significant decreases in the adolescent population. Monmouth County's 35 to 44 and 45 to 54-year-old cohorts experienced significant decreases in population, -18.8 percent and -18.9 percent respectively. The 65 to 74 age group saw the County's largest jump in population, an increase of 70.4 percent between 2010 and 2023. The second largest increase was recorded in the 60 to 64 age brackets, seeing an increase of 48.4 percent.

Similar to the Township, the percentage of the County's age cohorts over the age of 55 years experienced increases between 2010 and 2023, suggesting that the County, like Neptune, has an aging population.

TABLE 3: POPULATION BY AGE COHORT, MONMOUTH COUNTY, 2010-2023

Population	2010		2023.		Change 2010-2023	
	Number	Percent	Number	Percent	Number	Percent
Total population	628,112	100.0%	643,615	100.0%	15,503	2.5%
Under 5 years	36,105	5.7%	32,114	5.0%	-3,991	-11.1%
5 to 9 years	43,432	6.9%	37,013	5.8%	-6,419	-14.8%
10 to 14 years	45,172	7.2%	39,484	6.1%	-5,688	-12.6%
15 to 19 years	44,706	7.1%	42,163	6.6%	-2,543	-5.7%
20 to 24 years	33,055	5.3%	37,390	5.8%	4,335	13.1%
25 to 34 years	63,105	10.0%	70,569	11.0%	7,464	11.8%
35 to 44 years	93,461	14.9%	75,860	11.8%	-17,601	-18.8%
45 to 54 years	108,675	17.3%	88,083	13.7%	-20,592	-18.9%
55 to 59 years	42,594	6.8%	50,654	7.9%	8,060	18.9%
60 to 64 years	34,235	5.5%	50,797	7.9%	16,562	48.4%
65 to 74 years	41,719	6.6%	71,107	11.0%	29,388	70.4%
75 to 84 years	29,301	4.7%	33,953	5.3%	4,652	15.9%
85 years and over	12,552	2.0%	14,428	2.2%	1,876	14.9%

U.S. Census Bureau, American Community Survey 2010, 2023 5- Year Estimates (table DP-05) S0101

The median age of Township residents increased between 2010 and 2023, rising 4 years from 41.6 years of age to 45.6 years. This trend follows a similar rise in the median age of Monmouth County and New Jersey’s population as well, rising 3 years and 1.6 years, respectively.

TABLE 4: MEDIAN AGE, 2010 - 2023

Year	Neptune	Monmouth County	New Jersey
2010	41.6	40.6	38.5
2023	45.6	43.2	40.1
Change	4	2.6	1.6

U.S. Census Bureau, American Community Survey 2010, 2023 5-Year Estimates (table DP-05)

HOUSEHOLDS

A household is defined as one or more persons, either related or not, living together in a housing unit. 2023 ACS 5-Year Estimates note that there were approximately 11,387 households in the Township. Households that consisted of two (2) persons (35.2%) were the largest housing demographic in the Township, followed closely by one (1) person households at 31.6 percent. Together, one (1) and two (2) person units accounted for 66.8 percent of all households in the Township. Monmouth County shares similar housing characteristics to Neptune. Similar to the Township, two (2) and one (1) person households were the most numerous housing types in Monmouth County, together accounting for 59.1 percent of all housing in the County. The average household size in the Township is smaller than that of the County, with the Neptune average being 2.44 and the Monmouth County

average being 2.51.

**TABLE 5: HOUSEHOLD CHARACTERISTICS
NEPTUNE AND MONMOUTH COUNTY, 2023**

	Neptune		Monmouth County	
	Number	Percent	Number	Percent
Total Households	11,387	100.0%	250,195	100.0%
1-person	3,603	31.6%	66,589	26.6%
2-persons	4,012	35.2%	81,289	32.5%
3-persons	1,592	14.0%	40,929	16.4%
4 or more persons	2,180	19.1%	61,388	24.5%
Average Household Size	2.44		2.51	
U.S. Census Bureau, American Community Survey 2023 5 Year Estimates (tables S2501 & B25010)				

Family households are defined as two or more persons living in the same household, related by blood, marriage or adoption. Most households in Neptune were families, comprising 62.1 percent of all households. Approximately 68.7 percent of all family households were family households with married couple householders, while 8.2 percent and 23.1 percent of family households consisted of single parent male or female householders, respectively. The average family size was 3.08 persons. Of all Township households, 37.9 percent were non-family households.

TABLE 6: HOUSEHOLDS BY TYPE (2023)

Household Size	Total	Percent
Total Households	11,387	100.0%
1 person household	3,603	31.6%
2 or more person household	7,784	68.3%
Family households	7,068	62.1%
Married Couple Family	4,855	68.7%
With own children under 18 years	1,268	26.1%
No children under 18 years	3,587	73.9%
Other Family	2,213	31.3%
Male householder, no spouse present	578	8.2%
With own children under 18 years	237	41.0%
No own children under 18 years	341	59.0%
Female householder, no spouse present	1,635	23.1%
With own children under 18 years	817	50.0%
No own children under 18 years	818	50.0%
Nonfamily Households	4,319	37.9%
Average Family Size (persons)	3.08	
U.S. Census Bureau, American Community Survey 2023 5-Year Estimates (tables S2501, S1101)		

INCOME

Neptune experienced a 63.8 percent increase in per capita income between 2010 and 2023, higher than Monmouth County’s 60 percent increase and the State’s 52.4 percent increase over the same period. The Township’s per capita income of \$50,214 is lower than the County’s \$65,545 per capita income figure, and the State’s \$53,118 per capita income.

TABLE 7: PER CAPITA INCOME AND MEDIAN HOUSEHOLD INCOME, 2010-2023

	2010 Per Capita Income	2023 Per Capita Income	Percent Change	2010 Median Household Income	2023 Median Household Income	Percent Change
Neptune	\$30,656	\$50,214	63.8%	\$74,422	\$96,827	30.1%
Monmouth County	\$40,976	\$65,545	60.0%	\$82,265	\$122,727	49.2%
New Jersey	\$34,858	\$53,118	52.4%	\$69,811	\$101,050	44.7%
U.S. Census Bureau, American Community Survey 2010, 2023 5-Year Estimates (tables S1902 and S1903)						

Median household incomes in Neptune Township are lower than the incomes for the County and the State overall, however, the Township experienced a higher percentage growth than Monmouth County did over the same period of time. 48.5 percent of Neptune Township households had incomes over \$100,000; while a majority (58.9%) of County households had incomes greater than \$100,000. The median household income in Neptune was \$96,827; \$25,900 less than the County median household income, and only around \$4,200 less than the State median household income. Between 2010 and 2023, the median household income increased by 30.1 percent, lower than the 49.2 percent growth rate experienced in Monmouth County, and the 44.7 percent growth rate for the State overall.

**TABLE 8: HOUSEHOLD INCOME DISTRIBUTION
NEPTUNE AND MONMOUTH COUNTY, 2023**

	Neptune		Monmouth County	
	Number	Percent	Number	Percent
Total Households	11,387	100.0%	250,195	100.0%
Less than \$10,000	507	4.5%	8,165	3.3%
\$10,000 to \$14,999	269	2.4%	5,319	2.1%
\$15,000 to \$19,999	282	2.5%	5,203	2.1%
\$20,000 to \$24,999	477	4.2%	5,578	2.2%
\$25,000 to \$29,999	336	3.0%	5,530	2.2%
\$30,000 to \$34,999	210	1.8%	5,175	2.1%
\$35,000 to \$39,999	175	1.5%	5,648	2.3%
\$40,000 to \$44,999	280	2.5%	5,544	2.2%
\$45,000 to \$49,999	420	3.7%	6,198	2.5%
\$50,000 to \$59,999	482	4.2%	9,995	4.0%
\$60,000 to \$74,999	999	8.8%	15,158	6.1%
\$75,000 to \$99,999	1,425	12.5%	25,542	10.2%
\$100,000 to \$124,999	1,264	11.1%	24,161	9.7%
\$125,000 to \$149,999	1,095	9.6%	19,756	7.9%
\$150,000 to \$199,999	1,524	13.4%	33,996	13.6%
\$200,000 or more	1,642	14.4%	69,227	27.7%
U.S. Census Bureau, American Community Survey 2023 5-Year Estimates (table B19001)				

HOUSEHOLD COSTS

The tables below show housing expenditures for owner- and renter-occupied units in Neptune during the 2023 5-Year Estimate. The first table shows the housing costs of owner occupants as a percentage of total income. A total of 2,346 households (30%) were devoting more than 30 percent of their annual income to housing costs. The State affordability threshold for housing as a percentage of income suggests that not more than 28 percent of gross income should be allocated for housing costs. In Monmouth County, 27.3 percent of households dedicated more than 30 percent of their income to housing.

The second table shows rental costs as a percentage of household income. A total of 1,842 households renting in Neptune, or 51.5 percent, were spending over 30 percent of their income on rent. The State affordability threshold for housing as a percentage of income suggests that not more than 30 percent of gross income should be allocated for rent.

TABLE 9: MONTHLY OWNER COSTS AS A PERCENTAGE OF HOUSEHOLD INCOME, 2023

	Neptune		Monmouth County	
	Number	Percentage	Number	Percentage
Total Owner-Occupied Housing Units	7,812	100.0%	188,578	100.0%
Less than 10.0 percent	1,131	14.5%	28,917	15.3%
10.0 to 14.9 percent	1,125	14.4%	32,253	17.1%
15.0 to 19.9 percent	1,435	18.4%	31,997	17.0%
20.0 to 24.9 percent	1,163	14.9%	25,780	13.7%
25.0 to 29.9 percent	604	7.7%	16,946	9.0%
30.0 to 34.9 percent	433	5.5%	10,722	5.7%
35.0 to 39.9 percent	385	4.9%	8,426	4.5%
40.0 to 49.9 percent	482	6.2%	10,377	5.5%
50.0 percent or more	1,046	13.4%	21,847	11.6%
Not computed	8	0.15%	1,313	0.7%

U.S. Census Bureau, American Community Survey 2023 5-Year Estimates (table B25091)

TABLE 10: GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME, 2023

	Neptune		Monmouth County	
	Number	Percentage	Number	Percentage
Total Renter-Occupied Housing Units	3,575	100.0%	61,617	100.0%
Less than 10.0 percent	91	2.5%	2,113	3.4%
10.0 to 14.9 percent	156	4.4%	4,993	8.1%
15.0 to 19.9 percent	450	12.6%	6,970	11.3%
20.0 to 24.9 percent	358	10.0%	6,927	11.2%
25.0 to 29.9 percent	442	12.4%	6,419	10.4%
30.0 to 34.9 percent	272	7.6%	4,751	7.7%
35.0 to 39.9 percent	234	6.5%	3,057	5.0%
40.0 to 49.9 percent	439	12.3%	6,163	10.0%
50.0 percent or more	897	25.1%	16,805	27.3%
Not computed	236	6.6%	3,419	5.5%

U.S. Census Bureau, American Community Survey 2023 5-Year Estimates (table B25070)

EXISTING HOUSING CONDITIONS

HOUSING UNIT DATA

Neptune’s housing stock is predominantly owner occupied and relatively old. According to the 2023 ACS, the Township had a total of 12,976 housing units, 11,387 (87.8%) of which are occupied. Of the Township’s fully occupied housing units, most (68.6%) were owner-occupied, while 31.4 percent were renter-occupied. When compared with Monmouth

County, the housing stock in Neptune Township is older, with 1963 being the median year when most of the Township’s housing stock was built. In Monmouth County, 1975 is the median year when most housing units were constructed.

TABLE 11: OCCUPANCY DATA, 2023

Housing Units in Neptune	Number	Percent
Total Housing Units	12,976	100.0%
Occupied Housing Units	11,387	87.8%
Owner Occupied	7,812	68.6%
Renter Occupied	3,575	31.4%
Vacant Housing Units	1,589	12.2%
For Rent / Rented Not Occupied	196	12.3%
For Sale Only	159	10.0%
Sold, not occupied	88	5.5%
For Seasonal, Recreational or Occasional Use	855	53.8%
Other Vacant	291	18.1%
U.S. Census Bureau, American Community Survey 2023 (tables DP04 and B25004)		

TABLE 12: AGE OF HOUSING, 2023

	Number	Percent
Built 2020 or later	68	0.5%
Built 2010 to 2019	978	7.5%
Built 2000 to 2009	994	7.7%
Built 1990 to 1999	578	4.5%
Built 1980 to 1989	1,431	11.0%
Built 1970 to 1979	1,032	8.0%
Built 1960 to 1969	2,102	16.2%
Built 1950 to 1959	2,335	18.0%
Built 1940 to 1949	651	5.0%
Built 1939 or earlier	2,807	21.6%
Total	12,976	100.0%
Median Year Structure Built	1963	
U.S. Census Bureau, American Community Survey 2023 5-Year Estimates (table DP04 and B25035)		

Housing Type and Size

A majority of housing units in Neptune (64.8%) are comprised of one (1) unit detached homes. One (1) unit attached units (i.e. townhomes) comprised the second largest percentage of the Township’s housing typology (10.9%).

TABLE 13: HOUSING UNITS BY TYPE, 2023

Units in Structure	Total	Percent
Total	12,976	100.0%
1 Unit, detached	8,405	64.8%
1 Unit, attached	1,412	10.9%
2 Units	406	3.1%
3 or 4 Units	931	7.2%
5 to 9 Units	339	2.6%
10 to 19 Units	585	4.5%
20 Units or more	800	6.2%
Mobile home	98	0.8%
Boat, RV, van, etc.	0	0.0%
Rooms	Total	Percent
1 room	226	1.7%
2 rooms	592	4.6%
3 rooms	970	7.5%
4 rooms	1,476	11.4%
5 rooms	2,691	20.7%
6 rooms	2,487	19.2%
7 rooms	1,739	13.4%
8 rooms	1,359	10.5%
9 or more rooms	1,436	11.1%
Median number of rooms	5.7	
U.S. Census Bureau, American Community Survey 2023 5 Year Estimates (DP04)		

Housing Values and Contract Rents

According to the 2023 ACS 5-Year Estimates, the median value of owner-occupied housing units in Neptune was \$424,400, with the majority (84.1%) of units valued at \$300,000 or greater. Table 14 provides a breakdown of home values for owner-occupied units within the Township. Of the Township's 7,812 total owner-occupied housing units, fewer than 400 units (accounting for about 4.5%) were reported to be worth less than \$100,000.

TABLE 14: VALUE OF OWNER-OCCUPIED HOUSING UNITS, 2023

	Neptune		Monmouth County	
	Number	Percentage	Number	Percentage
Total	7,812	100.0%	188,578	100.0%
Less than \$50,000	190	2.4%	3,202	1.7%
\$50,000 to \$99,999	114	1.5%	2,703	1.4%
\$100,000 to \$149,999	44	0.6%	1,760	0.9%
\$150,000 to \$199,999	118	1.5%	2,797	1.5%
\$200,000 to \$299,999	777	9.9%	12,780	6.8%
\$300,000 to \$499,999	3,924	50.2%	55,119	29.2%
\$500,000 to \$999,999	2,208	28.3%	88,909	47.1%
\$1,000,000 and greater	437	5.6%	21,308	11.3%
Median Value	\$424,400		\$566,500	
U.S. Census Bureau, American Community Survey 2023 5 Year Estimates (table DP04)				

With respect to renter-occupied units, a quarter of them (24.2%) fell into the gross rent paid range of '\$2,000 to \$2,499' per month, with another quarter (24%) of the Township paying in the range of \$1,000 to \$1,499 per month. At the time of the ACS 5-Year Estimates, the median gross rent in Neptune was \$1,700, slightly less than the County median rent of \$1771. 8.6% of Neptune's occupied rental units cost fewer than \$500 per month, while only 34 units did not require cash rent payments.

TABLE 15: GROSS RENT PAID, 2023

	Neptune		Monmouth County	
	Number	Percentage	Number	Percentage
Total	3,509	100.0%	59,223	100.0%
Less than \$500	301	8.6%	4,045	6.8%
\$500 to \$999	320	9.1%	3,453	5.8%
\$1,000 to \$1,499	843	24.0%	13,711	23.2%
\$1,500 to \$1,999	725	20.7%	15,499	26.2%
\$2,000 to \$2,499	849	24.2%	10,920	18.4%
\$2,500 to \$2,999	243	6.9%	6,150	10.4%
\$3,000 or more	228	6.5%	5,445	9.2%
No cash rent	34	(x)	2,394	(x)
Median Contract Rent	\$1,700		\$1,771	
U.S. Census Bureau, American Community Survey 2023 5 Year Estimates (table DP04)				

Housing Conditions

According to the 2023 ACS, 4.8 percent and 4.5 percent of Neptune's owner occupied and renter occupied housing units, respectively, experienced overcrowding. There were 21 units lacking complete plumbing facilities and an additional 181 units lacked any complete kitchen facilities in Neptune. These factors are utilized in determining housing deficiency and general housing problems and are used as the basis to calculate the municipal rehabilitation obligation. According to the data, 4.7 percent of occupied housing units

experienced over-crowding, while 0.2 percent of occupied units lacked complete plumbing facilities and 1.6 percent lacked complete kitchen facilities.

TABLE 16: HOUSING DEFICIENCY CHARACTERISTICS, 2023

	Count	Percent
Housing Units with 1.01 or More Persons Per Room		
Owner-Occupied	375	4.8%
Renter-Occupied	160	4.5%
Total Occupied Housing Units		
Lacking complete plumbing facilities	21	0.2%
Total Occupied Housing Units		
Lacking complete kitchen facilities	181	1.6%
U.S. Census Bureau, American Community Survey 2023 (tables B25014, S2504)		

PROJECTED HOUSING STOCK

According to the New Jersey Department of Community Affairs, Neptune Township issued building permits for 579 new residential dwelling units between January 2004 and December 2023. During that same time period, the Township also issued 179 residential demolition permits. Subtracting demolition permits from construction permits yields a net increase of 400 dwelling units over this time period.

TABLE 17: BUILDING PERMITS AND DEMOLITION PERMITS ISSUED, 2004 - 2023

Year	1 & 2 Family	Multi Family	Mixed Use	Total New Construction	Total Residential Demollitions	Net Units Added
2004	5	0	3	8	7	1
2005	6	0	0	6	9	-3
2006	8	0	0	8	4	4
2007	19	0	0	19	12	7
2008	5	1	1	7	1	6
2009	0	0	0	0	3	-3
2010	2	0	0	2	3	-1
2011	5	1	0	6	12	-6
2012	6	0	0	6	8	-2
2013	6	0	0	6	16	-10
2014	26	213	1	240	37	203
2015	15	0	0	15	22	-7
2016	16	0	0	16	12	4
2017	3	0	0	3	0	3
2018	1	44	0	45	0	45
2019	42	73	0	115	10	105
2020	33	0	0	33	2	31
2021	20	0	0	20	12	8
2022	8	0	0	8	6	2
2023	16	0	0	16	3	13
Total	242	332	5	579	179	400

Source: NJ DCA Construction Reporter

EMPLOYMENT DATA

Data set DP03 of the 2023 ACS reports on work activity of residents aged 16 years and older. While Neptune’s working age population was 23,763, the Township has a labor force of 15,725 residents. Approximately 33.8 percent of the Township’s working age residents were not participating in the labor force at the time of the estimates. Most of the Township’s labor force (66%) were employed in civilian jobs, with only 39 individual residents reported as members of the armed forces. Approximately 5.4 percent of Township residents reported being unemployed.

TABLE 18: EMPLOYMENT STATUS, 2023

	Neptune		Monmouth County	
	Number	Percent	Number	Percent
Population 16 years and over	23,763	100.0%	526,352	100.0%
In labor force	15,725	66.2%	349,815	66.5%
Civilian Labor Force	15,686	66.0%	349,355	66.4%
Employed	14,413	60.7%	331,018	62.9%
Unemployed	1,273	5.4%	18,337	3.5%
Armed Forces	39	0.2%	460	0.1%
Not in labor force	8,038	33.8%	176,537	33.5%

U.S. Census Bureau, American Community Survey 2023 5 Year Estimates table DP03)

The majority of the Township’s workers, 76.4 percent were employed in private wage and salary positions, while 5.8 percent of workers were self-employed. Government workers comprised approximately 17.8% of the Township’s workforce. Table 19 provides a breakdown of worker classifications.

TABLE 19: CLASSIFICATION OF WORKERS IN NEPTUNE, 2023

	Number	Percent
Total	14,413	100.0%
Private Wage and Salary Worker	11,011	76.4%
Government Worker	2,550	17.7%
Self-Employed Worker	836	5.8%
Unpaid Family Worker	16	0.1%

U.S. Census Bureau, American Community Survey 2023 5 Year Estimates (table DP03)

An analysis of employees (over the age of 16) by economic sector indicates that employed working age individuals in Neptune were involved in a range of economic sectors. The highest concentration of workers (34%) were found in the ‘educational services, and health care and social assistance’ sector. ‘Professional, scientific, and management, and administrative and waste management services’ and ‘retail trade’ were the second and third

largest sectors in the Township workforce, comprising 12.3 percent and 9.7 percent respectively.

TABLE 20: WORKFORCE BY SECTOR, 2023

Industry	Number	Percent
Civilian employed population 16 years and over	14,413	100.0%
Agriculture, forestry, fishing and hunting, mining	94	0.7%
Construction	839	5.8%
Manufacturing	531	3.7%
Wholesale Trade	414	2.9%
Retail Trade	1,402	9.7%
Transportation and Warehousing, and Utilities	954	6.6%
Information	246	1.7%
Finance and insurance, and real estate and rental and leasing	824	5.7%
Professional, scientific, and management, and administrative and waste management services	1,775	12.3%
Educational services, and health care and social assistance	4,898	34.0%
Arts, entertainment, and recreation, and accommodation and food services	1,229	8.5%
Other Services, except public administration	455	3.2%
Public administration	752	5.2%
U.S. Census Bureau, American Community Survey 2023 5 Year Estimates (table DP03)		

Table 21 provides a percentage comparison of the Township’s workforce against that of the County. The Township’s profile of employment by sector generally mirrors that of the County, with the largest sectors of employment being the ‘educational services, and health care and social assistance’ sector. ‘Professional, scientific, and management, and administrative and waste management services’ for both. However, a much higher percentage of the County’s workforce is employed in ‘Finance and insurance, and real estate and rental and leasing’ when compared with the Neptune.

**TABLE 21: COMPARISON OF WORKFORCE BY SECTOR
NEPTUNE TOWNSHIP AND MONMOUTH COUNTY, 2023**

Industry	Neptune	Monmouth County
Civilian employed population 16 years and over	14,413	331,018
Agriculture, forestry, fishing and hunting, mining	0.7%	0.4%
Construction	5.8%	7.0%
Manufacturing	3.7%	6.2%
Wholesale Trade	2.9%	2.5%
Retail Trade	9.7%	10.5%
Transportation and Warehousing, and Utilities	6.6%	4.4%
Information	1.7%	3.2%
Finance and insurance, and real estate and rental and leasing	5.7%	10.3%
Professional, scientific, and management, and administrative and waste management services	12.3%	15.5%
Educational services, and health care and social assistance	34.0%	24.4%
Arts, entertainment, and recreation, and accommodation and food services	8.5%	7.7%
Other Services, except public administration	3.2%	3.7%
Public administration	5.2%	4.3%
U.S. Census Bureau, American Community Survey 2023 5 Year Estimates (table DP03)		

Table 22 provides a breakdown of occupations by type for the Township’s employed civilian labor force. Almost half of the Township’s civilian labor force was employed in the ‘management, business, science, and arts occupations’ sector. The ‘service occupations’ and ‘sales and office occupations’ were the second and third most common occupation type, respectively.

TABLE 22: OCCUPATIONS BY TYPE, 2023

	Number	Percentage
Employed Civilian population 16 years and over	14,413	100.0%
Management, business, science and arts occupations	6,765	46.9%
Service occupations	2,572	17.8%
Sales and office occupations	2,467	17.1%
Natural resources, construction and maintenance occupations	985	6.8%
Production Transportation and material moving occupations	1,624	11.3%
U.S. Census Bureau, American Community Survey 2023 5 Year Estimates (table DP03)		

As shown in Table 23, 68.6 percent of Neptune residents commute less than half an hour from home to their place of work. Approximately 22.2 percent commute between half an hour to an hour from home to their place of work, and 9 percent of residents have commutes greater than one hour. The mean travel time to work was 24.3 minutes, less than Monmouth County's average of 34.8 minutes. The majority of Neptune workers who commute to work do so by private automobile (73.4%).

TABLE 23: TRAVEL TIME TO WORK, 2023

	Neptune		Monmouth County	
	Number	Percent	Number	Percent
Workers who did not work at home	12,551	100.0%	270,382	100.0%
Less than 5 minutes	218	1.7%	7,133	2.6%
5 to 9 minutes	1,598	12.7%	23,580	8.7%
10 to 14 minutes	2,481	19.8%	34,617	12.8%
15 to 19 minutes	1,970	15.7%	34,788	12.9%
20 to 24 minutes	1,649	13.1%	30,346	11.2%
25 to 29 minutes	706	5.6%	15,220	5.6%
30 to 34 minutes	1,437	11.4%	30,368	11.2%
35 to 39 minutes	217	1.7%	8,941	3.3%
40 to 44 minutes	309	2.5%	12,716	4.7%
45 to 59 minutes	834	6.6%	25,519	9.4%
60 to 89 minutes	600	4.8%	27,152	10.0%
90 or more minutes	532	4.2%	20,002	7.4%
Mean travel time to work (minutes)	25.7		32.8	
U.S. Census Bureau, American Community Survey 2023 5 Year Estimates (table DP03 and B08303)				
*-percentages may not total 100 due to rounding				

TABLE 24: MEANS OF COMMUTE, 2023

	Neptune		Monmouth County	
	Number	Percent	Number	Percent
Workers 16 years and over	14,246	100.0%	325,092	100.0%
Car, truck, van- Drove Alone	10,453	73.4%	217,077	66.8%
Car, truck, van- Carpooled	1,088	7.6%	23,553	7.2%
Public Transportation	451	3.2%	17,981	5.5%
Walked	293	2.1%	4,775	1.5%
Other Means	266	1.9%	6,996	2.2%
Worked at home	1,695	11.9%	54,710	16.8%
U.S. Census Bureau, American Community Survey 2023 5 Year Estimate (table DP03)				

As indicated in Table 25 below, it is projected that Monmouth County will add 21,400 jobs by 2032. The Ambulatory Health Care Services, Transportation and Warehousing, and Information sectors are poised to experience the greatest increase in number of jobs over the course of the projection period.

TABLE 25: PROJECTED EMPLOYMENT, MONMOUTH COUNTY, 2032

Industry Title	2022 Actual Employment	2032 Projected Employment	Numeric Change	Annual Growth Rate	Percent Change	Outlook
Mining	0	50	13.6	0.0	0.0%	Stable
Utilities	16,250	16,900	650	4.1	4.0%	Growing
Construction	1,300	1,400	100	6.9	7.8%	Growing
Manufacturing	9,700	10,250	550	5.9	5.6%	Growing
Wholesale Trade	8,900	9,200	300	3.5	3.3%	Growing
Retail Trade	36,450	36,700	250	0.7	1.5%	Growing
Transportation and Warehousing	6,100	7,100	1,000	16.6	16.3%	Growing
Postal Service	1,050	1,000	-50	-6.8	-4.7%	Declining
Information	6,050	6,950	900	14.8	14.8%	Growing
Finance and Insurance	10,950	11,050	100	0.9	0.9%	Growing
Real Estate and Rental and Leasing	4,150	4,300	150	4.0	3.6%	Growing
Professional, Scientific, and Technical Services	21,850	22,650	800	3.9	3.6%	Growing
Management of Companies and Enterprises	4,150	4,800	650	15.3	15.7%	Growing
Administrative and Support and Waste Management and Remediation Services	14,650	15,450	800	5.4	5.4%	Growing
Educational Services	25,800	27,350	1,550	6.0	6.0%	Growing
Health Care and Social Assistance	51,200	57,750	6,550	12.7	12.7%	Growing
Ambulatory Health Care Services	24,450	29,550	5,100	20.8	20.9%	Growing
Hospitals	11,250	11,600	350	3.2	3.1%	Growing
Nursing and Residential Care Facilities	8,150	8,400	250	3.0	3.1%	Growing
Social Assistance	7,350	8,200	850	11.4	11.5%	Growing
Arts, Entertainment, and Recreation	8,150	9,700	1,550	19.4	13.9%	Growing
Accommodation and Food Services	28,750	30,650	1,900	6.7	6.6%	Growing
Other Services (except Government)	14,150	15,450	1,300	9.1	9.2%	Growing
Government	14,350	15,150	800	5.3	5.5%	Growing
Total Federal Government Employment	1,950	1,900	-50	-3.3	-2.5%	Declining
State Government, Excluding Education and Hospitals	1,300	1,200	-100	-7.3	-7.6%	Declining
Local Government, Excluding Education and Hospitals	11,100	12,050	950	8.3	8.6%	Growing
Federal Government, Excluding Post Office	900	900	0	0.8	0.0%	Stable
Total Self Employed and Unpaid Family Workers, All Jobs	18,700	19,950	1,250	6.5	6.6%	Growing
Total All Industries	302,150	323,550	21,400	7.1	7.0%	Growing

Source: 2022- 2032 Industry Employment Projections, NJ Department of Labor and Workforce Development

LANDS MOST APPROPRIATE FOR AFFORDABLE HOUSING

An analysis was conducted to determine which areas of the Township could accommodate developments that address affordable housing need. This analysis reviews the Township's existing zoning and planned zoning changes, and outlines the Township's capacity to accommodate residential and non-residential growth projections. The following are included:

- An analysis of the available existing and planned infrastructure;
- The projected demand for types of uses permitted by zoning based on present and anticipated future demographic characteristics of the Township and anticipated land use patterns; and
- Factors, such as environmental conditions, that present constraints on development.

Infrastructure

Water and Sewer

The American Water Company is based in Camden, NJ as is the largest investor-owned water and wastewater utility company in the United States. The New Jersey subsidiary of American Water serves approximately 2.5 million people across 17 of the 21 counties. In Neptune, the company is located at 611 Old Corlies Avenue.

The Township of Neptune Sewage Authority (TNSA) provides sewage service to Neptune Township and other municipalities in Monmouth County such as Bradley Beach, Avon-by-the-Sea, Neptune City, Tinton Falls, and Wall Township. The Authority owns and operates an 8.5 M.G.D. secondary trickling filter treatment facility with a stabilization pond as the polishing point before discharging a mile into the ocean via an outfall pipe. The daily average this year has been 6.3 million gallons. The system also consists of a regional pumping station, force main, ocean outfall and the trunk line. Currently all sewage from the western portion of Neptune Township, while a portion of Neptune Township pumps their sewage to the Authority through a pump station. The Authority currently operates two inlet facilities and three parallel treatment trains (process units in series) which provide the ability to distribute the flow of sewage for the most efficient treatment.

The Ocean Grove Sewerage Authority (OGSA), located at 25 Neptune Boulevard, provides sewage service to the Ocean Grove section of Neptune Township. The OGSA contracts with the TNSA and have reserved 800,000 gallons per day.

Anticipated Demand and Land Use Patterns

The Township of Neptune has been approaching a near build-out of its vacant, developable parcels. The Township is comprised of a variety of land uses, including residential, retail,

office, public, and institutional uses and a nominal amount of light industrial uses. According to NJTPA population estimates projected to 2050, it is anticipated that the Township's population will grow by approximately 1,581 people, an increase of 5.4 percent.

Residential

Neptune Township is a primarily suburban community and residential uses comprise the single largest land use category in the Township (87%). As a mature suburban community, additional residential development will likely be accommodated with redevelopment or infill opportunities. Opportunities for new multi-family development may exist above existing retail stores within the Township's existing mixed-use zones.

Non-Residential

Commercial uses within the Township of Neptune tend to be focused along State Highways 33/Cortlies, 35, and 66. The Historic District Mixed-Use zone in the Ocean Grove portion of Neptune contains a vibrant pedestrian oriented shopping experience and professional office spaces. Other non-residential uses include hospital complexes, light industry, beaches, boardwalks, and public lands. New non-residential development will continue to take place as the market allows along the major transportation corridors within the Township.

Environmental Constraints

Neptune's topography can be characterized as flat to gently sloping, with steeper slopes located in the central portion of the Shark River Hills neighborhood, the northern section of the Township, and near the interchange of State Hwy 18 and Asbury Avenue. While areas of steep slopes do exist, they are isolated and generally do not cause any serious limitations to commercial and residential development.

The Township is located within the Shark River watershed which itself contains five (5) smaller watersheds. Floodplains have been identified along the Jumping Brook, Musquash Brook, and the Shark River. Flood plain areas generally coincide with stream corridors and wetland areas; however, the wetlands are more geographically extensive than the flood plain areas. As Neptune continues to develop and increase the amount of impervious coverage, the Township will continue to see incremental impacts on flooding and drainage patterns.

Historic

The entirety of Ocean Grove, an unincorporated community within Neptune Township, is listed on the State and National Register of Historic Places. Established in 1869 by a group of spiritual lay leaders, Ocean Grove claims to have the largest collection of authentic

Victorian architecture in the United States. The community was originally founded to serve as a Camp Meeting location, an outdoor religious gathering spot used by Methodists.

EXISTING LAND USE DESIGNATIONS

The Township's land use designations have been continually examined and updated through the Master Plan Reexamination process. The last Reexamination Report was adopted in 2023.

The following districts comprise the Township's **residential** zones: R-1, R-2, R-3, R-4, R-5.

- **R-1:** The R-1 Very Low Density Residential Zone district is in the western portion of the Township and is bounded by Jumping Brook Road, to the west, and West Bangs Road, to the east. The district is intended for single family residential development at densities of less than 3.5 units per acre. Other permitted uses include: community centers, community shelters, detached single family residences, parks, places of worship, and recreational facilities.
- **R-2:** The R-2 Low Density Residential Zone District is primarily located in the western portion of the Township, bounded by State Hwy 18, to the east, and State Hwy 66, to the west; however, several smaller R-2 districts exist through Neptune Township. The district is intended single family residential development at densities ranging between four and five dwelling units per acre. Other permitted uses are identical to those found in the R-1 Zone, and include: cemeteries, marinas, public or private elementary, middle, or high schools.
- **R-3:** The Moderate Density Residential Zone district is primarily located in the portions of the Township east of State Hwy 18; however, smaller instances of this zone can be found elsewhere in the Township. The district is intended for single family residential development at densities not exceeding 5.8 dwelling units per acre. Other permitted uses are identical to those found in the R-1 Zone.
- **R-4: The R-4 Medium Density Single-Family Residential** Zone District is primarily located in the eastern portion of the Township, near the vicinity of Stokes Avenue. The district is intended for single family residential development at densities not exceeding 8.7 dwelling units per acre. Other permitted uses are identical to those found in the R-1 Zone, excluding community centers and including private or public elementary, middle, or high schools.
- **R-5:** The R-5 Multi-Family Residential Zone district is located throughout the Township, though notable clusters are found in the vicinity of State Hwy 18 and State Hwy 33/ Corlies Avenue. The district is intended for

multi-family residential development at densities not exceeding 12 dwelling units per acre. Other permitted uses include: age restricted residences, cemeteries, community shelters, detached single family residences, multifamily residences, parks, places of worship, recreational facilities, and townhouses.

The following districts comprise the Township's **commercial/mixed use/industrial** zones: B-1, R-2, R-3, R-4, R-5.

- **B-1:** The B-1 Town Commercial Zone district is located throughout the Township, notably in the vicinities of State Hwy 33/ Corlies Ave and State Hwy 35/Stokes Avenue. The district is intended to serve the needs of specific surrounding residential neighborhoods by providing for retail sale and service uses. The need to complement and preserve the character of the surrounding residential neighborhoods is paramount.
- **B-2:** The B-2 Professional Office Zone district is in the eastern portion of the Township, bounded by North Taylor Road, to the east, Wells Avenue, to the south and, Neptune Boulevard, to the west. The zone is intended to provide for professional office development in designated areas.
- **B-3:** The B-3 Marina Mixed Use Zone district is located on Shark River Island, and areas adjacent to in on the Township's mainland. The district is intended to provide a well balanced mix of residential and marine oriented retail uses that enhance the Shark River Waterfront area while respecting important coastal environments. Permitted uses include, but are not limited to: marinas/boat and marine equipment dealers, detached single family homes, multifamily dwellings, restaurants, and nightclubs.
- **C-1:** The Planned Commercial Development Zone district is located throughout the Township, primarily in the western portion of the Township along either side of State Hwy 66. The district is meant to provide for business uses that are appropriate to the Route 66 highway corridor, including, but not limited to: new car dealers, ambulatory healthcare services, banks, and other amusement and recreation industries.
- **C-2:** The Corridor Commercial Zone district is located in the eastern portion of Neptune, bounded by Springwood Avenue, to the north, the North Jersey Coast Line train tracks, to the east, and State Hwy 33/Corlies Avenue, to the south. The district is meant to provide for roadway oriented, non-retail business uses including, but not limited to: doctor's offices, golf courses, and sports and recreation instruction.
- **C-3:** The Route 66 West Commercial Zone district is located in the northwest corner of the Township and is intended to provide for business uses appropriate to the Route 66 highway corridor situated west of Route

18. Permitted uses within the district include, but are not limited to: automobile dealerships, furniture stores, vocational schools, and banquet facilities.

- **C-4:** The C-4 Route 66 East Commercial Zone district is located in the eastern portion of the Township and is intended to provide for business uses appropriate to the Route 66 highway corridor situated east of Route 18. Permitted uses within the district include, but are not limited to: doctor's offices, childcare centers, full service restaurants, municipal facilities, and cemeteries.
- **C-5:** The C-5 Corridor Commercial Zone district is located in the southern portion of the Township and is intended to provide for business uses appropriate to the Route 33 highway corridor situated west of Route 18. Permitted uses within the district include, but are not limited to: furniture stores, retail bakeries, musical instrument stores, and garden centers/nurseries.
- **C-6:** The C-6 Route 33 East Commercial Zone district is intended to provide for business uses appropriate to the Route 33 highway corridor of Neptune Township situated east of Route 18. Permitted uses within the district include but are not limited to: radio/television/electronic stores, butchers/delicatessens, art dealers, and jewelry stores.
- **C-7:** The C-7 Route 35 East Commercial Zone is intended to provide for business uses appropriate to the Route 35 highway corridor of Neptune Township situated south of the West Lake Avenue Town Commercial Zone. Permitted uses within the district include but are not limited to: household appliance stores, retail bakeries, fish/seafood markets, and grocery stores.
- **LI:** The LI Light Industrial Zone district is located throughout the Township and is intended to provide for light industrial uses, as well as office uses according to the design standards set forth in the Municipal Code. Permitted uses within the district include but are not limited to: planned commercial development, commercial banking, and heating/fuel oil dealers and distributors.
- **PUD:** The PUD Planned Unit Development Zone district is located in the western portion of the Township. The purpose of the district is to encourage innovations in residential, commercial and public development and redevelopment to achieve greater variety in type, layout and siting of buildings and the conservation and more efficient use of open space ancillary to those buildings or tracts of land under a comprehensive plan of development. Such comprehensive control over an entire development, rather than lot-by-lot regulations, should produce a well designed development that will have a beneficial effect upon the health,

safety, general welfare and morals of the Township and the neighboring areas. Zoning Ordinance regulations specific to Planned Commercial Development in the LI and C-1 Zone Districts are contained in Section LDO-414.

The following districts comprise the Township's **public use** zones: C,

- **C:** The C Civic Zone district is intended to provide for public and quasi-public uses, as well as community and service facilities that serve a general public purpose. Permitted uses within the district include but are not limited to: adult retirement communities, detached single family residences, commercial banking, and doctor's offices.

The following districts comprise the Township's **historic** zones: HD-R-1, HD-O, HD-R-2, HD-B-1, HD-1

- **HD-R-1:** The HD-R-1 Historic District Single Family Residential Zone district is intended for single family residential development at a density not exceeding 24.2 dwelling units per acre that is consistent with the established scale and pattern of development in the Ocean Grove portion of the Township. Permitted uses within the district include: community centers, community shelters, detached single-family residences, parks, places of worship, and Ocean Grove Camp Meeting Association (OGCMA) facilities in accordance with permitted, conditional, and accessory uses in the district.
- **HD-O:** The HD-O Historic District Oceanfront is intended to recognize the character and historic land use pattern of the oceanfront blocks in the Ocean Grove portion of the Township, east of Central Avenue. All zoning regulations applicable in the HD-O Zone District are intended to protect, preserve and perpetuate the historical framework in Ocean Grove. This framework includes single-family residences, bed and breakfasts, and historic hotels. Permitted uses within the district include: community shelters, detached single family dwellings, parks, and Ocean Grove Camp Meeting Association (OGCMA) facilities in accordance with permitted, conditional, and accessory uses in the district.
- **HD-R-2:** The HD-R-2 Historic District Multi-family Residential Zone district is located in the Ocean Grove portion of the Township and is intended to provide for single-family and multi-family residential development at a density of 48 dwelling units per acre, limited to areas that are already devoted to this use. Permitted uses within the district include: detached single family dwellings, long term care facilities, multi family dwellings, parks, townhouses, and Ocean Grove Camp Meeting Association (OGCMA) facilities in accordance with permitted, conditional, and accessory uses in the district.
- **HD-B-1:** The HD-B-1 Historic District Mixed Use Zone serves as the

commercial core for the Ocean Grove portion of the Township, and intends to serve the specific retail sales and service needs of local residents and seasonal visitors. This Zone District also acknowledges the suitability of residential uses located at upper stories of mixed-use buildings, with the ground story devoted to permitted uses in the district. Permitted within the district include: detached single family residences, general stores, pharmacies, and doctor's offices.

- **HD-R:** The HD-R Historic District Recreation Zone is intended to provide for the active and passive recreational use of land by the general public in the Township's Historic District. All uses, including parking and amenities for the use and comfort of residents and visitors to the District, should be consistent with, and representative of, the historic character of the area. Permitted uses within the district include: beach and beach related uses, boardwalk and fishing pier, noncommercial recreational facilities, parks, and Ocean Grove Camp Meeting Association (OGCMA) facilities in accordance with permitted, conditional, and accessory uses in the district.

The following districts comprise the Township's **redevelopment** areas:

- **High Pointe:** Route 18 Redevelopment Plan: This is an area bound by State Highways 66 and 18; Neptune Boulevard, West Bangs Avenue and Wayside Road. The larger parcel, located to the west of State Highway 18 and containing 122 acres, is designated as the west parcel, while the smaller parcel, located to the east of State Highway 18 and containing about 44 acres, is designated as the east parcel. The area is identified as Blocks 345-390 and including all the lots therein; Block 1000, Lots 1,2,6,10.01, 11.02, 12.01; Block 1006, Lots 4, 14.01, 17, 18; and Block 1008, Lots 10, 11, 12, 13, 14, 14.02 and 24. The High Pointe – Route 18 Redevelopment Plan was adopted on December 26, 2001 and subsequently a Redevelopment Agreement was approved by and between the Township of Neptune and Garden State Hi-Tech Park, L.L.C. on July 30, 2001. This Plan was subsequently amended in November 2005 and February 2008 to reflect the changes in market demand since the adoption of the original Plan. This Redevelopment Area is proposed as Planned Commercial Development (PCD) that will serve both local and regional patrons and is intended to be developed to encourage high quality uses such as planned retail centers, including regional retail, restaurants, hotels, research and development facilities. Additionally, the area is proposed to contain Planned Residential and Commercial development, which would allow residential, retail and service uses in accordance with the C-1 Commercial Zoning. Overall the Planned Residential and Commercial development option permits

residential development within high-rise structures of 12 stories and 150 feet in 32 height, office buildings to be developed to a height of eight (8) stories and 96 feet with garages to be a maximum of six (6) stories and 65 feet.

- **West Lake Avenue Redevelopment Plan:** The West Lake Avenue Redevelopment Plan was adopted in 2005 and subsequently the Township entered into a Redevelopment Agreement with CityWorks West Lake, LLC. The area governed by the West Lake Avenue Redevelopment Plan includes all properties fronting along West Lake Avenue between State Highway 35 and the Township's boundary with Asbury Park. The area is identified as Block 178, Lots 4, 4.01, 5 and 6; Block 179, Lots 4, 5, and 6; Block 194, Lots 1, 2, 3 and 173-178; Block 195, Lots 1, 1.01, 2, 3 and 167-172; Block 217, Lots 56-61 and 482, 484 and 487; Block 218.02, Lots 612-618, 627-637, 642, 643 and 646; Block 219, Lots 50, 55 and 488-493; and Block 225, Lots 564-568 and 589-611. West Lake Avenue was the Township's premier commercial corridors but has declined since the 1960s and at the present state consists of primarily underutilized and vacant properties. Some of the commercial establishments show signs of disinvestment and many buildings in the corridor are substandard. The overall goal of the Redevelopment Plan is the creation of walkable, attractive and inviting neighborhood center to serve the needs of the surrounding residential neighborhoods and the Neptune Township community. Additionally, the Plan was put in place with the objective of improving business opportunities and expansion through promotion of new and diverse economic activities and a variety of businesses in the said area. To that end the land uses proposed within the area consist of senior residential, commercial, restaurant, office and mixed use option, residential and office use overlay and mixed uses consisting of commercial on the first floor and residential on the second and third floor, if applicable. The Plan is currently in the process of being implemented, with Phase I of the project being completed.
- **Redevelopment Plan for the North Channel of the Shark River:** The North Channel of the Shark River is one of the numerous waterfront areas in Neptune. The Redevelopment Plan for the North Channel of the Shark River was revised on November 27, 2006. In order to further enhance its role as a "Gateway" to the Jersey shore, Neptune Township 33 has identified the North Channel of the Shark River as a critical community and regional resource and proposed its redevelopment as a new waterfront destination for Neptune and the surrounding region. To that end the Redevelopment Plan proposes the creation of a mixed-use waterfront center supporting the recreational, commercial and residential needs of the Township. To that end the area is slated to be developed to contain a variety of residential, commercial and office

buildings. If planned and implemented appropriately, the redevelopment of the North Channel can help initiate and support further economic growth and redevelopment in Neptune and provide a wide variety of commercial, recreational and cultural activities that will benefit the residents of the Township. Additionally, it will also promote public access to the waterfront by providing improved circulation, a new public plaza and pedestrian mall and a waterfront walkway and promenade. It is the intent of the Plan to avail of the scenic vistas and waterways in order to attract residents and visitors into the area to shop, dine and recreate in an attractive setting, consequently support economic activity and job creation in the Township as well as an appreciation of the natural resources of the Township.

- **Route 35 and West Bangs Avenue Redevelopment Plan:** The Route 35 and West Bangs Avenue Redevelopment Plan was adopted in 2008. This area, identified as Block 249, Lots 1,4,5,6 and 10.1 and Block 250, Lots 1.01 and 3 and containing an area of approximately 1.34 acres, has frontage along State Highway 35, Monroe Avenue and Bangs Avenue. The area contains a mix of vacant commercial and residential buildings. The overall goal of the Redevelopment Plan is the commercial redevelopment of the 1.34 acre tract in a manner that will enhance the Township's overall economic base.
- **Ocean Grove North End Redevelopment Plan:** The Ocean Grove North End Redevelopment Plan, adopted in 2008, provides a planning framework for the redevelopment and revitalization of the former North End Hotel site situated at the north end of the Ocean Grove oceanfront and boardwalk. The subject area containing approximately 5.60 acres is identified as Block 1, Lots 1 and 2, Block 1.01, Lots 3 and part of Lot 1, Block 146.03 and Portions of Lots 1 and 2. The Plan proposes to redevelop the site into a new mixed-use community with a hotel and combination of single-family residential and 34 commercial uses including public spaces and amenities. The purpose of the Plan is to reclaim the North End site as the northern anchor to Ocean Grove, while providing for new opportunities for employment and housing within the Township, as well as enhanced public access to the Wesley Lake waterfront and the oceanfront and beach areas of the Township.

CONSISTANCY WITH THE STATE PLAN

The Township of Neptune remains consistent with New Jersey State Development and Redevelopment Plan. The majority of the Township falls within the State's PA-1 Metropolitan Planning Area. This Planning Area is intended to: provide for much of the state's future growth in compact development and redevelopment; revitalize cities, towns

and neighborhoods, and in particular overburdened neighborhoods; address existing legacy issues such as air pollution, urban heat islands, lead contamination, Brownfields, urban highways, and combined sewer systems; prevent displacement and gentrification; promote growth that occurs in Centers, other appropriate areas that are pedestrian friendly, and in compact transit-oriented forms; rebalance urbanization with natural systems; promote increased biodiversity and habitat restoration; stabilize and enhance older inner ring suburbs; redesign and revitalize auto oriented areas; protect and enhance the character of existing stable communities.

A small portion of southwestern Neptune adjacent to the Shark River/ Jumping Brook is classified as Parks, Open Space, and Natural Areas. The goal of this Area is to: protect critical natural resources; provide for public recreational and educational opportunities; promote continued maintenance of associated facilities; and incentivize the connection of these areas to a system of open lands.

In compliance with the NJ Department of Environmental Protection, Neptune Township maintains multiple public documents related to storm water planning, most notably, a stormwater management plan that outlines the proactive steps the Township is taking to protect citizens and property from the adverse effects of stormwater flooding.

Neptune Township is not one of the State's 36 designated Transit Villages, nor is the Township serviced by any NJ Transit rail connections. The nearest Transit Villages to Neptune are centered around the Asbury Park train station (~1.6 miles from the Neptune Municipal Complex) and the Belmar train station (~3 miles from the Neptune Municipal Complex); both of which are served by NJ Transit's North Jersey Coast Line. Neptune Township is serviced by the 317, 830, 832, and 836 NJ Transit bus routes. The NJ Transit North Jersey Coast Line runs through the portion of Neptune Township west of Ocean Grove and forms the Township's eastern border with Bradley Beach. The Bradley Beach Train Station is located just outside of the Neptune Township municipal boundary.

FAIR SHARE PLAN

FAIR SHARE OBLIGATION SUMMARY

The Fourth Round (2025- 2035) housing obligation is based upon the figures calculated by the NJ Department of Community Affairs Affordable Housing Obligations for 2025-2035 (Fourth Round) Methodology and agreed upon by Fair Share Housing and The Township of Neptune. The Township's **2025-2035** affordable housing obligation is outlined in Table 26 below.

TABLE 26: FAIR SHARE OBLIGATION SUMMARY

Obligation Component	Number of Credits Required
Present Need	97
Prior Round Obligation (1987-1999)	0
Third Round "Gap" and Prospective Need (1999-2025)	202
Fourth Round Prospective Need (2025-2035)	170

The following sections outline how the Township will comply with its Fair Share Obligation.

Satisfaction of the Township's Rehabilitation/ Present Need Obligation

The Township of Neptune has a present need/ rehabilitation obligation of 97 units. The Township will continue to implement its Home Improvement Program to meet this 100 unit rehabilitation obligation. The average per unit rehabilitation costs shall be \$10,000 or more. Financing in the form of a forgivable loan in an amount up to \$25,000 shall be made available for eligible rehabilitation work on residential units owned by eligible households. If a particular unit requires more than \$25,000, the Township will review the application for consideration for approval or denial on a case by case basis. For funding amounts over \$25,000 the applicant would need to demonstrate an urgent need based upon public or homeowner health and safety.

Satisfaction of Prior Round Obligation

As noted in Table 26, Neptune Township was previously classified as an Urban Aid municipality and did not have an affordable housing obligation during the first or second rounds.

Satisfaction of Third Round Obligation

Pursuant to the terms of the settlement agreement between the Township and the Fair Share Housing Center, the Township had a Third-Round obligation of 203 units. The Township satisfied its Third-Round obligation with existing affordable housing and associated bonus credits as outlined below:

TABLE 27: THIRD ROUND OBLIGATION SUMMARY

Obligation Component and Eligible Credits	Number of Credits
Age-Restricted Rental Units	50
<i>Carver Inn</i>	14
<i>West Lake Senior Apartments¹</i>	36
Family Rental Units	99
<i>Winding Ridge Apartments</i>	99
Family For-Sale Units	18
<i>Summerfield Estates</i>	10
<i>Coastal Habitat</i>	3
<i>Interfaith Neighbors</i>	5
Supportive/Special needs Housing	12
<i>M&O Housing</i>	12
Bonus Credits	50
<i>Winding Ridge Apartments (Family Rental Bonus)</i>	50
Total Number of Units	179
Total Number of Credits	229
Third Round Prospective Need Obligation	203
Third Round Prospective Need Surplus	26

¹ Project contains a total of 42 units. The Township proposes to claim 36 units to comply with the age-restricted cap pursuant to N.J.A.C 5:93-5.14.

Age-Restricted Rental Units

Carver Inn (Block 602, Lot 12)

The Affordable Housing Alliance (formerly Monmouth Housing Alliance) developed and operates the 100-percent affordable development known as Carver Inn on Block 602, Lot 12. The development contains a total of 14 age-restricted rental units that were issued certificates of occupancy in 2008. The Township claimed a total of 14 credits toward satisfying its Third Round prospective need obligation.

West Lake Senior Apartments (JP Housing) (Block 606, Lots 13 and 15)

The West Lake Senior Apartments are located at 1609 West Lake Avenue. The community was developed utilizing tax-credit financing and is comprised of 42 one-bedroom, age-restricted rental units. The community has been in service since 2005. The Township claimed credit for 36 of the 42 affordable units to satisfy its Third Round prospective need obligation and ensure compliance with the cap on the number of age-restricted units pursuant to N.J.A.C. 5:93-5.14.

Family Rental Units

Winding Ridge Apartments (Block 1401, Lot 1)

Winding Ridge Apartments is a 99-unit affordable family rental community located off of West Bangs Avenue near Route 18. These units have been in service since 1994 and were developed utilizing Low Income Housing Tax Credits. The Township applied 99 credits plus 50 bonus credits toward satisfying its 203-unit Third Round prospective need obligation.

For Sale Units

Summerfield Estates (Various Blocks/Lots)

Summerfield Estates contains a total of 17 non-age-restricted sale units, ten of which are affordable. The development is located on Summerfield Avenue and is comprised of a number of properties. This residential development was financed with assistance from the New Jersey Housing and Mortgage Finance Agency and was issued certificates of occupancy in 2005. The Township claimed one credit for each of the ten affordable units in the development, for a total of ten (10) credits.

Coastal Habitat (Block 617, Lot 15; Block 510, Lot 18; Block 608, Lot 2)

Coastal Habitat has constructed a total of three (3) affordable, non-age restricted sale units at 1810 McBride Road, 138 Division Street, and 1701 Columbus Avenue. These units were issued certificates of occupancy in 2005 on property donated to Habitat for Humanity by the Township of Neptune. The Township claimed a total of three credits for each of the units constructed through this program.

Interfaith Neighbors (Various Blocks/Lots)

Interfaith Neighbors has constructed a total of five (5) affordable, non-age-restricted sale units on five (5) properties located throughout the Township. These units were issued certificates of occupancy in 2005 and 2006, and the property used to construct them was donated by the Township of Neptune. The Township claimed five (5) credits for these properties.

Supportive and Special Needs Housing

M&O Housing (Block 3705, Lot 4)

This property, located at 2550 Asbury Avenue, was developed in 1991 and contains 12 units of supportive and special needs housing. The units have been continuously occupied as supportive and special needs housing since being developed. Neptune Township claimed 12 credits for this property.

FOURTH ROUND OBLIGATION

The Township has sought to meet its Round 4 affordable housing obligation in the following manner:

TABLE 28: FOURTH ROUND OBLIGATION COMPLIANCE SUMMARY

Project	Affordable Units	Bonus Credits	Total Credits
Tides at Memorial	15	7	22
Faith Ventures	24	8	32
Coast Cities	20	10	30
Dykeman	8	4	12
Ocean Grove Assisted Living and Memory Care	14	10	24
Third Round Surplus Credits	26		26
Kings Manor	12		12
The Havens Transitional Housing	4		4
Green Grove Group Home	4		4
Housing Authority	66	1	67
Total	193	40	233
Surplus Credits			73

The Township anticipates a surplus of 73 bonus credits, to be used towards future housing obligations. In addition, should additional affordable housing projects be presented to the Township for consideration, Neptune will amend the Housing Element and Fair Share Plan at that time to include those projects that the Township has determined further the Township's affordable housing goals and objectives.

Tides at Memorial

The proposed Tides at Memorial development is located at Block 302, Lot 27, and consists of 83,311.62 acres, located along Memorial Drive, with additional frontage on 11th Avenue and Vanderbilt Place. The property is currently utilized as a metal recycling facility, containing a masonry building and garage and a separate garage building. The property will be redeveloped with a four-story, 75 unit residential building, consisting of a one-story lobby and common area and three-stories over a parking garage. Additional site improvements would include ADA complaint and EV charging stations, curbing, sidewalks, stormwater management facilities, utility infrastructure, landscaping, and lighting. Fifteen (15) of the total 75 units would be set aside for affordable family rental units. As this site is the redevelopment of non-residential space, the development is eligible for a 0.5 credit/unit bonus, which would result in an additional 7.5 bonus credits. However, as bonus credits are capped at 25% of the perspective obligation, this project can only receive credit for 1.5 bonus credits, when combined with the other Fourth Round projects. The draft zoning ordinance is attached herein as Appendix A.

Faith Ventures

The proposed Faith Ventures development is located Block 1004, Lot 1 which is a 3.21 acres located at 57 Highway 35 in Neptune New Jersey. The site currently houses the Living Word Christian Fellowship. The site will be subdivided and a smaller church structure will be located on one lot. The other lot will be a mixed use development with modest commercial on the first floor with 84 total rental units on the second lot with a twenty (20%) set aside yielding 16 low- and moderate-income family rental units. As this site is the redevelopment of non-residential space, the development is eligible for a 0.5 credit/unit bonus which

results in 8 bonus credits for 24 total credits. The draft zoning ordinance is attached herein as Appendix B.

Coast Cities: 1201 Route 35 Affordable Housing Site

The proposed 1201 Route 35 development is located at Block 5602, Lot 19, and consists of 2.001 acres, located along Route 35 South. The property is currently utilized as a truck sales facility, containing a masonry building and garage. The property will be redeveloped with a four-story, 98-unit residential building, consisting of a one-story lobby and common area and three-stories over a parking garage. Additional site improvements would include ADA complaint and EV charging stations, curbing, sidewalks, stormwater management facilities, utility infrastructure, landscaping, and lighting. Twenty (20) of the total 98 units would be set aside for affordable family rental units. As this site is the redevelopment of non-residential space, the development is eligible for a 0.5 credit/unit bonus, which would result in an additional 10 bonus credits. The draft zoning ordinance is attached herein as Appendix D.

Dykeman:

The proposed Dykeman development is located at Block 254, Lot 1 and contains 3.74 acres along Neptune Boulevard at the corner of Bangs Avenue. The property currently maintains an office building. The proposal will be redeveloped with additional office development as well as a forty-two (42) family rental project eight (8) units will be available to low- and moderate-income households. As this site is the redevelopment of non-residential space, the development is eligible for a 0.5 credit/unit bonus, which would result in an additional four (4) bonus credits. The draft zoning ordinance is included in Appendix E.

Ocean Grove Assisted Living and Memory Care Center:

The Ocean Grove Assisted Living and Memory Care Center is located at 70 Stockton Avenue in the Ocean Grove section of Neptune Township. This facility maintains a minimum of 140 beds of which ten percent (10%) are available to medicaid patients resulting in the Township being able to take credit for 14 beds as well as 10 bonus credits resulting in a total of 24 credits from this facility.

Kings Manor:

Kings Manor is a 120 bed assisted living facility located at 2303 West Bangs Avenue within the Township. Of the 120 bed facility, ten percent (10%) of the beds are available for Medicaid patients and therefore are eligible for credit, therefore this facility enables the Township to take credit for 12 beds.

The Neptune Rehab and Care Center:

The Rehab and Care Center is a Supportive Needs Housing Facility located at 101 Walnut Street in the Township. The facility maintains four bedrooms and therefore is eligible for 4 credits.

The Imperial Care Center: Green Grove Group Home:

The Imperial Care Center: Green Grove Group Home is a Supportive Needs Housing Facility located at 919 Green Grove Road and maintains four (4) bedrooms providing Neptune with 4 credits toward the Township's Round 4 affordable housing obligation.

Neptune Township Housing Authority:

The Neptune Township Housing Authority is teaming up with the Alpert Group to propose a 100% Municipally Sponsored Affordable project on property known as 121 Highway 35 as identified as Block 1003, Lot 3 on the Township of Neptune Tax Maps. The site is 1.128 acres in size. The Housing Authority and the Alpert Group are proposing 66 age-restricted affordable housing units on this site. As this proposal is a redevelopment of a non-residential property the project is eligible for 0.5/unit bonus, however as there is a maximum number of bonus credits Neptune is eligible for in Round 4, this site will only realize one (1) bonus credit resulting in 67 credits from this proposed project. The draft zoning ordinance is located in Appendix F.

Development Fee Ordinance

The Township last updated its development fee ordinance in 2012 (LDO-1001). The Township will update the development fee ordinance for all new non-residential development and new non-inclusionary residential development. The ordinance will require residential development fees be collected for all residential expansions that increase density pursuant to N.J.S.A. 40:55D-70d(5). The existing ordinance can be found in Appendix G.

Schoolhouse Square Rehabilitation Area

The Township adopted this zone district in 2021 (Ord No. 51-54) to allow for substantial redevelopment to take place without the need to condemn Block 1106, Lots 1-17. This ordinance allows for the provision of affordable housing in accordance with the Fair Housing Act, P.L.1985, c.222 (C.52:27D-301 et al.). As a requirement of the site's Redevelopment Plan, any affordable housing units removed to accommodate redevelopment must, either through new construction or substantial rehabilitation, be replaced if they had been occupied at any time within the last 18 months.

Division Street Redevelopment Area

The Township adopted this zone district with the goal of subdividing fifteen existing parcels into twenty-five new properties. Of these twenty-five new lots, seventeen will be set aside as affordable housing for low-and moderate income residents.

North End Redevelopment Area

The North End Redevelopment Area is located at the northeastern tip of the Ocean Grove section of the Township. As per the Redevelopment Plan, affordable housing units will be provided in accordance with the regulations of the New Jersey Council of Affordable Housing (COAH) as required by the Neptune Township Redevelopment Entity.

West Lake Avenue Redevelopment Area

The West Lake Avenue Redevelopment Area anticipates adding 100 to 120 new residential housing units to the Township. Coupled with the Township's Mandatory Set Aside Ordinance, the site can support 20-24 affordable housing units for low-and moderate income residents. A number of these units can potentially be developed as affordable units for low-and moderate income residents.

North Channel Redevelopment Area

The present Redevelopment Plan allows for a maximum of 150 residential units at a maximum density of twelve townhouses per acre. Coupled with the Township's Mandatory Set Aside Ordinance, the site can support a maximum of 30 affordable housing units for low- and moderate income residents.

Appendix A: Tides at Memorial Draft Ordinance

Memorial Drive Affordable Housing Zone

- A. Purpose. The purpose of the Memorial Drive Affordable Housing Zone is to permit multi-family residential development that includes an affordable housing component, thereby advancing the Township's efforts to meet its constitutionally mandated affordable housing obligations in accordance with applicable State law.
- B. Permitted Uses.
 - a. Multi-family dwellings
- C. Accessory permitted uses.
 - a. Parking areas and electric vehicle charging stations.
 - b. Interior amenities, including, but not limited to: community room, wellness and health room(s), library, meeting rooms, lobbies, laundry areas, mail centers, fitness rooms, and other traditional ancillary spaces intended to serve the residents.
 - c. Utility rooms
 - d. Indoor and outdoor recreational areas
 - e. Bicycle storage facilities
 - f. Patios, balconies, and porches intended to serve the residents.
 - g. Mail rooms and package rooms
 - h. Trash and recycling rooms and enclosures
 - i. Storage and equipment sheds
 - j. Stormwater management facilities, including but not limited to typical stormwater basins as well as underground recharge basins.
 - k. Private and public utility structures, including standby generators intended to serve the residents.
 - l. Signage in accordance with § LDO-416 SIGNS (confirm we can comply)
 - m. Fences and walls
 - n. Temporary construction trailers
 - o. Accessory uses customarily incidental to a permitted principal use as approved by the Planning Board.
- D. Bulk Regulations. Development in the Memorial Drive Affordable Housing Zone shall be subject to the following bulk regulations:
 - a. Minimum lot area: 75,000 SF
 - b. Minimum lot width: 450 FT
 - c. Minimum lot frontage: 450 FT
 - d. Minimum lot depth: 100 FT
 - e. Minimum front yard setback: 0 FT – or 5 FT ?
 - f. Minimum side yard setback: 50 FT
 - g. Minimum side yard setback (combined): 50 FT
 - h. Minimum rear yard setback: 25 FT
 - i. Maximum building coverage: 45%
 - j. Maximum lot coverage: 80%
 - k. Maximum number of stories: 4 stories
 - l. Maximum Density (dwelling units per acre): 40.7 DU/AC
 - m. Maximum Floor Area Ratio: 1.25
 - n. Minimum improvable area (total area): 40,000 SF
 - o. Minimum Improvable area (diameter of a circle): 130 FT
- E. Development in the Memorial Drive Affordable Housing Zone shall be consistent with NJ Residential Site Improvement Standards found within N.J.A.C. 5:21.
- F. Architectural Design Standards. Development in the Memorial Drive Affordable Housing zone shall be consistent with the applicable Architectural and Design Standards found within § LDO-502.
- G. Buffering and Screening. Buffering and screening in the Memorial Drive Affordable Housing Zone shall be consistent with the applicable Buffering and Screening requirements found within § LDO-503, unless otherwise expressly permitted by the board.

- H. Landscaping. Landscaping within the Memorial Drive Affordable Housing zone shall be consistent with the applicable landscaping requirements found within § LDO-509 unless otherwise expressly permitted by the board.

Appendix B: Faith Ventures Draft Ordinance

Faith Ventures Affordable Housing Mixed Use Overlay Zone

- A. Purpose. The purpose of the Faith Ventures Affordable Housing Mixed Use Overlay Zone is to permit multi-family residential development that includes an affordable housing component, house of worship, and optional commercial ground floor space, thereby advancing the Township's efforts to meet its constitutionally mandated affordable housing obligations in accordance with applicable State law.
- B. Permitted Uses.
 - a. Multi-family dwellings with or without ground floor retail commercial
 - b. Ground floor commercial uses:
 - 1. Grocery (except convenience) stores.
 - 2. Convenience stores.
 - 3. Retail bakeries.
 - 4. Delicatessens.
 - 5. Butcher shops.
 - 6. Fish and seafood markets.
 - 7. Fruit and vegetable markets.
 - 8. Beer, wine and liquor stores.
 - 9. Pharmacies and drug stores.
 - 10. Cosmetics, beauty supplies and perfume store.
 - 11. Food (health) supplement stores.
 - 12. Health and personal care stores.
 - 13. Family clothing and apparel stores.
 - 14. Swimwear stores.
 - 15. Jewelry stores.
 - 16. Shoe stores.
 - 17. Hobby, toy and game stores.
 - 18. Arts and craft shops.
 - 19. Family book stores.
 - 20. Magazine/newspaper stands.
 - 21. Florists/flower shops.
 - 22. Gift shops.

23. Greeting card stores.
24. Commercial banking.
25. Savings institutions.
26. Bank.
27. Credit unions.
28. Offices of real estate agents.
29. Drinking places (alcoholic beverages).
30. Full-service restaurants.
31. Restaurant.
32. Restaurant, take-out.
33. Barber and beauty shops, beauty salons and parlors, hairdressers.
34. Cosmetic salons and cosmetology services.
35. Manicure salon or nail services.
36. Wig grooming service.
37. Diet and weight reducing centers.
38. Depilatory salons (hair removal).
39. Ear piercing services.
40. Body piercing services.
41. Electrologist's studio.
42. Electrolysis studio.
43. Massage parlor.
44. Scalp treatment.
45. Hair replacement.
46. Tanning salons.
47. Leather goods repair services.
48. Shoe repair and shoeshine parlors.
49. Locksmiths.

c. Places of Worship

C. Accessory permitted uses.

- a. Parking areas and electric vehicle charging stations.

- b. Interior amenities, including, but not limited to: community room, wellness and health room(s), library, meeting rooms, lobbies, laundry areas, mail centers, fitness rooms, and other traditional ancillary spaces intended to serve the residents.
 - c. Utility rooms
 - d. Indoor and outdoor recreational areas
 - e. Bicycle storage facilities
 - f. Patios, balconies, and porches intended to serve the residents.
 - g. Mail rooms and package rooms
 - h. Trash and recycling rooms and enclosures
 - i. Storage and equipment sheds
 - j. Stormwater management facilities, including but not limited to typical stormwater basins as well as underground recharge basins.
 - k. Private and public utility structures, including standby generators intended to serve the residents.
 - l. Signs in accordance with § LDO-416 SIGNS
 - m. Fences and walls
 - n. Temporary construction trailers
 - o. Accessory uses customarily incidental to a permitted principal use as approved by the Planning Board.
- D. Bulk Regulations. Development in the Faith Ventures Affordable Housing Mixed Use Overlay Zone shall be subject to the following bulk regulations:
- a. Minimum total tract area: 3 acres
 - i. Minimum lot area for multi-family with to without ground floor retail commercial: 2 acres
 - ii. Maximum lot area for Place of Worship: 1 acre
 - b. Minimum lot width: 100 FT
 - c. Minimum lot frontage: 100 FT
 - d. Minimum lot depth: 100 FT
 - e. Parking shall not be in Route 35 front yard area.
 - f. Maximum front yard setback from Route 35: 20 feet.
 - g. Maximum front yard setback from Heck: 20 feet.
 - h. Minimum building setback from residential lot line: 40 feet.

- i. Maximum percent building coverage: 50%.
 - j. Maximum impervious coverage: 80%.
 - k. Maximum Building Height: 42 feet.
 - l. Maximum Density for total tract (dwelling units per acre): 28 DU/AC
 - m. Maximum Floor Area Ratio: 1.50
- E. Development in the Faith Ventures Affordable Housing Mixed Use Overlay Zone shall be consistent with NJ Residential Site Improvement Standards found within N.J.A.C. 5:21.
- F. Architectural Design Standards. Development in the Faith Ventures Affordable Housing Mixed Use Overlay Zone shall be consistent with the applicable Architectural and Design Standards found within § LDO-502.
- G. Buffering and Screening. Buffering and screening in the Faith Ventures Affordable Housing Mixed Use Overlay Zone shall be consistent with the applicable Buffering and Screening requirements found within § LDO-503, unless otherwise expressly permitted by the board.
- H. Landscaping. Landscaping within the Faith Ventures Affordable Housing Mixed Use Overlay Zone shall comply with the applicable standards set forth in § LDO-509 of the Land Development Ordinance, except as expressly modified herein or as may be otherwise permitted by the reviewing board. Notwithstanding the foregoing, the provisions of § LDO-509.I.4 shall not apply within the Faith Ventures Affordable Housing Mixed Use Overlay Zone; specifically, parking lots shall be exempt from the requirement that a minimum of five percent (5%) of the interior area of the lot be provided with planting islands.

Appendix C : Coast Cities Draft Ordinance

Coast Cities: 1201 Route 35 Affordable Housing Zone

- A. Purpose. The purpose of the 1201 Route 35 Affordable Housing Zone is to permit multi-family residential development that includes an affordable housing component, thereby advancing the Township's efforts to meet its constitutionally mandated affordable housing obligations in accordance with applicable State law.
- B. Permitted Uses.
 - a. Multi-family dwellings
- C. Accessory permitted uses.
 - a. Parking areas and electric vehicle charging stations.
 - b. Interior amenities, including, but not limited to: community room, wellness and health room(s), library, meeting rooms, lobbies, laundry areas, mail centers, fitness rooms, and other traditional ancillary spaces intended to serve the residents.
 - c. Utility rooms
 - d. Indoor and outdoor recreational areas
 - e. Bicycle storage facilities
 - f. Patios, balconies, rooftop amenities, and porches intended to serve the residents.
 - g. Mail rooms and package rooms
 - h. Trash and recycling rooms and enclosures
 - i. Storage and equipment sheds
 - j. Stormwater management facilities, including but not limited to typical stormwater basins as well as underground recharge basins.
 - k. Private and public utility structures, including standby generators intended to serve the residents.
 - l. Signage in accordance with § LDO-416 SIGNS
 - m. Fences and walls
 - n. Temporary construction trailers
 - o. Accessory uses customarily incidental to a permitted principal use as approved by the Planning Board.
- D. Bulk Regulations. Development in the Memorial Drive Affordable Housing Zone shall be subject to the following bulk regulations:
 - a. Minimum lot area: 75,000 SF
 - b. Minimum lot width: 200 FT
 - c. Minimum lot frontage: 200 FT
 - d. Minimum lot depth: 100 FT
 - e. Minimum front yard setback: 15 FT ?
 - f. Minimum side yard setback-commercial: 10 FT
 - g. Minimum side yard setback – residential – 20 FT
 - h. Minimum side yard setback (combined): 30 FT
 - i. Minimum rear yard setback: 20 FT
 - j. Maximum building coverage: 75% *
 - k. Maximum lot coverage: 80%

- l. Maximum number of stories: 4 stories
 - m. Maximum Density (dwelling units per acre): 49.5 DU/AC
 - n. Maximum Floor Area Ratio: 2.50 *
 - o. Minimum improvable area (total area): 40,000 SF
 - p. Minimum Improvable area (diameter of a circle): 130 FT
- E. Development in the 1205 Route 35 Affordable Housing Zone shall be consistent with NJ Residential Site Improvement Standards found within N.J.A.C. 5:21.
- F. Architectural Design Standards. Development in the 1201 Route 35 Affordable Housing zone shall be consistent with the applicable Architectural and Design Standards found within § LDO-502, except that ground floor parking level walls may be straight and shall not be required to be articulated or stepped. Upper levels of the buildings shall comply.
- G. Buffering and Screening. Buffering and screening in the 1201 Route 35 Affordable Housing Zone shall be consistent with the applicable Buffering and Screening requirements found within § LDO-503, unless otherwise expressly permitted by the board.
- H. Landscaping. Landscaping within the 1201 Route 35 Affordable Housing zone shall be consistent with the applicable landscaping requirements found within § LDO-509 unless otherwise expressly permitted by the board.

* Note building coverage and FAR include the enclosed ground floor parking level.

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Appendix D: Dykeman Draft Ordinance

Dykeman Affordable Housing Zone

A. Permitted Uses.

- a. Multi-family dwellings;
- b. Office

B. Accessory permitted uses.

- a. Parking areas and electric vehicle charging stations.
- b. Interior amenities, including, but not limited to: community room, wellness and health room(s), library, meeting rooms, lobbies, laundry areas, mail centers, fitness rooms, and other traditional ancillary spaces intended to serve the residents.
- c. Utility rooms
- d. Indoor and outdoor recreational areas
- e. Bicycle storage facilities
- f. Patios, balconies, rooftop amenities, and porches intended to serve the residents.
- g. Mail rooms and package rooms
- h. Trash and recycling rooms and enclosures
- i. Storage and equipment sheds
- j. Stormwater management facilities, including but not limited to typical stormwater basins as well as underground recharge basins.
- k. Private and public utility structures, including standby generators intended to serve the residents.
- l. Signage in accordance with § LDO-416 SIGNS
- m. Fences and walls
- n. Temporary construction trailers
- o. Accessory uses customarily incidental to a permitted principal use as approved by the Planning Board.

C. Bulk Regulations. Development in the Dykeman Affordable Housing Zone shall be subject to the following bulk regulations for the Office Development :

- a. Minimum lot area: 90,000 SF
- b. Minimum lot width: 200 FT
- c. Minimum lot frontage: 200 FT along Neptune Boulevard
Minimum lot frontage: 195 FT along Bangs Avenue
- d. Minimum front yard setback: 20 FT
- e. Minimum side yard setback: 20 FT
- f. Minimum side yard setback – residential – 20 FT
- g. Minimum rear yard setback: 75 FT
- h. Maximum building coverage: 16% *
- i. Maximum lot coverage: 73%

j. Maximum number of stories: 3 stories; 40 feet

D. Bulk Regulations. Development in the Dykeman Affordable Housing Zone shall be subject to the following bulk regulations for the Multi-Family Development :

- a. Minimum lot area: 60,000 SF
- b. Minimum lot width: 130 FT
- c. Minimum lot frontage: 130 FT
- d. Minimum front yard setback: 20 FT
- e. Minimum side yard setback: 20 FT
- f. Minimum rear yard setback: 10 FT
- g. Maximum building coverage: 25% *
- h. Maximum lot coverage: 75%
- i. Maximum number of stories: 3 stories; 40 feet

E. Off street parking shall be 1 space per 300 square feet for the office development and 1.8 parking spaces/unit.

F. Architectural Design Standards. Development in the zone shall be consistent with the applicable Architectural and Design Standards found within § LDO-502, except that ground floor parking level walls may be straight and shall not be required to be articulated or stepped. Upper levels of the buildings shall comply.

G. Buffering and Screening. Buffering and screening in the Zone shall be consistent with the applicable Buffering and Screening requirements found within § LDO-503, unless otherwise expressly permitted by the board.

H. Landscaping. Landscaping within the zone shall be consistent with the applicable landscaping requirements found within § LDO-509 unless otherwise expressly permitted by the board.

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Appendix E: Housing Authority Draft Ordinance

SLDO-403.06 AHAR (Affordable Housing Age Restricted Zone)

- A. Purpose.** The purpose of this AHAR Zone is to allow for an age-restricted multifamily project that partially addresses the Township's affordable housing obligation by allowing a 100% affordable, non-inclusionary development of up to 70 residential units and accessory uses described herein. For the purposes of this zone, "age-restricted" 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 at least 80% of the units are occupied by at least one person that is 55 years or older and complies with requirements of Section 807(b)(2) of the Fair Housing Act, 42 U.S.C. § 3607.
- B. Location.** This AHAR zone shall be applicable to Lot 3, Block 1003 as identified on the tax maps of the Township of Neptune, replacing the former C-7 zoning designation.
- C. Permitted principal uses.** In this AHAR zone, no premises shall be used, and no structure shall be erected, altered or occupied, for any purposes except the following:
1. Up to 70 age-restricted multifamily apartments, which meet the criteria for Affordable Housing in conformance with the Township of Neptune Housing Element and Fair Share Plan.
 2. One unrestricted-income, non-age restricted, management or maintenance staff apartment.
- D. Permitted accessory uses.** Accessory uses may be provided but shall not be required as a condition of approval:
1. Parking areas and electric vehicle charging stations intended to serve the staff, residents, and guests.
 2. Interior amenities, including, but not limited to, community room, wellness and health room(s), library, meeting rooms, lobbies, laundry areas, mail centers, fitness rooms, and other traditional ancillary spaces intended to serve the residents.
 3. Interior accessory spaces, including, but not limited to, management and leasing offices, maintenance/utility areas, and other traditional ancillary spaces intended to serve the management and operations of the development.
 4. Exterior amenities and recreational facilities and structures, including, but not limited to, open space, gathering space, bicycle parking, benches and walkways intended to serve the residents.
 5. Patios, balconies, and porches intended to serve the residents.

6. Community garden, greenhouse, and garden shed intended to serve the residents.
7. Private and public utility structures, and maintenance structures including standby generators intended to serve the building.
8. Trash and recycling enclosures intended to serve the building.
9. Signage. Permitted signage shall be as follows:
 - a. Two ground signs and/or building-mounted signage shall be permitted such that the maximum sign area of any individual sign not exceed 50 square feet, ground sign shall be set back at least five feet from the front, side and rear property lines, and the sign not exceed a height of seven feet above grade. Such ground sign may be illuminated with ground lights that otherwise comply with the Township's lighting and glare ordinances. Building mounted signage may be backlit or otherwise illuminated in compliance with the Township's lighting and glare ordinances. Neon, and other direct-transmissive light signage is prohibited.
 - b. Nonilluminated on-site informational/directional signs, provided that each sign is limited to a window, facade or ground-mounted sign of not more than two square feet in area and not more than seven feet in height above grade.
 - c. Address signage in compliance with Township emergency services standards.
10. Fences and walls.
 - a. If retaining walls or fences are proposed, no single wall or fence may exceed six feet in height.
 - b. Retaining walls shall be constructed of durable masonry materials that complement the site design and building architecture.
 - c. Fences may be wooded, metallic, or PVC.
11. Utility shed for equipment storage.
12. Temporary construction or leasing trailers.
13. Accessory uses customarily incidental to a permitted principal use as approved by the Township Zoning Officer, provided they are in conformance with all Township ordinances.

D. Compliance with site plan standards, subdivision standards and regulations.
Unless provided to the contrary herein, applications for development in this AHAR

zone shall follow and be subject to the applicable procedures, regulations, standards and guidelines required for preliminary and final site plan and/or subdivision review of this chapter and other applicable ordinances which are incorporated herein by reference. Reasonable submission waivers shall be granted where appropriate (i.e. traffic or environmental impact studies).

E. Bulk regulations. Development in the AHAR zone shall be subject to the following bulk regulations:

1. Density. The gross density of the overall tract shall be no more than 70 affordable units and one caretaker/management unit.
2. Impervious coverage. The maximum total impervious coverage shall not exceed 80% of the developable area of the tract.
3. Building coverage. The maximum total lot coverage by buildings shall be 50% of the total area of the tract.
4. Principal building length. The maximum principal building length for multifamily buildings shall be 225 feet. Where two walls intersect at an angle greater than 90°, the maximum building length shall be determined as the sum of both individual wall lengths.
5. Building height. Each multifamily building shall be a maximum of four stories and 55 feet as defined in §LDO-201 of the Township Ordinance. Chimneys, roof-mounted solar equipment, parapets, stair and/or elevator penthouses, and similar appurtenances shall be allowable in excess of the building height.
6. Bedroom distribution. Age-restricted multifamily units shall have either one or two bedrooms.
7. Accessory buildings shall be harmonious in color and style to the principal structure and shall be permitted as follows:
 - (a) Maximum area: 120 square feet.
 - (b) Maximum height: 16 feet.
8. Setbacks. Development in the zone shall be subject to the following minimum setback regulations:
 - (a) Minimum principal building setback from tract lines other than external roads: 10 feet.

- (b) Minimum principal building setback from external roads: 10 feet.
 - (c) Minimum building setback of parking or vehicular traffic areas from tract lines other than external roads: 3 feet.
 - (d) Accessory buildings (other than required utility equipment, generator, etc.) shall not be permitted within the front yard area and shall have a minimum rear and side yard setback of 5 feet.
9. Minimum recreational facilities shall include 1,000 square feet of interior community room space.

F. Buffer and landscape areas. Development in the AHAR zone shall not be subject to buffer, landscaping and screening requirements of Article V, §LDO-503 of this chapter, and the following buffer, landscaping and screening standards shall apply:

- 1. Buffer location. No buffers shall be required to adjoining properties.
- 2. All mechanical equipment, trash enclosures, and related accessory structures shall be screened from public view to the extent practicable.
- 3. Development in the zone shall not be subject to landscaping and landscape design requirements of Article V, §LDO-509 of this chapter, and shall instead apply the following landscape standards. A landscaping plan prepared by a licensed landscape architect (LLA) licensed in the State of New Jersey. The plan shall be prepared with the following design principles in mind:
 - a. An overall recurring pattern of plant groupings and material shall be provided throughout the site, integrating the various elements of site design to create pleasing and identifiable site characteristics.
 - b. Landscaping shall include a plant palette consisting of deciduous and evergreen trees, shrubs, ground cover, perennials and annuals.
 - c. The use of native, salt-tolerant, deer-resistant material is encouraged. Monocultures of material will not be accepted.
 - d. Plant species variety shall be selected with consideration given to different colors, textures, shapes, blossoms and foliage and should provide a four-season interest.
 - e. Plant selection shall be based upon the premise to provide material that will best serve the intended function and use as well as to provide materials appropriate for local soil conditions, water conservation and the environment.

- f. The type and amount of plant material shall be varied throughout the development.
- g. All proposed material shall be drawn to scale to reflect a fifteen-year to twenty-year growth. Planting schedules showing common and botanical names, installed and mature sizes and horticultural interest shall be provided along with applicable installation notes and details.
- h. Landscaping shall be provided as part of a site plan. It shall be conceived in a total pattern throughout the site, integrating the various elements of site design, preserving and enhancing the particular identity of the site, and creating a pleasing site character.
- i. All trees shall be guaranteed for a minimum of two years from the time of planting by the applicant against death and disease.
- j. Planting specification. Deciduous trees shall be at least two inches caliper at planting and should be balled and burlapped. Size of evergreens should be four feet tall (except in required buffers) and shrubs two feet tall at planting but may be allowed to vary depending on setting and type of shrub. Only nursery-grown plant materials shall be acceptable, and trees, shrubs, and ground cover shall be planted according to accepted horticultural standards. Dead and dying plants shall be replaced during the following planting season.

G. Other regulations. Developments in the AHAR zone shall be subject to the following regulations, requirements, and standards:

1. All new utilities shall be installed underground, where practicable.
2. All dwelling units shall be served by public water and sanitary sewer systems.
3. Garbage refuse storage and recyclable collection areas suitable for containerized collection shall be provided. Such areas shall be screened from view and shall otherwise comply with Article V, §LDO-515 of the Land Use and Development Regulations.
4. New Jersey Residential Site Improvement Standards at N.J.A.C. 5:21 (RSIS) shall govern all design requirements for this AHAR zone, excluding parking, and shall take precedence over anything to the contrary contained in the Land Use and Development Regulations.
5. Parking.

- a. A minimum of 0.5 space per unit is required.
- b. Parking stalls shall be a minimum of 9 feet by 18 feet, including overhang areas. Handicapped parking stalls shall be provided in accordance with the Americans with Disabilities Act.
- c. Parking spaces, ramps, etc., shall be provided for the physically handicapped, in accordance with the Americans with Disabilities Act.
- d. Back-up areas with a minimum depth of five feet shall be provided in all parking lots where there are dead ends.
- e. Electric Vehicle Parking shall be provided in accordance with NJ State Regulations.

H. Building design requirements. Building design requirements in this AHAR zone shall not be subject to any other requirements of this Chapter and shall be replaced with the following requirements for this zone:

- 1. All buildings shall be located with proper consideration of their orientation and relationship to other buildings, both existing and proposed in terms of light, air and usable open space, access to public right-of-way and off-street parking; height and bulk; and drainage.
- 2. Elevators, vestibules and corridors of new buildings shall be designed so as to accommodate the gurneys used by the Township Emergency Services Department and the Township's volunteer first-aid squads.
- 3. Exterior appearance and treatment.
 - a. All major entrances to buildings shall be properly identified with architectural elements such as recessed entranceways, projected overhangs, and porticoes.
 - b. Window and door openings shall include appropriate trim and either recesses or overhangs to promote a harmonious variety of light and shade on the facade of the building.
 - c. Appurtenances, such as, but not limited to, tanks, condenser units and other equipment, shall be screened from view.
 - d. All roof planes or caps meeting the exterior facade shall have overhangs or appropriate cornice and trim details.

- e. Colors, materials and finishes shall be coordinated in all exterior elevations of buildings to achieve continuity of expression.
 - f. Exterior materials shall include appropriate texture and trim to prevent large undifferentiated facades of the same material.
 - g. Buildings shall be designed to avoid long straight, unbroken, and uninterrupted lines.
4. Units design shall be exempt from requirements in §LDO-516.
- I. **Lighting.** Development in the AHAR zone shall not be subject to lighting requirements of Article V, §LDO-511 of this chapter and should, instead, apply the following lighting standards:
- 1. All outdoor lighting shall be aimed, located, designed, fitted and maintained so as not to present a disabling glare hazard to drivers or a nuisance to neighboring properties.
 - 2. Shoebox-type lighting fixtures shall be used.
 - 3. Building-mounted directional fixtures, such as floodlights and spotlights, may be permitted, provided they do not present a disabling glare hazard to drivers or a nuisance to neighboring properties.
 - 4. Glare shall be controlled through the use of sharp cutoff fixtures, the appropriate application of mounting height, wattage, aiming, fixture placement, and fixture design, etc., and the addition of shields and baffles as necessary.
 - 5. LED lighting shall not exceed 3,500 degrees Kelvin.
- J. **Affordable housing development.** If any item below conflicts with §LDO Article XII, this section shall govern.
- 1. Waiver of cost-generative measures pursuant to N.J.A.C. 5:93-10.1 et seq. In order to permit the intended, agreed upon development of the property, the Township agrees to abide by the COAH regulations against cost-generative measures as set forth at N.J.A.C. 5:93-10.1(b).
 - 2. Assistance With Fees and Charges. Municipal support shall include granting reasonable variances, waivers, and entitlements, to provide project cost reductions. Waived fees shall include administrative application fees, inspection fees, open space fees, water connection fees, sewer connection

fees, building permit fees, recreation fees, soil or tree removal or tree clearing permit fees, street lighting and fire hydrant fees or rental registration fees. This waiver shall not apply to third party professional escrows. Waived fees may be paid from municipal affordable housing trust funds.

3. Any development within the AHAR zone shall not be required to submit a tree survey, comply with any tree replacement requirements nor any payments in lieu of tree replacement requirements.
4. Development in the AHAR zone shall be exempt from Chapter 27 and §4-30 of the Township Code.
5. Any development within the AHAR zone shall be subject to the provisions of N.J.A.C. 5:93-10.1 and 5:93-10.2 which set forth limitations on application requirements and provide a standard of review for the Planning Board for necessary variances or deviations necessary to accomplish the intent of this district.
6. Pursuant to N.J.A.C. 5:80-26.1 ("UHAC"), UHAC does not apply to units qualifying for the federal low-income housing tax credit under Section 42 of the Internal Revenue Code. However, the project shall comply with N.J.A.C. 5:80-26.16 Affirmative Marketing, as applicable.
7. All affordable units shall be subject to deed restrictions on income limits for a period of not less than 30 years from the date that a certificate of occupancy issued for the building. If this project is financed with low-income housing tax credits, then the HMFA required deed restriction shall be provided.
8. The N.J.A.C. 5:80-33, governs the income distribution requirements for affordable housing units created with low-income housing tax credits (LIHTC); otherwise, income distribution requirements are governed by UHAC.



thrive
design

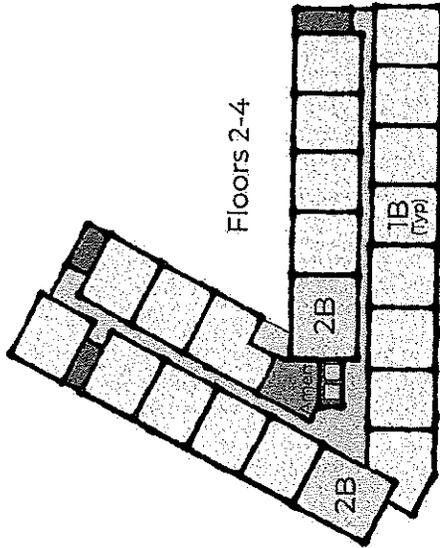
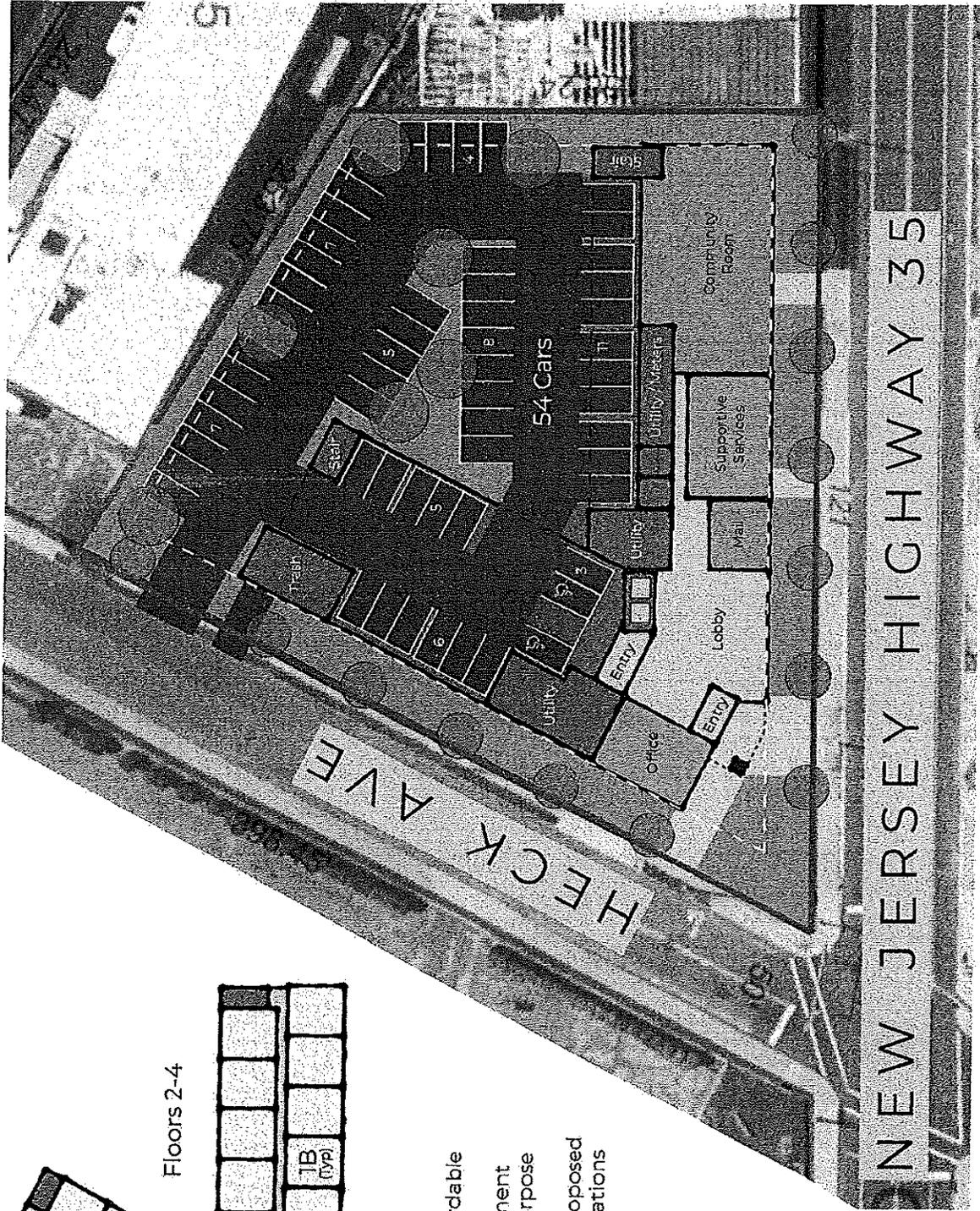
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CS	DATE: 11/15/15	DESIGN: SS	PROJECT: 1501
Concept Study			

Affordable Senior Housing
Block 1003, Lot 3, 121 Highway 35, Neptune, NJ

ALL RIGHTS RESERVED. NO PART OF THIS DOCUMENT MAY BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM, WITHOUT THE WRITTEN PERMISSION OF THRIVE DESIGN.



- ▶ 66 Total Units
- ▶ 100% Senior Affordable
- ▶ 4 Stories
- ▶ On Site Management
- ▶ Resident Multipurpose Room
- ▶ Complies with Proposed AHAR zone regulations

Appendix G: Affordable Housing/Development Fee Model Ordinance

MODEL AFFORDABLE HOUSING ORDINANCE GUIDANCE DOCUMENT

This model ordinance is intended solely as a sample municipal ordinance integrating the applicable provisions of the Uniform Housing Affordability Controls (UHAC) promulgated by the New Jersey Housing and Mortgage Finance Agency at N.J.A.C. 5:80-26 et seq., the amended Fair Housing Act at N.J.S.A. 52:27D-301 et seq., the Fair Housing Act Regulations promulgated by the Department of Community Affairs, Division of Local Planning Services (“LPS”) at N.J.A.C. 5:99 et seq., and statutorily upheld existing regulations of the former Council on Affordable Housing (“COAH”) at N.J.A.C. 5:93 and 5:97. Additional information regarding UHAC may be found at <https://www.nj.gov/dca/hmfa/about/uhac/>. Additional information regarding amendments to the Fair Housing Act and LPS regulations may be found at <https://www.nj.gov/dca/dlps/hss/regulations.shtml>. This model ordinance is not intended to interpret or supersede UHAC. Questions regarding UHAC requirements should be directed to the New Jersey Housing and Mortgage Finance Agency.

A. Introduction & Applicability

1. This section of the Code sets forth regulations regarding the very low-, low- and moderate-income housing units in (INSERT NAME OF MUNICIPALITY) consistent with the provisions outlined in P.L 2024, Chapter 2, including the amended Fair Housing Act (“FHA”) at N.J.S.A. 52:27D-301 et seq., as well as the Department of Community Affairs, Division of Local Planning Services (“LPS”) at N.J.A.C. 5:99 et seq., statutorily upheld existing regulations of the now-defunct Council on Affordable Housing (“COAH”) at N.J.A.C. 5:93 and 5:97, the Uniform Housing Affordability Controls (“UHAC”) at N.J.A.C. 5:80-26.1 et seq., and as reflected in the adopted municipal Fourth Round Housing Element and Fair Share Plan (“HEFSP”).
2. This Ordinance is intended to ensure 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 pursuant to statutory requirements. This Ordinance shall apply to all inclusionary developments, individual affordable units, and 100% affordable housing developments except where inconsistent with applicable law. Low-Income Housing Tax Credit financed developments shall adhere to the provisions set forth below in item 5.c. below.
3. The (INSERT NAME OF MUNICIPALITY) Planning Board has adopted a HEFSP pursuant to the Municipal Land Use Law at N.J.S.A. 40:55D-1, et seq. The Fair Share Plan describes the ways the municipality shall address its fair share of very low-, low- and moderate-income housing as approved by the Superior Court and documented in the Housing Element.
4. This Ordinance implements and incorporates the relevant provisions of the HEFSP and addresses the requirements of P.L 2024, Chapter 2, the FHA, N.J.A.C. 5:99, NJ Supreme

Court upheld COAH regulations at N.J.A.C. 5:93 and 5:97, and UHAC at N.J.A.C. 5:80-26.1, as may be amended and supplemented.

5. Applicability

- a. The provisions of this Ordinance shall apply to all affordable housing developments and affordable housing units that currently exist and that are proposed to be created pursuant to the municipality's most recently adopted HEFSP.
- b. This Ordinance shall apply to all developments that contain very low-, low- and moderate-income housing units included in the Municipal HEFSP, including any unanticipated future developments that will provide very low-, low- and moderate-income housing units.
- c. Projects receiving federal Low Income Housing Tax Credit financing and are proposed for credit shall comply with the low/moderate split and bedroom distribution requirements, maximum initial rents and sales prices requirements, affirmative fair marketing requirements of UHAC at N.J.A.C. 5:80-26.16 and the length of the affordability controls applicable to such projects shall be not less than a 30-year compliance period plus a 15-year extended-use period, for a total of not less than 45 years.

B. Definitions

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

“Accessory apartments” means a residential dwelling unit that provides complete independent living facilities with a private entrance for one or more persons, consisting of provisions for living, sleeping, eating, sanitation, and cooking, including a stove and refrigerator, and is located within a proposed preexisting primary dwelling, within an existing or proposed structure that is an accessory to a dwelling on the same lot, constructed in whole or part as an extension to a proposed or existing primary dwelling, or constructed as a separate detached structure on the same lot as the existing or proposed primary dwelling. Accessory apartments are also referred to as “accessory dwelling units”.

“Act” means the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301 et seq.

“Adaptable” means constructed in compliance with the technical design standards of the barrier free subcode adopted by the Commissioner of Community Affairs pursuant to the “State Uniform Construction Code Act,” P.L.1975, c. 217 (C.52:27D-119 et seq.) and in accordance with the provisions of section 5 of P.L.2005, c. 350 (C.52:27D-123.15).

“Administrative agent” means the entity approved by the Division responsible for the administration of affordable units, in accordance with N.J.A.C. 5:99-7, and UHAC at N.J.A.C. 5:80-26.15.

“Affirmative marketing” means a regional marketing strategy designed to attract buyers and/or renters of affordable units pursuant to N.J.A.C. 5:80-26.16.

“Affirmative Marketing Plan” means the municipally adopted plan of strategies from which the administrative agent will choose to implement as part of the Affirmative Marketing requirements.

“Affirmative Marketing Process” or “Program” means the actual undertaking of Affirmative Marketing activities in furtherance of each project with very low- low- and moderate-income units.

“Affordability assistance” means the use of funds to render housing units more affordable to low- and moderate-income households and includes, but is not limited to, down payment assistance, security deposit assistance, low interest loans, rental assistance, assistance with homeowner’s association or condominium fees and special assessments, common maintenance expenses, and assistance with emergency repairs and rehabilitation to bring deed-restricted units up to code, pursuant to N.J.A.C. 5:99-2.5.

“Affordability average” means an average of the percentage of regional median income at which restricted units in an affordable development are affordable to low- and moderate-income households.

“Affordable” means, in the case of an ownership unit, that the sales price for the unit conforms to the standards set forth at N.J.A.C. 5:80-26.7 and, in the case of a rental unit, that the rent for the unit conforms to the standards set forth at N.J.A.C. 5:80-26.13.

“Affordable housing development” means a development included in a municipality’s housing element and fair share plan, and includes, but is not limited to, an inclusionary development, a municipally sponsored affordable housing project, or a 100 percent affordable development. This includes developments with affordable units on-site, off-site, or provided as a payment in-lieu of construction only if such a payment-in-lieu option has been previously approved by the Program or Superior Court as part of the HEFSP. Payments in lieu of construction were invalidated per P.L. 2024, c.2.

“Affordable Housing Dispute Resolution Program” or “the Program” refers to the dispute resolution program established pursuant to N.J.S.A. 52:27D-313.2.

“Affordable Housing Monitoring System” or “AHMS” means the Department’s cloud-based software application, which shall be the central repository for municipalities to use for reporting detailed information regarding affordable housing developments, affordable housing unit completions, and the collection and expenditures of funds deposited into the municipal affordable housing trust fund.

“Affordable Housing Trust Fund” or “AHTF” means that non-lapsing, revolving trust fund established in DCA pursuant to N.J.S.A. 52:27D-320 and N.J.A.C. 5:43 to be the repository of all State funds appropriated for affordable housing purposes. All references to the “Neighborhood Preservation Nonlapsing Revolving Fund” and “Balanced Housing” mean the AHTF.

“Affordable unit” means a housing unit proposed or developed pursuant to the Act, including units created with municipal affordable housing trust funds.

“Age-restricted housing” means a housing unit that is designed to meet the needs of, and is exclusively for, 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; 2. At least 80 percent 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 HUD as “housing for older persons” as defined in Section 807(b)(2) of the Fair Housing Act, 42 U.S.C. § 3607.

“Agency” means the New Jersey Housing and Mortgage Finance Agency established by P.L.1983, c. 530 (C.55:14K-1 et seq.).

“Assisted living residence” means a facility licensed by the New Jersey Department of Health to provide apartment-style housing and congregate dining and to ensure that assisted living services are available when needed for four or more adult persons unrelated to the proprietor. Apartment units must offer, at a minimum, one unfurnished room, a private bathroom, a kitchenette, and a lockable door on the unit entrance.

“Barrier-free escrow” means the holding of funds collected to adapt affordable unit entrances to be accessible in accordance with N.J.S.A. 52:27D-311a et seq. Such funds shall be held in a municipal affordable housing trust fund pursuant to N.J.A.C. 5:99-2.6.

“Builder’s remedy” means court-imposed site-specific relief for a litigant who seeks to build affordable housing for which the court requires a municipality to utilize zoning techniques, such as mandatory set-asides or density bonuses, including techniques which provide for the economic viability of a residential development by including housing that is not for low- and moderate-income households.

“Certified household” means a household that has been certified by an administrative agent as a very-low-income household, a low-income household, or a moderate-income household.

“CHOICE” means the no-longer-active Choices in Homeownership Incentives for Everyone Program, as it was authorized by the Agency.

“COAH” or the “Council” means the Council on Affordable Housing established in, but not of, DCA pursuant to the Act and that was abolished effective March 20, 2024, pursuant to section 3 at P.L. 2024, c. 2 (N.J.S.A. 52:27D-304.1).

“Commissioner” means the Commissioner of the Department of Community Affairs.

“Compliance certification” means the certification obtained by a municipality pursuant to section 3 of P.L.2024, c. 2 (C.52:27D-304.1), that protects the municipality from exclusionary zoning litigation during the current round of present and prospective need and through July 1 of the year the next round begins, which is also known as a “judgment of compliance” or “judgment of repose.” The term “compliance certification” shall include a judgment of repose granted in an action filed pursuant to section 13 of P.L.1985, c. 222 (C.52:27D-313).

“Construction” means new construction and additions, but does not include alterations, reconstruction, renovations, conversion, relocation, or repairs, as those terms are defined in the State Uniform Construction Code promulgated pursuant to the State Uniform Construction Code Act, P.L. 1975, c. 217(N.J.S.A. 52:27D-119 et seq.).

“County-level housing judge” means a judge appointed pursuant to section 5 at P.L. 2024, c. 2, to resolve disputes over the compliance of municipal fair share affordable housing obligations and municipal Fair Share plans and housing elements with the Act.

“DCA” and “Department” mean 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.

“Department” means the New Jersey Department of Community Affairs.

“Developer” means the legal or beneficial owner or owners of a lot or of any land proposed to be included in a proposed development, including the holder of an option or contract to 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 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 the Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq.

“Development fee” means money paid by a developer for the improvement of residential and non-residential property as permitted pursuant to N.J.S.A. 52:27D-329.2 and 40:55D-8.1 through 40:55D-8.7 and N.J.A.C. 5:99-3.

“Dispute Resolution Program” means the Affordable Housing Dispute Resolution Program, established pursuant to section 5 at P.L. 2024, c. 2 (N.J.S.A. 52:27D-313.2).

“Division” means the Division of Local Planning Services within the Department of Community Affairs.

“Emergent opportunity” means a circumstance that has arisen whereby affordable housing will be able to be produced through a delivery mechanism not originally contemplated by or included in a fair share plan that has been the subject of a compliance certification.

“Equalized assessed value” or “EAV” 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 at P.L. 1973, c. 123 (N.J.S.A. 54:1-35a, 54:1-35b, and 54:1-35c). Estimates at the time of building permit may be obtained by the tax assessor using construction cost estimates. Final EAV shall be determined at project completion by the municipal assessor.

“Equity share amount” means the product of the price differential and the equity share, with the equity share being the whole number of years that have elapsed since the last non-exempt sale of a restricted ownership unit, divided by 100, except that the equity share may not be less than five percent and may not exceed 30 percent.

“Exit sale” means the first authorized non-exempt sale of a restricted unit following the end of the control period, which sale terminates the affordability controls on the unit.

“Exclusionary zoning litigation” means litigation challenging the fair share plan, housing element, ordinances, or resolutions that implement the fair share plan or housing element of a municipality based on alleged noncompliance with the Act or the Mount Laurel doctrine, which litigation shall include, but shall not be limited to, litigation seeking a builder’s remedy.

“Extension of expiring controls” means extending the deed restriction period on units where the controls will expire in the current round of a housing obligation, so that the total years of a deed restriction is at least 60 years.

“Fair share obligation” means the total of the present need and prospective need, including prior rounds, as determined by the Affordable Housing Dispute Resolution Program, or a court of competent jurisdiction.

“Fair share plan” means the plan or proposal, with accompanying ordinances and resolutions, by which a municipality proposes to satisfy its constitutional obligation to create a realistic opportunity to meet its fair share of low- and moderate-income housing needs of its region and which details the affirmative measures the municipality proposes to undertake to achieve its fair share of low- and moderate-income housing, as provided in the municipal housing element, and which addresses the development regulations necessary to implement the housing element, including, but not limited to, inclusionary requirements and development fees, and the elimination of unnecessary housing cost-generating features from the municipal land use ordinances and regulations.

“FHA” means the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301 et seq.

“Green Building Strategies” means the 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.

“HMFA” or “the Agency” means the New Jersey Housing and Mortgage Finance Agency established pursuant to P.L. 1983, c. 530 (N.J.S.A. 55:14K-1 et seq.).

“Household income” means a household’s gross annual income calculated in a manner consistent with the determination of annual income pursuant to section 8 of the United States Housing Act of 1937 (Section 8), not in accordance with the determination of gross income for Federal income tax liability.

“Housing element” means the portion of a municipality’s master plan adopted in accordance with the Municipal Land Use Law (MLUL) at N.J.S.A. 40:55D-28.b(3) and the Act consisting of reports, statements proposals, maps, diagrams, and text designed to meet the municipality’s fair share of its region’s present and prospective housing needs, particularly with regard to low- and moderate-income housing, which shall include the municipal present and prospective obligation for affordable housing, determined pursuant to subsection f. at N.J.S.A. 52:27D-304.1.

“Housing region” means a geographic area established pursuant to N.J.S.A. 52:27D-304.2b.

“Inclusionary development” means a residential housing development in which a substantial percentage of the housing units are provided for a reasonable income range of low- and moderate- income households.

“Judgment of compliance” or “judgment for repose” means a determination issued by the Superior Court approving a municipality’s fair share plan to satisfy its affordable housing obligation for a particular 10-year round.

“Low-income household” means a household with a household income equal to 50 percent or less of the regional median 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.

“Mixed use development” means any development that includes both a non-residential development component and a residential development component, and shall include developments for which: (1) there is a common developer for both the residential development component and the non-residential development component, provided that for purposes of this definition, multiple persons and entities may be considered a common developer if there is a contractual relationship among them obligating each entity to develop at least a portion of the residential or non-residential development, or both, or otherwise to contribute resources to the development; and (2) the residential and non-residential developments are located on the same lot or adjoining lots, including, but not limited to, lots separated by a street, a river, or another geographical feature.

“Moderate-income household” means a household with a household income in excess of 50 percent but less than 80 percent of the regional median income.

“Moderate-income unit” means a restricted unit that is affordable to a moderate-income household.

“MONI” means the no-longer-active Market Oriented Neighborhood Investment Program, as it was authorized by the Agency.

“Municipal housing liaison” or “MHL” means an appointed municipal employee who is, pursuant to N.J.A.C. 5:99-6, responsible for oversight and/or administration of the affordable units created within the municipality.

“Municipal affordable housing trust fund” means a separate, interest-bearing account held by a municipality for the deposit of development fees, payments in lieu of constructing affordable units on sites zoned for affordable housing previously approved prior to March 20, 2024 (per P.L. 2024, c.2), barrier-free escrow funds, recapture funds, proceeds from the sale of affordable units, rental income, repayments from affordable housing program loans, enforcement fines, unexpended RCA funds remaining from a completed RCA project, application fees, and any other funds collected by the municipality in connection with its affordable housing programs, which shall be used to address municipal low- and moderate-income housing obligations within the time frames established by the Legislature and this chapter.

“Municipal development fee ordinance” means an ordinance adopted by the governing body of a municipality that authorizes the collection of development fees.

“New construction” means the creation of a new housing unit under regulation by a code enforcement official regardless of the means by which the unit is created. Newly constructed units are evidenced by the issuance of a certificate of occupancy and may include new residences created through additions and alterations, adaptive reuse, subdivision, or conversion of existing space, and moving a structure from one location to another.

“New Jersey Affordable Housing Trust Fund” means an account established pursuant to N.J.S.A. 52:27D-320.

“New Jersey Housing Resource Center” or “Housing Resource Center” means the online affordable housing listing portal, or its successor, overseen by the Agency pursuant to N.J.S.A. 52:27D-321.3 et seq.

“95/5 restriction” means a deed restriction governing a restricted ownership unit that is part of a housing element that received substantive certification from COAH pursuant to N.J.A.C. 5:93, as it was in effect at the time of the receipt of substantive certification, before October 1, 2001, or any other deed restriction governing a restricted ownership unit with a seller repayment option requiring 95 percent of the price differential to be paid to the municipality or an instrument of the municipality at the closing of a sale at market price.

“Non-exempt sale” means any sale or transfer of ownership of a restricted unit to one’s self or to another individual other than the transfer of ownership between spouses or civil union partners; the transfer of ownership between former spouses or civil union partners 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.

“Nonprofit” means an organization granted nonprofit status in accordance with section 501(c)(3) of the Internal Revenue Code.

“Non-residential development” means:

Any building or structure, or portion thereof, including, but not limited to, any appurtenant improvements, which is designated to a use group other than a residential use group according to the State Uniform Construction Code, N.J.A.C. 5:23, promulgated to effectuate the State uniform Construction Code Act, N.J.S.A. 52:27D-119 et seq., including any subsequent amendments or revisions thereto;

Hotels, motels, vacation timeshares, and child-care facilities; and

The entirety of all continuing care facilities within a continuing care retirement community which is subject to the Continuing Care Retirement Community Regulation and Financial Disclosure Act, N.J.S.A.52:27D-330 et seq.

“Non-residential development fee” means the fee authorized to be imposed pursuant to N.J.S.A. 40:55D-8.1 through 40:55D-8.7.

“Order for repose” means the protection a municipality has from a builder’s remedy lawsuit for a period of time from the entry of a judgment of compliance by the Superior Court. A judgment of compliance often results in an order for repose.

“Payment in lieu of constructing affordable units” means the prior approval of the payment of funds to the municipality by a developer when affordable units were not produced on a site zoned for an inclusionary development. The statutory permission for payments in lieu of constructing affordable units was eliminated per P.L. 2024, c.2.

“Prospective need” means a projection of housing needs based on development and growth which is reasonably likely to occur in a region or a municipality, as the case may be, as a result of actual determination of public and private entities. Prospective need shall be determined by the methodology set forth pursuant to sections 6 and 7 of P.L.2024, c. 2 (C.52:27D-304.2 and C.52:27D-304.3) for the fourth round and all future rounds of housing obligations.

“Qualified Urban Aid Municipality” means a municipality that meets the criteria established pursuant to N.J.S.A. 52:27D-304.3.c(1).

“Person with a disability” means a person with a physical disability, infirmity, malformation, or disfigurement which is caused by bodily injury, birth defect, aging, or illness including epilepsy and other seizure disorders, and which shall include, but not be limited to, any degree of paralysis, amputation, lack of physical coordination, blindness or visual impairment, deafness or hearing impairment, the inability to speak or a speech impairment, or physical reliance on a service animal, wheelchair, or other remedial appliance or device.

“Price differential” means the difference between the controlled sale price of a restricted unit and the contract price at the exit sale of the unit, determined as of the date of a proposed contract of sale for the unit. If there is no proposed contract of sale, the price differential is the difference between the controlled sale price of a restricted unit and the appraised value of the unit as if it were not subject to UHAC, determined as of the date of the appraisal. If the controlled sale price exceeds the contract price or, in the absence of a contract price, the appraised value, the price differential is zero dollars.

“Prior round unit” means a housing unit that addresses a municipality’s fair share obligation from a round prior to the fourth round of affordable housing obligations, including any unit that: (1) received substantive certification from COAH; (2) is part of a third-round settlement agreement or judgment of compliance approved by a court of competent jurisdiction, inclusive of units created pursuant to a zoning designation adopted as part of the settlement agreement or judgment of compliance to create a realistic opportunity for development; (3) is subject to a grant agreement or other contract with either the State or a political subdivision thereof entered into prior to July 1, 2025, pursuant to either item (1) or (2) above; or (4) otherwise addresses a municipality’s fair share obligation from a round prior to the fourth round of affordable housing obligations. A unit created after the enactment of P.L. 2024, c. 2 (N.J.S.A. 52:27D-304.1) on March 20, 2024, is not a prior round unit unless: (1) it is created pursuant to a prior round development plan or zoning designation that received COAH or court approval on or before the cutoff date of June 30, 2025, or the date that the municipality adopts the implementing ordinances and resolutions for the fourth round of affordable housing obligations, whichever occurs sooner; and (2) its siting and creation are consistent with the form of the prior round development plan or zoning designation in effect as of the cutoff date, without any amendment or variance.

“Program” means the Affordable Housing Dispute Resolution Program, established pursuant to section 5 of P.L.2024, c. 2 (C.52:27D-313.2).

“Random selection process” means a lottery process by which currently income-eligible applicant-households are selected, at random, for placement in affordable housing units such that no preference is given to one applicant over another, except in the case of a veterans’ preference where such an agreement exists; for purposes of matching household income and size with an appropriately priced and sized affordable unit; or another purpose allowed pursuant to N.J.A.C. 5:80-26.7(k)3. This definition excludes any practices that would allow affordable housing units to be leased or sold on a first-come, first-served basis.

“RCA administrator” means an appointed municipal employee who is responsible for oversight and/or administration of affordable units and associated revenues and expenditures within the municipality that were funded through regional contribution agreements.

“RCA project plan” means a past application, submitted by a receiving municipality in an RCA, delineating the manner in which the receiving municipality intended to create or rehabilitate low- and moderate-income housing.

“Receiving municipality” means, for the purposes of an RCA, a municipality that contractually agreed to assume a portion of another municipality’s fair share obligation.

“Reconstruction” means any project where the extent and nature of the work is such that the work area cannot be occupied while the work is in progress and where a new certificate of occupancy is required before the work area can be reoccupied, pursuant to the Rehabilitation Subcode of the uniform Construction Code, N.J.A.C. 5:23-6. Reconstruction shall not include projects comprised only of floor finish replacement, painting or wallpapering, or the replacement of equipment or furnishings. Asbestos hazard abatement and lead hazard abatement projects shall not be classified as reconstruction solely because occupancy of the work area is not permitted.

“Recreational facilities and community centers” means any indoor or outdoor buildings, spaces, structures, or improvements intended for active or passive recreation, including, but not limited to, ballfields, meeting halls, and classrooms, accommodating either organized or informal activity.

“Regional contribution agreement” or “RCA” means a contractual agreement, pursuant to the Act, into which two municipalities voluntarily entered into and was approved by COAH and/or Superior Court prior to July 18, 2008, to transfer a portion of a municipality’s affordable housing obligation to another municipality within its housing region.

“Regional median income” means the median income by household size for an applicable housing region, as calculated annually in accordance with N.J.A.C. 5:80-26.3.

“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. With respect to units in assisted living residences, rent does not include charges for food and services.

“Residential development fee” means money paid by a developer for the improvement of residential property as permitted pursuant to N.J.S.A. 52:27D-329.2 and N.J.A.C. 5:99-3.2.

“Restricted unit” means a dwelling unit, whether a rental unit or ownership unit, that is subject to the affordability controls of this subchapter but does not include a market-rate unit that was financed pursuant to UHORP, MONI, or CHOICE.

“Spending plan” means a method of allocating funds contained in an affordable housing trust fund account, which includes, but is not limited to, development fees collected and to be collected pursuant to an approved municipal development fee ordinance, or pursuant to N.J.S.A. 52:27D-329.1 et seq., for the purpose of meeting the housing needs of low- and moderate-income individuals.

“State Development and Redevelopment Plan” or “State Plan” means the plan prepared pursuant to sections 1 through 12 of the “State Planning Act,” P.L.1985, c. 398 (C.52:18A-196 et al.), designed to represent a balance of development and conservation objectives best suited

to meet the needs of the State, and for the purpose of coordinating planning activities and establishing Statewide planning objectives in the areas of land use, housing, economic development, transportation, natural resource conservation, agriculture and farmland retention, recreation, urban and suburban redevelopment, historic preservation, public facilities and services, and intergovernmental coordination pursuant to subsection f. of section 5 of P.L.1985, c. 398 (C.52:18A-200).

“Supportive housing household” means a very low-, low- or moderate-income household certified as income eligible by an administrative agent in accordance with N.J.A.C. 5:80-26.14, in which at least one member is an individual who requires supportive services to maintain housing stability and independent living and who is part of a population identified by federal or state statute, regulation, or program guidance as eligible for supportive or special needs housing. Such populations include, but are not limited to: persons with intellectual or developmental disabilities, persons with serious mental illness, person with head injuries (as defined in Section 2 of P.L. 1977), persons with physical disabilities or chronic health conditions, persons who are homeless as defined by the U.S. Department of Housing and Urban Development at 24 C.F.R. Part 578, survivors of domestic violence, youth aging out of foster care, and other special needs populations recognized under programs administered by the U.S. Department of Housing and Urban Development, the Low-Income Housing Tax Credit Program, the McKinney–Vento Act, or the New Jersey Department of Human Services. A supportive housing household may include family members, unrelated individuals, or live-in aides, provided that the household meets the income eligibility requirements of this subchapter, except that in the case of unrelated individuals not operating as a family unit, income eligibility shall be tested on an individual basis rather than in the aggregate; the unit is leased or sold subject to the affordability controls established herein; and the supportive services available to the household are designed to promote housing stability, independent living, and community integration. The determination of whether unrelated individuals are operating as a family unit shall be made based on the applicant’s self-identification of household members on the affordable housing application.

“Supportive housing sponsoring program” means grant or loan program which provided financial assistance to the development of the unit.

“Supportive housing unit” means a restricted rental unit, as defined by N.J.S.A. 34:1B-21.24, that is affordable to very low-, low- or moderate-income households and is reserved for occupancy by a supportive housing household. Supportive housing units are also referred to as permanent supportive housing units.

“Transitional housing” means temporary housing that: (1) includes, but is not limited to, single-room occupancy housing or shared living and supportive living arrangements; (2) provides access to on-site or off-site supportive services for very low-income households who have recently been homeless or lack stable housing; (3) is licensed by the department; and (4) allows households to remain for a minimum of six months.

“Treasurer” means the Treasurer of the State of New Jersey.

“UHAC” means the Uniform Housing Affordability Controls set forth at N.J.A.C. 5:80-26.

“UHORP” means the Agency’s Urban Homeownership Recovery Program, as it was authorized by the Agency Board.

“Unit type” means type of dwelling unit with various building standards including but not limited to single-family detached, single-family attached/townhouse, stacked townhouse (attached building containing 2 units each with separate entrances), duplex (detached building containing 2 units each with separate entrances), triplex (3 units each with separate entrance), quadplex (4 units each with separate entrance), multifamily / flat (2 or more units with a shared entrance). Inclusion of a garage, or not, shall not define the unit type.

“Very-low-income household” means a household with a household income less than or equal to 30 percent of the regional median income.

“Very-low-income housing” means housing affordable according to the Federal Department of Housing and Urban Development or other recognized standards for home ownership and rental costs and occupied or reserved for occupancy by households with a gross household income equal to 30 percent or less of the median gross household income for households of the same size within the housing region in which the housing is located.

“Very-low-income unit” means a restricted unit that is affordable to a very-low-income household.

“Veteran” means a veteran as defined at N.J.S.A. 54:4-8.10.

“Veterans’ preference” means the agreement between a municipality and a developer or residential development owner that allows for low- to moderate-income veterans to be given preference for up to 50 percent of rental units in relevant projects, as provided for at N.J.S.A. 52:27D-311.j.

“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.

C. Monitoring and Reporting Requirements

1. The municipality shall comply with the following monitoring and reporting requirements regarding the status of the implementation of its court-approved Housing Element and Fair Share Plan:
 - a. The municipality shall provide electronic monitoring data with the Department pursuant to P.L 2024, Chapter 2 and N.J.A.C. 5:99 through the Affordable Housing Monitoring System (AHMS). All monitoring information required to be made public by the FHA shall be available to the public on the Department’s website at <https://www.nj.gov/dca/dlps/hss/MuniStatusReporting.shtml>.
 - b. On or before February 15 of each year, the municipality shall provide annual reporting of its municipal Affordable Housing Trust Fund activity to the Department on the AHMS portal. The reporting shall include an accounting of all municipal Affordable Housing Trust Fund activity, including the sources and amounts of funds collected and the amounts and purposes for which any funds have been expended, for the previous year from January 1st to December 31st.

- c. On or before February 15 of each year, the annual reporting of the status of all affordable housing activity shall be provided to the Department on the AHMS portal, for the previous year from January 1st to December 31st.
- D. Municipality-wide Mandatory Set-Aside *(TYPICALLY APPLICABLE TO VACANT LAND ADJUSTMENT MUNICIPALITIES) (MUNICIPALITIES MAY ALREADY HAVE OR MAY CHOOSE TO REGULATE MANDATORY SET-ASIDE IN ANOTHER MUNICIPAL CODE SECTION)*
1. A development, other than single-family detached, providing a minimum of five new housing units created through any municipal rezoning or Zoning Board action, use or density variance, redevelopment plan, or rehabilitation plan that provides for densities at or above six units per acre, is required to include an affordable housing set-aside of 20%.
 2. Any affordable units generated through such mandatory set-aside shall be subject to all other provisions of this ordinance.
 3. All such affordable units shall be governed by this ordinance *(or INSERT CITATION OF MUNICIPAL AHO if located separately in the code)* the controls on affordability, including bedroom distribution, and affirmatively marketed to the housing region in conformance with UHAC at N.J.A.C. 5:80-26.1 et seq., any successor regulation, and all other applicable laws.
 4. No subdivision shall be permitted or approved for the purpose of avoiding compliance with this requirement. Developers cannot, for example, subdivide a project into two lots and then make each of them a number of units just below the threshold.
 5. The mandatory set-aside requirements of this section do not give any developer the right to any rezoning, variance or other relief, or establish any obligation on the part of the municipality to grant such rezoning, variance or other relief.
 6. This municipality-wide mandatory set-aside requirement does not apply to any sites or specific zones otherwise identified in the HEFSP, for which density and set-aside requirements shall be governed by the specific standards as set forth therein.
 7. In the event that the inclusionary set-aside of 20% of the total number of residential units does not result in a full integer, the developer shall choose one of two options for addressing the fractional unit: *(THIS SECTION IS OPTIONAL)*
 - a. The developer may round the set-aside upward to construct a whole additional affordable unit; or
 - b. 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 and shall also contribute the fractional subsidy payment (“fractional subsidy payment”) to be made to the municipality and deposited in the municipal Affordable Housing Trust Fund. The fractional subsidy payment amount shall be calculated as the fractional unit multiplied by the base subsidy payment amount currently established by the municipality as the average subsidy reflected in financial pro formas for 100% affordable housing or subsidized developments in the municipality or region on file with the municipality. For example, if seven total units are developed at an inclusionary site, a 20% set-aside would require 1.4 affordable units. Per the requirements above:

The developer shall round up the 0.4 unit to one whole affordable unit so as to construct a total of two (2) affordable housing units; or The developer shall round the set-aside downward so as to construct only one affordable unit AND shall pay into the municipal affordable housing trust fund a fractional subsidy payment equal to the dollar amount established by the municipality multiplied by 0.4.

E. New Construction (per N.J.A.C. 5:93 as may be updated per various sections in N.J.A.C. 5:97 and N.J.S.A. 52:27D-301 et seq.). Per the definition of “New Construction,” this section governs the creation of new affordable housing units regardless of the means by which the units are created. Newly constructed units may include new residences constructed or created through other means.

1. The following requirements shall apply to all new or planned developments that contain very low-, low- and moderate-income housing units. To the extent possible, details related to the adherence to the requirements below shall be outlined in the resolution granting municipal subdivision or site plan approval of the project to assist municipal representatives, developers and Administrative Agents.
2. Completion Schedule (previously known as phasing). Final site plan or subdivision approval shall be contingent upon the affordable housing development meeting the following completion schedule for very low-, low- and moderate-income units whether developed in a single-phase development, or in a multi-phase development:

Maximum Percentage of Market-Rate Units Issued a Temporary or Final Certificate of Occupancy	Minimum Percentage of Affordable Units Issued a Temporary or Final Certificate of Occupancy
25+1	10
50	50
75	75
90	100

3. Design. The following design requirements apply to affordable housing developments, excluding prior round units.
 - a. Design of 100 percent affordable developments:
 - i. Restricted units must meet the minimum square footage required for the number of inhabitants for which the unit is marketed and the minimum square footage required for each bedroom, as set forth in the Neighborhood Preservation Balanced Housing rules at N.J.A.C. 5:43-2.4.
 - ii. Each bedroom in each restricted unit must have at least one window.
 - iii. Restricted units must include adequate air conditioning and heating.
 - b. Design of developments comprising market-rate rental units and restricted rental units. The following does not apply to prior round units, unless stated otherwise.
 - i. Restricted units must use the same building materials and architectural design elements (for example, plumbing, insulation, or siding) as market-rate units of the

- same unit type (for example, flat or townhome) within the same development, except that restricted units and market-rate units may use different interior finishes. This shall apply to prior round units.
- ii. Restricted units and market-rate units within the same affordable development must be sited such that restricted units are not concentrated in less desirable locations.
 - iii. Restricted units may not be physically clustered so as to segregate restricted and market-rate units within the same development or within the same building, but must be interspersed throughout the development, except that age-restricted and supportive housing units may be physically clustered if the clustering facilitates the provision of on-site medical services or on-site social services. Prior round affordable units shall be integrated with market rate units to the extent feasible.
 - iv. Residents of restricted units must be offered the same access to communal amenities as residents of market-rate units within the same affordable development. Examples of communal amenities include, but are not limited to, community pools, fitness and recreation centers, playgrounds, common rooms and outdoor spaces, and building entrances and exits. This shall apply to prior round units.
 - v. Restricted units must include adequate air conditioning and heating and must use the same type of cooling and heating sources as market-rate units of the same unit type. This shall apply to prior round units.
 - vi. Each bedroom in each restricted unit must have at least one window.
 - vii. Restricted units must be of the same unit type as market-rate units within the same building.
 - viii. Restricted units and bedrooms must be no less than 90 percent of the minimum size prescribed by the Neighborhood Preservation Balanced Housing rules at N.J.A.C. 5:43-2.4.
- c. Design of developments containing for-sale units, including those with a mix of rental and for-sale units. Restricted rental units shall meet the requirements of section b above. Restricted sale units shall comply with the below:
- i. Restricted units must use the same building standards as market-rate units of the same unit type (for example, flat, townhome, or single-family home), except that restricted units and market-rate units may use different interior finishes. This shall apply to prior round units.
 - ii. Restricted units may be clustered, provided that the buildings or housing product types containing the restricted units are integrated throughout the development and are not concentrated in an undesirable location or in undesirable locations. Prior round affordable units shall be integrated with market rate units to the extent feasible.
 - iii. Restricted units may be of different unit housing product types than market-rate units, provided that there is a restricted option available for each market rate housing type. Developments containing market-rate duplexes, townhomes, and/or single-family homes shall offer restricted housing options that also include duplexes, townhomes, and/or single-family homes. Penthouses and higher priced

end townhouses (*SELECT OPTION: may OR shall*) be exempt from this requirement. The proper ratio for restricted to market-rate unit type shall be subject to municipal ordinance or, if not specified, shall be determined at the time of site plan approval.

- iv. Restricted units must meet the minimum square footage required for the number of inhabitants for which the unit is marketed and the minimum square footage required for each bedroom, as set forth in the Neighborhood Preservation Balanced Housing rules at N.J.A.C. 5:43-2.4.
- v. Penthouse and end units may be reserved for market-rate sale, provided that the overall number, value, and distribution of affordable units across the development is not negatively impacted by such reservation(s).
- vi. Residents of restricted units must be offered the same access to communal amenities as residents of market-rate units within the same affordable development. Examples of communal amenities include, but are not limited to, community pools, fitness and recreation centers, playgrounds, common rooms and outdoor spaces, and building entrances and exits. This shall apply to prior round units.
- vii. Each bedroom in each restricted unit must have at least one window; and
- viii. Restricted units must include adequate air conditioning and heating.

4. Utilities.

- a. Affordable units shall utilize the same type of cooling and heating source as market-rate units within the affordable housing development.
- b. 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 in accordance with N.J.AC 5:80-26.13(e).

5. Low/moderate split and bedroom distribution. (*NOTE: MUNICIPALITIES SHOULD REVIEW ROUND 4 AGREEMENTS WITH FSHC SINCE SOME MAY INCLUDE SPECIFIC ROUNDING PROVISIONS. THE FOLLOWING IS CONSISTENT WITH UHAC.*)

- a. Affordable units 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.
- b. In each affordable housing development, at least 50% of the restricted units within each bedroom distribution rounded up to the nearest whole number shall be very low- or low-income units. (*MUNICIPALITIES MAY CHOOSE TO ALLOW TO ROUND UP OR DOWN. ADD: The municipality has chosen to allow rounding. OR The municipality has chosen to not allow rounding.*)
- c. Within rental developments, of the total number of affordable rental units, at least 13%, rounded up to the nearest whole number, shall be affordable to very low-income households. The very low-income units shall be distributed between each bedroom count as proportionally as possible, to the nearest whole unit, to the total number of

restricted units within each bedroom count, and counted as part of the required number of low-income units within the development.

- d. Affordable housing developments that are not age-restricted or supportive housing shall be structured such that:
 - i. At a minimum, the number of bedrooms within the restricted units equals twice the number of restricted units;
 - ii. Two-bedroom and/or three-bedroom units compose at least 50 percent of all restricted units;
 - iii. The combined number of efficiency and one-bedroom units shall be no greater than 20%, rounded down *(or rounded up)*, of the total number of low- and moderate-income units. *(MUNICIPALITIES MAY CHOOSE TO ALLOW TO ROUND UP OR DOWN. ADD: The municipality has chosen to allow rounding. OR The municipality has chosen to not allow rounding.)*
 - iv. At least 30% of all low- and moderate-income units, rounded up *(or down)* shall be two-bedroom units. *(MUNICIPALITIES MAY CHOOSE TO ALLOW TO ROUND UP OR DOWN. ADD: The municipality has chosen to allow rounding. OR The municipality has chosen to not allow rounding.)*
 - v. At least 20% of all low- and moderate-income units, rounded up *(or down)* shall be three-bedroom units. *(MUNICIPALITIES MAY CHOOSE TO ALLOW TO ROUND UP OR DOWN. ADD: The municipality has chosen to allow rounding. OR The municipality has chosen to not allow rounding.)*
 - vi. The remaining units may be allocated among two- and three- bedroom units at the discretion of the developer.
- e. Affordable housing developments that are age-restricted or supportive housing, except those supportive housing units whose sponsoring program determines the unit arrangements, shall be structured such that, at a minimum, the number of bedrooms shall equal the number of age-restricted or supportive housing low- and moderate-income units within the inclusionary development. Supportive housing units whose sponsoring program determines the unit arrangement shall comply with all requirements of the sponsoring program. The standard may be met by having all one-bedroom units or by having a two-bedroom unit for each efficiency unit. In affordable housing developments with 20 or more restricted units that are age-restricted or supportive housing, two-bedroom units must comprise at least 5% of those restricted units.

6. Accessibility requirements.

- a. Any new construction shall be adaptable; however, elevators shall not be required in any building or within any dwelling unit for the purpose of compliance with this section. In buildings without elevator service, only ground floor dwelling units shall be required to be constructed to conform with the technical design standards of the barrier free subcode. "Ground floor" means the first floor with a dwelling unit or portion of a dwelling unit, regardless of whether that floor is at grade. A building may have more than one ground floor.

- b. Notwithstanding the exemption for townhouse dwelling units in the barrier free subcode, the first floor of all townhouse dwelling units and of all other multifloor dwelling units that are attached to at least one other dwelling unit shall be subject to the technical design standards of the barrier free subcode and shall include the following features:
- i. An adaptable toilet and bathing facility on the first floor;
 - ii. An adaptable kitchen on the first floor;
 - iii. An interior accessible route of travel however an interior accessible route of travel shall not be required between stories;
 - iv. An adaptable room that can be used as a bedroom, with a door, or the casing for the installation of a door that is compliant with the Barrier Free Subcode, on the first floor;
 - v. If not all of the foregoing requirements in b.i. through b.iv. can be satisfied, then an interior accessible route of travel shall be provided between stories within an individual unit; and
 - vi. An accessible entranceway as set forth in 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 municipality has collected funds from the developer sufficient to make 10% of the adaptable entrances in the development accessible:
 - (a) 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.
 - (b) To this end, the builder of restricted units shall deposit funds within the Affordable Housing Trust Fund sufficient to install accessible entrances in 10% of the affordable units that have been constructed with adaptable entrances.
 - (c) The funds deposited shall be expended for the sole purpose of making the adaptable entrance of an 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.
 - (d) The developer of the restricted units shall submit to the Construction Official a design plan and cost estimate for the conversion from adaptable to accessible entrances.
 - (e) Once the Construction Official has determined that the design plan to convert the unit entrances from adaptable to accessible meets 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 Affordable Housing Trust Fund and earmarked appropriately.
 - vii. Full compliance with the foregoing provisions shall not be required where an entity can demonstrate that it is "site-impracticable" to meet the requirements. If full compliance with this section would be site impracticable, compliance with this section for any portion of the dwelling shall be required to the extent that it is not

site impracticable. Determinations of site impracticability shall comply with the Barrier Free Subcode at N.J.A.C. 5:23-7.

F. Affordable Housing Programs

1. Pursuant to amended UHAC regulations at N.J.A.C. 5:80-26.1 et seq. and, in addition, pursuant to P.L. 2024, c.2 and specifically to the amended FHA at N.J.S.A. 52:27D-311.m, “All parties shall be entitled to rely upon regulations on municipal credits, adjustments, and compliance mechanisms adopted by the Council on Affordable Housing unless those regulations are contradicted by statute, including but not limited to P.L. 2024, c.2, or binding court decisions.” The following are many of the main provisions of the COAH regulations at either N.J.A.C. 5:93 or 5:97 that have been upheld by the NJ Supreme Court. Municipalities should consult the cited full COAH regulations when preparing the HEFSP for required documentation, etc. Additional compliance details may also be included in the specific municipal program manual.

(INCORPORATE CURRENT PROGRAMS, INCLUDING INDIVIDUAL NEW CONSTRUCTION PROGRAMS, BELOW THAT ARE INCLUDED AS A COMPLIANCE MECHANISM IN THE HEFSP THAT WILL SATISFY THE MUNICIPAL AFFORDABLE HOUSING OBLIGATION OR INCLUDE ALL CURRENT AND POTENTIAL PROGRAMS.)

2. Rehabilitation Programs (per N.J.A.C. 5:93-5.2 with updated provisions herein per N.J.A.C. 5:97-6.2 related to credit towards a municipal present need obligation).
(REHABILITATION PROGRAMS ONLY APPLY TO MUNICIPALITIES WITH REHABILITATION OBLIGATION AND ARE USING A REHABILITATION PROGRAM(S) TO SATISFY THE OBLIGATION)
 - a. The rehabilitation program shall be designed to renovate deficient housing units occupied or intended to be occupied by very low-, low- and moderate-income households such that, after rehabilitation, these units will comply with the New Jersey State Housing Code pursuant to N.J.A.C. 5:28-1.1 et seq or the Rehabilitation Subcode, N.J.A.C. 5:23-6 to the extent applicable.
 - b. Both ownership and rental units shall be eligible for rehabilitation funds.
 - c. All rehabilitated units shall remain affordable to very low-, low- and moderate-income households for a period of 10 years (the control period). For owner-occupied units, the control period shall be enforced with a mortgage and note and for renter-occupied units the control period will be enforced with a deed restriction.
 - d. The municipality shall dedicate a minimum average hard cost of \$10,000 for each unit to be rehabilitated through this program and in addition shall dedicate associated rehabilitation program soft costs such as case management, inspection fees and work write-ups.
 - e. The municipality shall designate, subject to the approval of the Department, one or more Administrative Agents to administer the rehabilitation program in accordance with P.L. 2024, Chapter 2. The Administrative Agent(s) shall provide rehabilitation manuals for ownership and rental rehabilitation programs. Manuals shall be adopted by resolution of the governing body. Both rehabilitation manuals shall be available for public inspection in the Office of the Municipal Clerk and on the municipal affordable housing web page.

- f. Households determined to be very low-, low-, or moderate-income may participate in a rehabilitation program. Rehabilitated units shall be exempt from the very low-income requirements, low/mod split, and bedroom distribution requirements of UHAC, but shall be administered in accordance with the following:
 - i. If a unit is vacant at the time of rehabilitation, or if a rehabilitated unit becomes vacant and is re-rented before the expiration of the affordability controls, the deed restriction shall require that the unit be rented to a low- or moderate-income household at an affordable rent.
 - ii. If a rental unit is occupied by a tenant at the time rehabilitation is completed, the rent charged after rehabilitation shall not exceed the lesser of the tenant's current rent or the maximum rent permitted under UHAC.
 - iii. Rents in rehabilitated units may increase annually based on the standards in UHAC.
 - iv. At the time of application, applicant households and/or tenant households shall be subject to income eligibility determinations in accordance with UHAC.
- 3. Accessory Apartment program (per N.J.A.C. 5:93-5.9 as may be updated per various sections in N.J.A.C. 5:97-6.8). *(MUNICIPALITIES SHOULD FURTHER REGULATE ACCESSORY APARTMENTS IN THE ZONING ORDINANCE)*
 - a. An accessory apartment program shall provide low- and moderate-income units or may be limited to only low- or only moderate-income units .
 - b. Per N.J.A.C. 5:97-6.8(c)1, at the time of initial occupancy of the unit and for at least ten years thereafter, the accessory apartment shall be rented only to income eligible households consistent with the income category and rent structure of the unit.
 - c. Rents of accessory apartments shall be established using the same methodology of affordable rental units discussed herein. *(OPTION: MODIFY THE ABOVE SENTENCE IN ONE OF TWO WAYS IF THE MUNICIPALITY CHOOSES TO LIMIT THE PROGRAM TO ONLY LOW- OR MODERATE-INCOME UNITS (MUNICIPALITIES MUST COMPLY WITH THE REQUIREMENT THAT HALF OF ALL UNITS IN THE PLAN MUST BE LOW-INCOME UNITS): Rents of accessory apartments shall be established for low-income units to be affordable to households earning no more 44 percent of median income OR Rents of accessory apartments shall be established for moderate-income units to be affordable to households earning no more 60 percent of median income.)*
 - d. There shall be a recorded deed or declaration of covenants and restrictions applied to the property upon which the accessory apartment is located running with the land and limiting its subsequent rental for the duration of the control period.
 - e. The municipal accessory apartment program shall not restrict the number of bedrooms in any accessory apartment.
 - f. Per N.J.A.C. 5:97-6.8(b)2, the municipality shall provide a minimum of \$25,000 per unit to subsidize the creation of each low-income accessory apartment or \$20,000 per unit to subsidize the creation of each moderate-income accessory apartment. Subsidy may be used to fund actual construction costs and/or to provide compensation for

reduced rental rates. *(NOTE - THE SUBSIDY PER UNIT MAY BE PREVIOUSLY SET FORTH IN ROUND 3, THE HEFSP, AND/OR AN AGREEMENT WITH FSHC)*

4. Market to Affordable program (per N.J.A.C. 5:97-6.9).
 - a. The market to affordable program permits the purchase or subsidization of unrestricted units through a mortgage write-down provided to an income-certified buyer or through a sale or rental as a low- or moderate-income unit to an income-eligible household. The market to affordable program may produce both low- and moderate-income units. *(OPTIONAL: MODIFY THE ABOVE SENTENCE IF THE MUNICIPALITY CHOOSES HAS CHOSEN IN ITS HEFSP TO LIMIT THE PROGRAM TO ONLY LOW- OR ONLY MODERATE-INCOME UNITS (MUNICIPALITIES MUST COMPLY WITH THE REQUIREMENT THAT HALF OF ALL UNITS IN THE PLAN MUST BE LOW-INCOME UNITS).)*
 - b. At the time they are offered for sale or rental, eligible units may be new, pre-owned or vacant.
 - c. The units shall be certified to be in sound condition as a result of an inspection performed by a licensed building inspector.
 - d. A minimum subsidy of \$25,000 per moderate-income unit and/or \$30,000 per low-income unit shall be provided, with additional subsidy depending on the market prices or rents in a municipality. *(OPTIONAL: A maximum subsidy of _____ per unit shall be provided.) (NOTE: THE SUBSIDY PER UNIT MAY BE PREVIOUSLY SET FORTH IN ROUND 3, THE HEFSP, AND/OR AN AGREEMENT WITH FSHC)*
 - e. The units shall comply with UHAC with the following exceptions:
 - i. Bedroom distribution (N.J.A.C. 5:80-26.4).
 - ii. Low/moderate income split (N.J.A.C. 5:80-26.4).
 - f. Affordability average (N.J.A.C. 5:80-26.4); however:
 - i. The maximum rent for a moderate-income unit shall be affordable to households earning no more than 60 percent of median income and the maximum rent for a low-income unit shall be affordable to households earning no more than 44 percent of median income; and
 - ii. The maximum sales price for a moderate-income unit shall be affordable to households earning no more than 70 percent of median income and the maximum sales price for a low-income unit shall be affordable to households earning no more than 40 percent of median income.
5. Extension of Controls Program (for ownership units per N.J.A.C. 5:97-6.14 and UHAC at N.J.A.C. 5:80-26.6(h) through (k) and (m); and for rental units per N.J.A.C. 5:97-6.14 and N.J.A.C. 5:80-26.12(h) through (k)).
 - a. An extension of affordability controls program is established to maintain and extend the affordability of deed restricted units scheduled to come out of their affordability control period, subject to N.J.A.C. 5:97-6.14 and UHAC, including the following:

- i. The affordable unit meets the criteria for prior cycle (April 1, 1980 - December 15, 1986) or post December 15, 1986 credits set forth in N.J.A.C. 5:97.
 - ii. The affordability controls for the unit are scheduled to expire in the current round; or in the next round of housing obligations if the municipal election to extend controls is made no earlier than one year before the end of the current round;
 - iii. The municipality shall obtain a continuing certificate of occupancy or a certified statement from the municipal building inspector stating that the restricted unit meets all code standards. *(NOTE: THIS IS BEST PRACTICE AND REQUIRED BY THE COAH REGS REFERENCED ABOVE; HOWEVER, IT IS NOT ADDRESSED IN UHAC)*
 - iv. If a unit requires repair and/or rehabilitation work in order to receive a continuing certificate of occupancy or certified statement from the municipal building inspector, the municipality shall fund and complete the work.
 - v. The municipality shall adhere to the process for extending controls pursuant to UHAC for extending ownership units and rental units, either inclusionary or 100% affordable developments.
 - vi. The deed restriction for the extended control period shall be filed with the County Clerk.
6. Assisted Living Residence (per N.J.A.C. 5:97-6.11).
- a. An assisted living residence is a facility licensed by the New Jersey Department of Health to provide apartment-style housing and congregate dining and to assure that assisted living services are available. All or a designated number of apartments in the facility shall be restricted to low- and moderate-income households.
 - b. The unit of credit shall be the apartment. However, a two-bedroom apartment shall be eligible for two units of credit if it is restricted to two unrelated individuals.
 - c. A recipient of a Medicaid waiver shall automatically qualify as a low- or moderate-income household.
 - d. Assisted living units are considered age-restricted housing in a HEFSP and shall be included with the maximum number of units that may be age-restricted.
 - e. Low- and moderate-income residents cannot be charged any upfront fees.
 - f. The units shall comply with UHAC with the following exceptions:
 - i. Affirmative marketing (N.J.A.C. 5:80-26.16); provided that the units are restricted to recipients of Medicaid waivers;
 - ii. The deed restriction may be on the facility, rather than individual apartments or rooms;
 - iii. Low/moderate income split and affordability average (N.J.A.C. 5:80-26.4); only if all of the affordable units are affordable to households at a maximum of 60 percent of median income; and
 - g. Tenant income eligibility (N.J.A.C. 5:80-26.14); up to 80 percent of an applicant's gross income may be used for rent, food and services based on occupancy type and the

affordable unit must receive the same basic services as required by the Agency's underwriting guidelines and financing policies. The cost of non-housing related services shall not exceed one and two-thirds times the rent established for each unit.

7. Supportive Housing and Group Homes (per N.J.A.C. 5:97-6.10).

- a. The following provisions shall apply to group homes, residential health care facilities, and supportive shared living housing:
 - i. Units are subject to Affirmative Marketing requirements, household certification, and administrative agent oversight; and may, with the approval of the municipal housing liaison and the administrative agent, be leased either by the bedroom or to a single household in the case of multi-bedroom configurations, provided such arrangement is consistent with the Federal Fair Housing Act (Title VIII of the Civil Rights Act of 1968).
 - ii. Units may, with the approval of the administrative agent, be subject to a master lease by an approved supportive housing operator, provided that all subleases are to be certified supportive housing households and remain fully subject to the affordability controls of this subchapter. Rents for supportive housing units shall not exceed the rent standards established and published by the New Jersey Department of Human Services.
 - iii. The unit of credit shall be the bedroom. However, the unit of credit shall be the unit if occupied by a single person or household.
 - iv. Housing that is age-restricted shall be included with the maximum number of units that may be age-restricted pursuant to the Act.
 - v. Occupancy shall not be restricted to youth under 18 years of age.
 - vi. In affordable developments with 20 or more restricted units that are supportive housing, two-bedroom units must compose at least five percent of those restricted units.
 - vii. The bedrooms and/or units shall comply with UHAC with the following exceptions:
 - (a) Affirmative marketing; however, group homes, residential health care facilities, permanent supportive housing, and supportive shared living housing shall be affirmatively marketed to broadest possible population of qualified individuals with special needs in accordance with a plan approved by the sponsoring program;
 - (b) Affordability average and bedroom distribution (N.J.A.C. 5:80-26.4).
 - viii. 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, group homes, residential health care facilities, supportive shared living housing and permanent supportive housing shall have the appropriate controls on affordability in accordance with the Act. In the event that a supportive housing provider is unable to record or execute a long-term deed

restriction, the units shall be subject to annual recertification by the Municipal Housing Liaison to confirm continued occupancy and compliance with this Section.

- ix. Objective standards shall be applied in the selection of tenants for supportive housing units and shall be designed to ensure that individuals are not excluded in an arbitrary or capricious manner.
- x. The following documentation shall be submitted by the sponsor to the municipality prior to marketing the completed units or facility:
 - (a) An Affirmative Marketing Plan in accordance with D1 above; and
 - (b) If applicable, proof that the supportive and/or special needs housing is regulated by the New Jersey Department of Health and Senior Services, the New Jersey Department of Human Services or another State agency in accordance with the requirements of this section, which includes validation of the number of bedrooms or units in which low- or moderate-income occupants reside.
- xi. The sponsor/owner shall complete annual monitoring as directed by the MHL.

(Note - below is a discussion on some of the additional compliance provisions in N.J.A.C. 5:97 that are not specifically included herein.)

- *The section 'Zoning for Inclusionary Development' at N.J.A.C. 5:97-6.4 details the standards for municipalities to rezone specific sites through the establishment of an inclusionary zoning district in the municipal code, but not necessarily to be included in with these affordable housing provisions to administer affordable units. Any new inclusionary zoning districts should also reference adherence with the municipal affordable housing provisions found herein. In addition, the FHA was amended per P.L. 2024, c.2 to eliminate N.J.S.A 52:27D-329.3 which had been the statutory authority for payments in-lieu of constructing affordable units.*
- *The section 'Redevelopment' at N.J.A.C. 5:97-6.6 details the standards for municipalities to include formally designated redevelopment sites in their HEFSP. Any redevelopment sites should also reference adherence with the municipal affordable housing provisions found herein.*
- *The section 'Municipally sponsored and 100 percent affordable developments' at N.J.A.C. 5:97-6.7 details the standards for municipalities to include 100% affordable housing sites in their HEFSP. Any such sites should also reference adherence with the municipal affordable housing provisions found herein to the extent such provisions are not superseded by state or federally funded affordable housing programs per the applicability section of UHAC at N.J.A.C. 5:80-26.1.)*

G. Regional Income Limits.

1. Administrative agents shall use the current regional income limits for the purpose of pricing affordable units and determining income eligibility of households.
2. Regional income limits are based on regional median income, which is established by a regional weighted average of the "median family incomes" published by HUD. The procedure for computing the regional median income is detailed in N.J.A.C. 5:80-26.3.

3. Updated regional income limits are effective as of the effective date of the regional Section 8 income limits for the year, as published by HUD, or 45 days after HUD publishes the regional Section 8 income limits for the year, whichever comes later. The new income limits may not be less than those of the previous year.

H. Maximum Initial 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 N.J.A.C. 5:80-26.4.
2. The average rent for all restricted units within each affordable housing development shall be affordable to households earning no more than 52 percent of regional median income.
3. The maximum rent for restricted rental units within each affordable housing development shall be affordable to households earning no more than 60% of regional median income. *(NOTE: MUNICIPALITIES MAY ALSO INCLUDE THE FOLLOWING: The maximum rent may be increased to no more than 70 percent of regional median income for moderate-income units within affordable developments where very-low-income units compose at least 13 percent of the restricted units; however, the number of units with rent affordable to households earning 70 percent of regional median income may not exceed the number of very-low-income units in excess of 13 percent (rounded up) of the restricted units.)*
4. 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, provided that at least 13% of all low- and moderate-income rental units shall be affordable to households earning no more than 30% of median income. These very low-income units shall be part of the low-income requirement and very-low-income units should be distributed between each bedroom count as proportionally as possible, to the nearest whole unit, to the total number of restricted units within each bedroom count.
5. The maximum sales price of restricted ownership units within each affordable housing development shall be affordable to households earning no more than 70% of median income, and each affordable housing development must achieve an affordability average that does not exceed 55% for all 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 when the number of low- and moderate-income units permits.
6. The master deeds and declarations of covenants and restrictions for affordable developments may not distinguish between restricted units and market-rate units in the calculation of any condominium or homeowner association fees and special assessments to be paid by low- and moderate-income purchasers and those to be paid by market-rate purchasers. Notwithstanding the foregoing sentence, condominium units subject to a municipal ordinance adopted before December 20, 2004, which ordinance provides for condominium or homeowner association fees and/or assessments different from those provided for in this subsection are governed by the ordinance.

7. In determining the initial sales prices and rents for compliance with the affordability average requirements for restricted family units, 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.
8. In determining the initial rents and sales prices for compliance with the affordability average requirements for restricted units in assisted living facilities and age-restricted and special needs and supportive housing developments, 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. Where pricing is based on two one-person households, the developer shall provide a list of units so priced to the Municipal Housing Liaison and the Administrative Agent.
9. 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 percent of the purchase price and the FreddieMac 30-Year Fixed Rate-Mortgage rate of interest), property taxes, homeowner and private mortgage insurance and condominium or homeowner association fees do not exceed 30 percent of the eligible monthly income of the appropriate size household as determined pursuant to N.J.A.C. 5:80-26.7, as may be amended and supplemented; provided, however, that the price shall be subject to the affordability average requirement of N.J.A.C. 5:80-26.4, as may be amended and supplemented.
10. The initial rent for a restricted rental unit shall be calculated so that the total monthly housing expense, including an allowance for tenant-paid utilities, does not exceed 30 percent of the gross monthly income of a household of the appropriate size whose income is targeted to the applicable percentage of median income for the unit, as determined pursuant to N.J.A.C. 5:80-26.3, as may be amended and supplemented. The rent shall also comply with the affordability average requirement of N.J.A.C. 5:80-26.4, as may be amended and supplemented. The initial rent for a restricted rental unit shall be calculated so the eligible monthly housing expenses/income, including an allowance for tenant-paid utilities does not exceed 30 percent of gross income of and the appropriate household size as determined pursuant to N.J.A.C. 5:80-26.3, as may be amended and supplemented.
11. At the anniversary date of the tenancy of the certified household occupying a restricted rental unit, following proper notice provided to the occupant household pursuant to N.J.S.A. 2A:18-61.1.f, the rent may be increased to an amount commensurate with the annual percentage increase in the Consumer Price Index for All Urban Consumers (CPI-U), specifically U.S. Bureau of Labor Statistics Series CUUR0100SAH, titled "Housing in Northeast urban, all urban consumers, not seasonally adjusted." Rent increases for units

constructed pursuant to Low-Income Housing Tax Credit regulations shall be indexed pursuant to the regulations governing Low-Income Housing Tax Credits.

I. Affirmative Marketing.

1. The municipality shall adopt, by resolution, an Affirmative Marketing Plan, subject to approval of the Superior Court, compliant with N.J.A.C. 5:80-26.16, as may be amended and supplemented.
2. The Affirmative Marketing Plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age, or number of children, to housing units which are being marketed by a developer, sponsor or owner of affordable housing. The Affirmative Marketing Plan is 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 Housing Region [REDACTED] and is required to be followed throughout the period of deed restriction.
3. The Affirmative Marketing Plan provides the following preferences, provided that units that remain unoccupied after these preferences are exhausted may be offered to households without regard to these preferences. *(NOTE: THIS WHOLE SECTION AND EACH ITEM IS OPTIONAL; SELECT THOSE DESIRED IN THE MUNICIPALITY)*
 - a. Where the municipality has entered into an agreement with a developer or residential development owner to provide a preference for very-low-, low-, and moderate-income veterans who served in time of war or other emergency, pursuant to N.J.S.A. 52:27D-311.j, there shall be a preference for veterans for up to 50 percent of the restricted rental units in a particular project.
 - b. There shall be a regional preference for all households that live and/or work in Housing Region [REDACTED] comprising *(INSERT COUNTY NAMES)* Counties.
 - c. Subordinate to the regional preference, there shall be a preference for households that live and/or work in New Jersey.
 - d. With respect to existing restricted units undergoing approved rehabilitation for the purpose of preservation or to restricted units newly created to replace existing restricted units undergoing demolition, a preference for the very-low-, low-, and moderate-income households that are displaced by the rehabilitation or demolition and replacement.
4. The municipality has the ultimate responsibility for adopting the Affirmative Marketing Plan and for the proper administration of the Affirmative Marketing Process, including the marketing of initial sales and rentals and resales and re-rentals. The Administrative Agent designated by the municipality shall implement the Affirmative Marketing Process to ensure the Affirmative Marketing of all affordable units, with the exception of affordable programs that are exempt from Affirmative Marketing as noted herein.
5. The Affirmative Marketing Process shall describe the media to be used in advertising and publicizing the availability of housing. In implementing the Affirmative Marketing

Process, the Administrative Agent shall consider the use of language translations where appropriate.

6. Applications for affordable housing or notices thereof, if offered online, shall be available in several locations, including, at a minimum, the County Administration Building and/or the County Library for each county within the housing region; the municipal administration building and municipal library in the municipality in which the units are located; and the developer's rental or sales office. The developer shall mail applications to prospective applicants upon request and shall make applications available through a secure online website address.
7. In addition to other Affirmative Marketing strategies, the Administrative Agent shall provide specific notice of the availability of affordable housing units on the New Jersey Housing Resource Center website. Any other entities, including developers or persons or companies retained to implement the Affirmative Marketing Process, shall comply with this paragraph. *(NOTE: SETTLEMENTS WITH FSHC MAY REQUIRE SPECIFIC NOTICE TO OTHER GROUPS WHICH SHOULD BE NOTED HERE.)*
8. In implementing the Affirmative Marketing Process, 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.
9. The Affirmative Marketing Process for available affordable units shall begin at least four months (120 days) prior to the expected date of occupancy.
10. The cost to affirmatively market the affordable units shall be the responsibility of the developer, sponsor or owner, with the exception of Affirmative Marketing for resales. *(OPTION: THE COST OF RESALES MAY BE SUPPLEMENTED BY THE MUNICIPALITY). (THIS SECTION IS OPTIONAL; HOWEVER, IF INCLUDED IN THE ORDINANCE THEN UHAC REQUIRES ALL PB AND ZB RESOLUTIONS OF APPROVAL SHALL INCLUDE THIS AS A CONDITION.)*

J. Selection of Occupants of Affordable Housing Units.

1. The Administrative Agent shall use a random selection process to select occupants of very low-, low- and moderate-income housing.
2. A pool of interested households will be maintained in accordance with the provisions of N.J.A.C. 5:80-26.16.

K. Occupancy Standards.

1. In referring certified households to specific restricted units, to the extent feasible, and without causing an undue delay in occupying the unit, the Administrative Agent shall strive to:
 - a. Ensure each bedroom is occupied by at least one person, except for age-restricted and supportive and special needs housing units;
 - b. Provide a bedroom for every two adult occupants;

- c. With regard to occupants under the age of 18, accommodate the household's requested arrangement, except that such arrangement may not result in more than two occupants under the age of 18 occupying any bedroom; and
- d. Avoid placing a one-person household into a unit with more than one bedroom.

L. Control Periods for Restricted Ownership Units and Enforcement Mechanisms.

1. Control periods for restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.6, as may be amended and supplemented, and each restricted ownership unit shall remain subject to the controls on affordability for a period of at least 30 years subject to the requirements of N.J.A.C. 5:80-26.6, as may be amended and supplemented.
2. Rehabilitated housing units that are improved to code standards shall be subject to affordability controls for a period of not less than 10 years (crediting towards present need only).
3. The affordability control period for a restricted ownership unit shall commence on the date the initial certified household takes title to the unit. The date of commencement shall be identified in the deed restriction.
4. If existing affordability controls are being extended, the extended control period for a restricted ownership unit commences on the effective date of the extension, which is the end of the original control period.
5. After the end of any control period, the restricted ownership unit remains subject to the affordability controls set forth in this subchapter until the owner gives notice of their intent to make an exit sale, at which point:
 - a. If the municipality exercises the right to extend the affordability controls on the unit, no exit sale occurs and a new control period commences; or
 - b. If the municipality does not exercise the right to extend the affordability controls on the unit, the affordability controls terminate following the exit sale.
6. Prior to the issuance of any building permit for the construction/rehabilitation of restricted ownership units, the developer/owner and the municipality shall record a preliminary instrument provided by the Administrative Agent.
7. Prior to the issuance of the initial certificate of occupancy for a restricted ownership unit and upon each successive sale during the period of restricted ownership, the Administrative Agent shall determine the restricted price for the unit and shall also determine the nonrestricted, fair market value of the unit based on either an appraisal or the unit's equalized assessed value without the restrictions in place.
8. At the time of the initial sale of the unit and upon each successive price-restricted sale, the initial purchaser shall execute and deliver to the Administrative Agent a recapture note obliging the purchaser, as well as the purchaser's heirs, successors, and assigns, to repay, upon the first non-exempt sale after the unit's release from the restrictions set forth in this Ordinance, an amount equal to the difference between the unit's non-restricted fair market value and its restricted price, and the recapture note shall be secured by a recapture lien evidenced by a duly recorded mortgage on the unit.

9. 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 price-restricted ownership units.

M. Price Restrictions for Restricted Ownership Units and Resale Prices.

1. Price restrictions for restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.7, as may be amended and supplemented, including:
 - a. The initial purchase price and affordability percentage for a restricted ownership unit shall be set 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 standards set forth in N.J.A.C. 5:80-26.7.
 - i. If the resale occurs prior to the one-year anniversary of the date on which title to the unit was transferred to a certified household, the maximum resale price for a is the most recent non-exempt purchase price.
 - ii. If the resale occurs on or after such anniversary date, the maximum resale price is the most recent non-exempt purchase price increased to reflect the cumulative annual percentage increases to the regional median income, effective as of the same date as the regional median income calculated pursuant to N.J.A.C. 5:80-26.3
 - c. 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 anticipated capital improvements. Eligible capital improvements shall be:
 - i. those that render the unit suitable for a larger household or the addition of a bathroom.
 - ii. The maximum resale price may be further increased by an amount up to the cumulative dollar value of approved capital improvements made after the last non-exempt sale for improvements and/or upgrades to the unit, excluding capital improvements paid for by the entity favored on the recapture note and recapture lien described at N.J.A.C. 5:80-26.6(d);
 - d. No increase for capital improvements is permitted if the maximum resale price prior to adjusting for capital improvements already exceeds whatever initial purchase price the unit would have if it were being offered for purchase for the first time at the initial affordability percentage. All adjustments for capital improvements are subject to 10-year, straight-line depreciation.
2. Upon the resale of a restricted ownership unit, all items of property that are permanently affixed to the unit or were included when the unit was initially restricted (for example, refrigerator, range, washer, dryer, dishwasher, wall-to-wall carpeting) shall be included in the maximum allowable resale price. Other items may be sold to the purchaser at a reasonable price that has been approved by the Administrative Agent at the time of the signing of the agreement to purchase but shall be separate and apart from any contract of sale for the underlying real estate. 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 of the air conditioning equipment, which shall be subject to 10-year, straight-line depreciation, has been approved by the

Administrative Agent. Unless otherwise approved by the Administrative Agent, the purchase of any property other than central air conditioning shall not be made a condition of the unit resale. The seller 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 the time of or as a condition of resale.

N. Buyer Income Eligibility.

1. Buyer income eligibility for restricted ownership units shall be established pursuant to N.J.A.C. 5:80-26.17, as may be amended and supplemented, such that very low-income ownership units shall be reserved for occupancy by households with a gross household income less than or equal to 30% of median income, low-income ownership units shall be reserved for occupancy by households with a gross household income less than or equal to 50% of median income and moderate-income ownership units shall be reserved for occupancy by households with a gross household income less than 80% of median income.
2. Notwithstanding the foregoing, the Administrative Agent may, upon approval by the municipality, and subject to the Division's approval, permit a moderate-income purchaser to buy a low-income unit if and only if the Administrative Agent can demonstrate that there is an insufficient number of eligible low-income purchasers in the housing region to permit prompt occupancy of the unit and all other reasonable efforts to attract a low-income purchaser, including pricing and financing incentives, have failed. Any such low-income unit that is sold to a moderate-income household shall retain the required pricing and pricing restrictions for a low-income unit. Similarly, the administrative agent may permit low-income purchasers to buy very-low-income units in housing markets where, as determined by the Division, units are reserved for very-low-income purchasers, but there is an insufficient number of very-low-income purchasers to permit prompt occupancy of the units. In such instances, the purchased unit must be maintained as a very-low-income unit and sold at a very-low-income price point such that on the next resale the unit will still be affordable to very-low-income households and able to be purchased by a very-low-income household. A very-low-income unit that is seeking bonus credit pursuant to N.J.S.A. 52:27D-311.k(9) must first be advertised exclusively as a very-low-income unit according to the Affirmative Marketing requirements at N.J.A.C. 5:80-26.16, then advertised as a very-low-income or low-income unit for at least 30 additional days prior to referring any low-income household to the unit.
3. A certified household that purchases a restricted ownership unit must occupy it as the certified household's principal residence and shall not lease the unit; provided, however, that the Administrative Agent may permit the owner of a restricted ownership unit, upon application and a showing of hardship, to lease the restricted unit to another certified household for a period not to exceed one year.
4. 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, property taxes, homeowner and private mortgage insurance and condominium or homeowner association fees, as applicable) does not exceed 35 percent of the household's eligible monthly income; provided, however, that this limit may be exceeded if one or more of the following circumstances exists:

- a. The household currently pays more than 35% (40% for households eligible for age-restricted units) of its gross household income for housing expenses, and the proposed housing expenses will reduce its housing costs;
- b. The household has consistently paid more than 35% (40% for households eligible for age-restricted units) of eligible monthly income for housing expenses in the past and has proven its ability to pay; or
- c. The household is currently in substandard or overcrowded living conditions;
- d. The household documents the existence of assets, within the asset limitation otherwise applicable, with which the household proposes to supplement the rent payments

O. Limitations on Indebtedness Secured by Ownership Unit; Subordination.

1. Prior to incurring any indebtedness to be secured by a restricted ownership unit, the owner shall apply to the Administrative Agent for a determination in writing that the proposed indebtedness complies with the provisions of this Section, and the Administrative Agent shall issue such determination prior to the owner incurring such indebtedness.
2. With the exception of original purchase money mortgages, neither an owner nor a lender shall at any time during the control period 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. 5:80-26.7(c).

P. Control Periods for Restricted Rental Units.

1. Control periods for units that meet the definition of prior round units shall be pursuant to the 2001 UHAC rules originally adopted October 1, 2001, 33 N.J.R. 3432, and amended December 20, 2004, 36 N.J.R. 5713 and shall remain subject to the requirements of this ordinance for a period of at least 30 years as applicable unless otherwise indicated.
2. Other than for prior round units, control periods for restricted rental units shall be in accordance with N.J.A.C. 5:80-26.12, as may be amended and supplemented, and each restricted rental unit shall remain subject to the requirements of this Ordinance for a period of at least 40 years. Restricted rental units created as part of developments receiving 9% Low-Income Housing Tax Credits must comply with a control period of not less than a 30-year compliance period plus a 15-year extended use period for a total of 45 years.
3. The affordability control period for a restricted rental unit shall commence on the first date that a unit is issued a certificate of occupancy following the execution of the deed restriction or, if affordability controls are being extended, on the effective date of the extension, which is the end of the original control period.
4. Rehabilitated renter-occupied housing units that are improved to code standards shall be subject to affordability controls for a period of not less than 10 years.
5. Prior to the issuance of any building permit for the construction/rehabilitation of restricted rental units, the developer/owner and the municipality shall record a preliminary instrument provided by the Administrative Agent.
6. 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. The

deed restriction shall be recorded by the developer with the county records office, and provided as filed and recorded, to the Administrative Agent within 30 days of the receipt of a certificate of occupancy.

7. A restricted rental unit shall remain subject to the affordability controls of this Ordinance despite the occurrence of any of the following events:
 - a. Sublease or assignment of the lease of the unit;
 - b. Sale or other voluntary transfer of the ownership of the unit;
 - c. The entry and enforcement of any judgment of foreclosure on the property containing the unit; or
 - d. The end of the control period, until the occupant household vacates the unit, or is certified as over-income and the controls are released in accordance with UHAC.

Q. Rent Restrictions for Rental Units; Leases and Fees.

1. The initial rent for a restricted rental unit shall be set by the Administrative Agent.
2. 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 retained on file by the Administrative Agent.
3. No additional fees, operating costs, 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.
 - a. Operating costs, for the purposes of this section, include certificate of occupancy fees, move-in fees, move-out fees, mandatory internet fees, mandatory cable fees, mandatory utility submetering fees, and for developments with more than one and a half off-street parking spaces per unit, parking fees for one parking space per household.
4. Any fee structure that would remove or limit affordable unit occupant access to any amenities or services that are required or included for market-rate unit occupants is prohibited. Application fees (including the charge for any credit check) shall not exceed 5% of the monthly rent of the applicable restricted unit to be applied to the costs of administering the controls applicable to the unit as set forth in this Ordinance.
5. Fees for unit-specific, non-communal items that are charged to market-rate unit tenants on an optional basis, such as pet fees for tenants with pets, storage spaces, bicycle-share programs, or one-time rentals of party or media rooms, may also be charged to affordable unit tenants, if applicable.
6. Pet fees may not exceed \$30.00 per month and associated one-time payments for optional fees pertaining to pets, such as a pet cleaning fee, are prohibited.
7. Fees charged to affordable unit tenants for other optional, unit-specific, non-communal items shall not exceed the amounts charged to market-rate tenants.
8. For any prior round rental unit leased before December 20, 2024, elements of the existing fee structure that are consistent with prior rules, but inconsistent with 5:80-26.13(c)1, may

continue until the occupant household's current lease term expires or that occupant household vacates the unit, whichever occurs later.

R. Tenant Income Eligibility.

1. Tenant income eligibility shall be determined pursuant to N.J.A.C. 5:80-26.14, as may be amended and supplemented, and shall be determined as follows:
 - a. Very low-income rental units shall be reserved for households with a gross household income less than or equal to 30% of the regional median income by household size.
 - b. Low-income rental units shall be reserved for households with a gross household income less than or equal to 50% of the regional median income by household size.
 - c. Moderate-income rental units shall be reserved for households with a gross household income less than 80% of the regional median income by household size.
2. The Administrative Agent shall certify a household as eligible for a restricted rental unit when the household is a very low-income, low-income or 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. 5:80-26.17, as may be amended and supplemented; provided, however, that this limit may be exceeded if one or more of the following circumstances exists:
 - a. The household currently pays more than 35% (40% for households eligible for age-restricted units) of its gross household income for rent, and the proposed rent will reduce its housing costs;
 - b. The household has consistently paid more than 35% (40% for households eligible for age-restricted units) of eligible monthly income for rent in the past and has proven its ability to pay;
 - c. The household is currently in substandard or overcrowded living conditions;
 - d. The household documents the existence of assets with which the household proposes to supplement the rent payments; or
 - e. The household documents reliable anticipated third-party assistance from an outside source such as a family member in a form acceptable to the Administrative Agent and the owner of the unit.
3. The applicant shall file documentation sufficient to establish the existence of any of the circumstances in 2.a. through 2.e. above with the Administrative Agent, who shall counsel the household on budgeting.

S. Municipal Housing Liaison.

1. The Municipal Housing Liaison shall be approved by municipal resolution.
2. The Municipal Housing Liaison shall be approved by the Division, or is in the process of getting approval, and fully or conditionally meets the requirements for qualifications, including initial and periodic training as set forth in in N.J.A.C. 5:99-1 et seq.
3. The Municipal Housing Liaison shall be responsible for oversight and administration of the affordable housing program, including the following responsibilities, which may not be contracted out to the Administrative Agent:

- a. Serving as the primary point of contact for all inquiries from the Affordable Housing Dispute Resolution Program, the State, affordable housing providers, administrative agents and interested households.
- b. The oversight of the Affirmative Marketing Plan and affordability controls.
- c. When applicable, overseeing and monitoring any contracting Administrative Agent.
- d. Overseeing the monitoring of the status of all restricted units listed in the Fair Share Plan.
- e. Verifying, certifying and providing annual information within AHMS at such time and in such form as required by the Division.
- f. Coordinating meetings with affordable housing providers and administrative agents, as needed.
- g. Attending continuing education opportunities on affordability controls, compliance monitoring, and affirmative marketing as offered or approved by the Division.
- h. Overseeing the recording of a preliminary instrument in the form set forth at N.J.A.C. 5:80-26.1 for each affordable housing development.
- i. Coordinating with the Administrative Agent, municipal attorney and municipal Construction Code Official to ensure that permits are not issued unless the document required in C.8. above has been duly recorded.
- j. Listing on the municipal website contact information for the MHL and Administrative Agents.

T. Administrative Agent.

1. All municipalities that have created or will create affordable housing programs and/or affordable units shall designate or approve, for each project within its HEFSP, an administrative agent to administer the affordable housing program and/or affordable housing units in accordance with the requirements of the FHA, NJAC 5:99-1 et seq. and UHAC.
2. The fees for administrative agents shall be paid as follows: (NOTE: MUNICIPALITIES MAY TAILOR THIS AS DESIRED)
 - a. Administrative agent fees related to rental units shall be paid by the developer/owner.
 - b. Administrative agent fees related to initial sale of units shall be paid by the developer.
 - c. Administrative agent fees related to resales shall be paid by the seller of the affordable home.
 - d. Administrative agent fees related to ongoing administration and enforcement shall be paid by the municipality.
3. An Operating Manual for each affordable housing program shall be provided by the Administrative Agent(s). The Operating Manual(s) shall be available for public inspection in the Office of the Clerk and in the office(s) of the Administrative Agent(s). Operating manuals shall be adopted by resolution of the Governing Body.

4. Subject to the role of the Administrative Agent(s), the duties and responsibilities as are set forth in N.J.A.C. 5:99-7 and which are described in full detail in the Operating Manual, including those set forth in UHAC, include:
 - a. Attending continuing education opportunities on affordability controls, compliance monitoring, and affirmative marketing as offered or approved by the Division;
 - b. Affirmative marketing:
 - i. Conducting an outreach process to affirmatively market affordable housing units in accordance with the Affirmative Marketing Plan of the municipality and the provisions of N.J.A.C. 5:80-26.16.
 - ii. Providing counseling, or contracting to provide counseling services, to low- and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements; and landlord/tenant law.
 - c. Household certification.
 - i. Soliciting, scheduling, conducting and following up on interviews with interested households.
 - ii. 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;
 - iii. Providing written notification to each applicant as to the determination of eligibility or non-eligibility within 5 days of the determination thereof.
 - iv. Requiring that all certified applicants for restricted units execute a certificate substantially in the form, as applicable, of either the ownership or rental certificates set forth in the Appendices J and K of N.J.A.C. 5:80-26.1 et seq.
 - v. 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.
 - vi. Employing a random selection process as provided in the Affirmative Marketing Plan when referring households for certification to affordable units.
 - d. Affordability controls.
 - i. Furnishing to attorneys or closing agents forms of deed restrictions and mortgages for the recording at the time of conveyance of title of each restricted unit.
 - ii. Ensuring that the removal of the deed restrictions and cancellation of the mortgage note are effectuated and filed properly with the County Register of Deeds or County Clerk's office after the termination of the affordability controls for each restricted unit in accordance with UHAC.
 - iii. Communicating with lenders and the Municipal Housing Liaison regarding foreclosures.
 - iv. Ensuring the issuance of Continuing Certificates of Occupancy or certifications pursuant to N.J.A.C. 5:80-26.11.

- e. Records retention.
 - i. Creating and maintaining a file on each restricted unit for its control period, including the recorded deed with restrictions, recorded recapture mortgage, and note, as appropriate.
 - ii. Records received, retained, retrieved, or transmitted in furtherance of crediting affordable units of a municipality constitute public records of the municipality as defined by N.J.S.A. 47:3-16, and are legal property of the municipality.
- f. Resales and re-rentals.
 - i. Instituting and maintaining an effective means of communicating information between owners and the Administrative Agent regarding the availability of restricted units for resale or re-rental.
 - ii. Instituting and maintaining an effective means of communicating information to very low-, low-, or moderate-income households regarding the availability of restricted units for resale or re-rental.
- g. Processing requests from unit owners.
 - i. Reviewing and approving requests from owners of restricted units who wish to refinance or take out home equity loans during the term of their ownership to determine that the amount of indebtedness to be incurred will not violate the terms of this ordinance.
 - ii. Reviewing and approving requests to increase sales prices from owners of restricted units who wish to make capital improvements to the units that would affect the selling price, such authorizations to be limited to those improvements resulting in additional bedrooms or bathrooms and the depreciated cost of central air conditioning systems.
 - iii. Notifying the municipality of an owner's intent to sell a restricted unit.
 - iv. Making determinations on requests by owners of restricted units for hardship waivers.
- h. Enforcement.
 - i. Securing annually from the municipality a list of all affordable ownership units for which property tax bills are mailed to absentee owners, and notifying all such owners that they must either move back to their unit or sell it;
 - ii. 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;
 - iii. Sending annual mailings to all owners of affordable dwelling units reminding them of the notices and requirements outlined in N.J.A.C. 5:80-26.19(d)4;
 - iv. Establishing a program for diverting unlawful rent payments to the municipal Affordable Housing Trust Fund; and

- v. Creating and publishing a written operating manual for each affordable housing program administered by the Administrative Agent setting forth procedures for administering the affordability controls.
- i. The Administrative Agent(s) shall, as delegated by the municipality, have the authority to take all actions necessary and appropriate to carry out its/their responsibilities, herein.

U. Responsibilities of The Owner of a development containing affordable units.

1. The owner of all developments containing affordable units subject to this subchapter or the assigned management company thereof shall provide to the administrative agent:
 - a. Site plan, architectural plan, or other plan that identifies the location of each affordable unit, if subject to the site plan approval, settlement agreement, or other applicable document regulating the location of affordable units. The administrative agent shall determine the location of affordable units if not set forth in the site plan approval, settlement agreement, or other applicable document.
 - b. The total number of units in the project and the number of affordable units.
 - c. The breakdown of the affordable units by or identification of affordable unit locations by bedroom count and income level, including street addresses / unit numbers, if subject to the site plan approval, settlement agreement, or other applicable document regulating the breakdown of affordable units. The administrative agent shall determine the bedroom and income distribution if not set forth in the site plan approval, settlement agreement, or other applicable document.
 - d. Floor plans of all affordable units, including complete and accurate identification of all rooms and the dimensions thereof.
 - e. A projected construction schedule.
 - f. The location of any common areas and elevators.
 - g. The name of the person who will be responsible for official contact with the administrative agent for the duration of the project, which must be updated if the contact changes.
2. In addition to A above, the owner of rental developments containing affordable rental units subject to this subchapter or the assigned management company thereof shall:
 - a. Send to all current tenants in all restricted rental units an annual mailing containing a notice as to the maximum permitted rent and a reminder of the requirement that the unit must remain their principal place of residence, which is defined as residing in the unit at least 260 days out of each calendar year, together with the telephone number, mailing address, and email address of the administrative agent to whom complaints of excess rent can be issued.
 - b. Provide to the administrative agent a description of any applicable fees.
 - c. Provide to the administrative agent a description of the types of utilities and which utilities will be included in the rent.

- d. Agree and ensure that the utility configuration established at the start of the rent-up process not be altered at any time throughout the restricted period.
 - e. Provide to the administrative agent a proposed form of lease for any rental units.
 - f. Ensure that the tenant selection criteria for the applicants for affordable units not be more restrictive than the tenant selection criteria for applicants for non-restricted units.
 - g. Strive to maintain the continued occupancy of the affordable units during the entire restricted period.
3. In addition to A, above, the owner of affordable for-sale developments containing affordable for-sale units subject to this subchapter or the assigned management company thereof shall provide the administrative agent:
- a. Proposed pricing for all units, including any purchaser options and add-on items.
 - b. Condominium or homeowner association fees and any other applicable fees.
 - c. Estimated real property taxes.
 - d. Sewer, water, trash disposal, and any other utility assessments.
 - e. Flood insurance requirement, if applicable.
 - f. The State-approved planned real estate development public offering statement and/or master deed, where applicable, as well as the full build-out budget.

V. Enforcement of Affordable Housing Regulations

1. 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.
2. After providing written notice of a violation to an owner, developer or tenant of an affordable 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:
 - a. 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:
 - i. A fine of not more than \$ [REDACTED] or imprisonment for a period not to exceed [REDACTED] days, or both, unless otherwise specified below, provided that each and every day that the violation continues or exists shall be considered a separate and specific violation of these provisions and not a continuation of the initial offense;

- ii. 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 Affordable Housing Trust Fund of the gross amount of rent illegally collected;
 - iii. In the case of an owner who has rented his or her affordable unit in violation of the regulations governing affordable housing units, payment of an innocent tenant's reasonable relocation costs, as determined by the Court.
3. The municipality shall have the authority to levy fines against the owner of the development for instances of noncompliance with NJHRC advertising requirements (N.J.S.A. 52:27D-321.6.e.(2)), following written notice to the owner. The fine for the first offense of noncompliance shall be \$5,000, the fine for the second offense of noncompliance shall be \$10,000, and the fine for each subsequent offense of noncompliance shall be \$15,000.
4. 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- or moderate-income unit.
 - a. Such judgment shall be enforceable, at the option of the municipality, by means of an execution sale by the Sheriff, at which time the affordable 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.
 - b. 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- or 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 the full 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 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.
 - c. Foreclosure due to violation of the regulations governing affordable housing units shall not extinguish the restrictions of the regulations governing affordable housing units as they 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.
- d. 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 affordable 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 affordable 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 that would have been realized from an actual sale as previously described.
 - e. Failure of the low- or 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 that may be referred to the owner by the municipality, with such offer to purchase being equal to the maximum resale price of the low- or moderate-income unit as permitted by the regulations governing affordable housing units.
 - f. The affordable unit 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.
5. It is the responsibility of the municipal housing liaison and the administrative agent(s) to ensure that affordable housing units are administered properly. All affordable units must be occupied within a reasonable amount of time and be re-leased within a reasonable amount of time upon the vacating of the unit by a tenant. If an administrative agent or municipal housing liaison becomes aware of or suspects that a developer, landlord, or property manager has not complied with these regulations, it shall report this activity to the Division. The Division must notify the developer, landlord, or property manager, in writing, of any violation of these regulations and provide a 30-day cure period. If, after the 30-day cure period, the developer, landlord, or property manager remains in violation of any terms of this subchapter, including by keeping a unit vacant, the developer, landlord, or property manager may be fined up to the amount required to construct a comparable affordable unit of the same size and the deed-restricted control period will be extended for the length of the time the unit was out of compliance, in addition to the remedies provided for in this section. For the purposes of this subsection, a reasonable amount of time shall presumptively be 60 days, unless a longer period of time is required due to demonstrable market conditions and/or failure of the municipal housing liaison or the administrative agent to refer a certified tenant.
 6. Banks and other lending institutions are prohibited from issuing any loan secured by owner occupied real property subject to the affordability controls set forth in this subchapter if such loan would be in excess of amounts permitted by the restriction documents recorded in the deed or mortgage book in the county in which the property is located. Any loan issued in violation of this subsection is void as against public policy.

7. The Agency and the Department hereby reserve, for themselves and for each administrative agent appointed pursuant to this subchapter, all of the rights and remedies available at law and in equity for the enforcement of this subchapter, including, but not limited to, fines, evictions, and foreclosures as approved by a county-level housing judge.

8. Appeals

a. Appeals from all decisions of an administrative agent appointed pursuant to this subchapter must be filed, in writing, with the municipal housing liaison. A decision by the municipal housing liaison may be appealed to the Division. A written decision of the Division Director upholding, modifying, or reversing an administrative agent's decision is a final administrative action.

W. Development Fees. *(MUNICIPALITIES MAY ALREADY HAVE OR MAY CHOOSE TO REGULATE DEVELOPMENT FEES IN ANOTHER MUNICIPAL CODE SECTION)*

1. Purpose

a. This section establishes standards for the collection, maintenance, and expenditure of development fees that are consistent with the amended Fair Housing Act (P.L.2024, c.2), N.J.A.C. 5:99, and the Statewide Non-Residential Development Fee Act (C. 40:55D-8.1 through 8.7). Fees collected pursuant to this Ordinance shall be used for the sole purpose of providing very low-, low- and moderate-income housing in accordance with a Court-approved Spending Plan.

2. Basic Requirements

a. *The municipality previously adopted a development fee ordinance, which established the Municipal Affordable Housing Trust Fund. (INCLUDE THE FOLLOWING IF THE DEVELOPMENT FEE ORDINANCE WAS NOT PREVIOUSLY ADOPTED: This Ordinance establishes the Municipal Affordable Housing Trust Fund).*

b. The municipality shall not spend development fees until the court has approved a plan for spending such fees.

3. Residential Development Fees

a. Imposed fees

i. 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. Development fees shall also be imposed and collected when an additional dwelling unit is added to an existing residential structure; in such cases, the fee shall be calculated based on the increase in the equalized assessed value of the property due to the additional dwelling unit. *(MUNICIPALITIES MAY SELECT A PERCENTAGE LESS THAN 1.5%)*

ii. When an increase in residential density is permitted pursuant to a "d" variance granted under N.J.S.A. 40:55D-70d(5), developers shall be required to pay a "bonus" development fee of 6.0% *(NOTE: MUNICIPALITY MAY SELECT A PERCENTAGE LESS THAN 6%)* of the equalized assessed value for each additional unit that may be realized, except that this provision shall not be

applicable to a development that will include affordable housing. 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 two units, the fees could equal 1.5% of the equalized assessed value on the first two units; and the specified higher percentage of 6% 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
- i. 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 an eligible payment in lieu of on-site construction of affordable units, if permitted by ordinance, or by agreement with the municipality and if approved by a municipality prior to the statutory elimination of payments in-lieu on March 20, 2024 per P.L.2024, c.2, shall be exempt from development fees.
 - ii. Developments that have received preliminary or final site plan approval prior to the adoption of this ordinance and any preceding ordinance permitting the collection of development fees shall be exempt from the payment of development fees, unless the developer seeks a substantial change in the original approval. Where a site plan approval does not apply, the issuance of a zoning and/or building permit shall be synonymous with preliminary or final site plan approval for the purpose of determining the right to an exemption. In all cases, the applicable fee percentage shall be determined based upon the development fee ordinance in effect on the date that the construction permit is issued.
 - iii. 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. *(NOTE: COLLECTION FOR THESE PURPOSES ARE OPTIONAL; THE MUNICIPALITY MAY EDIT THIS ITEM AS APPROPRIATE)*
 - iv. No development fee shall be collected for the demolition and replacement of a residential building resulting from a fire or natural disaster.
 - v. Developers of *(SELECT DESIRED SPECIFIC TYPES OF RESIDENTIAL DEVELOPMENT, FOR EXAMPLE DEVELOPMENTS WITH ONE OR TWO OWNER-OCCUPIED DWELLING UNITS, GREEN BUILDINGS ETC.)* shall be *(SELECT ONLY ONE OF THE FOLLOWING: exempt from paying a development fee, or subject to a reduced fee of _____ percent). (THIS IS OPTIONAL)*
 - vi. Within the *(OPTION: SELECT DESIRED ZONING DISTRICT(S) OR AREA(S), E.G. TOD DISTRICT, REVENUE ALLOCATION DISTRICT, HISTORIC*

DISTRICT, ETC.), residential developers shall be exempt from paying a development fee. *(THIS IS OPTIONAL)*

4. Non-Residential Development Fees

a. Imposition of fees

- i. Within all zoning districts, non-residential 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 non-residential construction on an unimproved lot or lots.
- ii. Within all zoning districts, non-residential 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 non-residential purposes.
- iii. 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 pre-existing land and improvements and the equalized assessed value of the newly improved structure; i.e., land and improvements; and such calculation shall be made at the time a final certificate of occupancy is issued. If the calculation required under this section results in a negative number, the non-residential development fee shall be zero.

b. Eligible exactions, ineligible exactions and exemptions for non-residential development

- i. The non-residential portion of a mixed-use inclusionary or market-rate development shall be subject to a 2.5% development fee, unless otherwise exempted below.
- ii. The 2.5% fee shall not apply to an increase in equalized assessed value resulting from alterations, change in use within existing footprint, reconstruction, renovations and repairs.

c. Non-residential developments shall be exempt from the payment of non-residential development fees in accordance with the exemptions required pursuant to the Statewide Non-Residential Development Fee Act (N.J.S.A. 40:55D-8.1 through 8.7), as specified in Form N-RDF "State of New Jersey Non-Residential Development Certification/Exemption." Any exemption claimed by a developer shall be substantiated by that developer.

d. A developer of a non-residential development exempted from the non-residential development fee pursuant to the Statewide Non-Residential Development Fee Act shall be subject to the fee at such time as the basis for the exemption no longer applies, and shall make the payment of the non-residential development fee, in that event, within three years after that event or after the issuance of the final certificate of occupancy of the non-residential development, whichever is later.

e. If a property that was exempted from the collection of a non-residential 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 non-residential development fees under these circumstances may be enforceable by the municipality as a lien against the real property of the owner.

5. 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 non-residential developments only, the developer shall also be provided with a copy of Form N-RDF, "State of New Jersey Non-Residential Development Certification/Exemption," to be completed by the developer as per the instructions provided in the Form N-RDF. The construction official shall verify the information submitted by the non-residential developer as per the instructions provided on 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 tax assessor of the issuance of the first construction permit for a development that is subject to a development fee.
- d. Within 90 days of receipt of that notice, the tax assessor shall provide an estimate, based on the plans filed, of the equalized assessed value of the development.
- e. The construction official responsible for the issuance of a final certificate of occupancy shall notify the tax assessor of any and all requests for the scheduling of a final inspection on property that is subject to a development fee.
- f. Within 10 business days of a request for the scheduling of a final inspection, the tax assessor shall confirm or modify the previously estimated equalized assessed value of the improvements associated with the development; calculate the development fee; and thereafter notify the developer of the amount of the fee.
- g. Should the municipality 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 (50%) of the development fee shall be collected at the time of issuance of the construction permit. The remaining portion shall be collected at the time of issuance of the certificate of occupancy. The developer shall be responsible for paying the difference between the fee calculated at the time of issuance of the construction permit and that determined at the time of issuance of certificate of occupancy. *(NOTE: MUNICIPALITIES MAY COLLECT 100% OF THE FEE AT CERTIFICATE OF OCCUPANCY IF SPECIFIED IN THE ORDINANCE)*

6. Appeal of development fees

- a. A developer may challenge residential development fees imposed by filing a challenge with the County Board of Taxation. Pending a review and determination by that board, collected fees shall be placed in an interest-bearing escrow account by the municipality.

Appeals from a determination of the board may be made to the Tax Court in accordance with the provisions of the State Tax Uniform Procedure Law, R.S. 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.

- b. A developer may challenge non-residential 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 the municipality. Appeals from a determination of the director may be made to the Tax Court in accordance with the provisions of the State Tax Uniform Procedure Law, R.S. 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.

7. Affordable Housing Trust Fund

- a. A separate, interest-bearing Municipal Affordable Housing Trust Fund shall be maintained by the chief financial officer of the municipality for the purpose of depositing development fees collected from residential and non-residential developers and proceeds from the sale of units with extinguished controls.
- b. The following additional funds shall be deposited in the Municipal Affordable Housing Trust Fund and shall at all times be identifiable by source and amount:
 - i. Payments in lieu of on-site construction of an affordable unit, where previously permitted by ordinance or by agreement with the municipality and if approved by a municipality prior to the statutory elimination of payments in-lieu on March 20, 2024 per P.L.2024, c.2;
 - ii. Funds contributed by developers to make 10% of the adaptable entrances in a townhouse or other multistory attached dwelling unit development accessible;
 - iii. Rental income from municipally operated units;
 - iv. Repayments from affordable housing program loans;
 - v. Recapture funds;
 - vi. Proceeds from the sale of affordable units; and
 - vii. Any other funds collected in connection with the municipal affordable housing program including but not limited to interest earned on fund deposits.
- c. The municipality shall provide the Division with written authorization, in the form of a tri-party escrow agreement(s) between the municipality, the Division and the financial institution in which the municipal affordable housing trust fund has been established to permit the Division to direct the disbursement of the funds as provided for in N.J.A.C. 5:99-2.1 et seq.
- d. Occurrence of any of the following deficiencies may result in the Division requiring the forfeiture of all or a portion of the funds in the municipal Affordable Housing Trust Fund:

- i. Failure to meet deadlines for information required by the Division in its review of a development fee ordinance;
 - ii. Failure to commit or expend development fees within four years of the date of collection in accordance with N.J.A.C. 5:99-5.5;
 - iii. Failure to comply with the requirements of the Non-Residential Development Fee Act and N.J.A.C. 5:99-3;
 - iv. Failure to submit accurate monitoring reports pursuant to this subchapter within the time limits imposed by the Act, this chapter, and/or the Division;
 - v. Expenditure of funds on activities not approved by the Superior Court or otherwise permitted by law;
 - vi. Revocation of compliance certification or a judgment of compliance and repose;
 - vii. Failure of a municipal housing liaison or administrative agent to comply with the requirements set forth at N.J.A.C. 5:99-6, 7, and 8;
 - viii. Other good cause demonstrating that municipal affordable housing funds are not being used for an approved purpose.
- e. All interest accrued in the housing trust fund shall only be used on eligible affordable housing purposes approved by the Court.

8. Use of Funds

- a. The expenditure of all funds shall conform to a Spending Plan approved by Superior Court. Funds deposited in the municipal Affordable Housing Trust Fund may be used for any activity approved by the Court to address the 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; housing rehabilitation; new construction of affordable housing units and related costs; accessory apartments; a market-to-affordable program; conversion of existing non-residential 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; and/or any other activity permitted by Superior Court and specified in the approved Spending Plan.
- b. Funds shall not be expended to reimburse the municipality or activities that occurred prior to the authorization of a municipality to collect development fees.
- c. At least a portion of all development fees collected and interest earned shall be used to provide affordability assistance to very low-, low- and moderate-income households in affordable units included in the municipal Fair Share Plan. A portion of the development fees which provide affordability assistance shall be used to provide affordability assistance to very low-income households.

- i. 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, infrastructure assistance, and assistance with emergency repairs. The specific programs to be used for affordability assistance shall be identified and described within the Spending Plan.
 - ii. Affordability assistance for very low income households may include producing very low-income units or 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.
- d. No more than 20% of all affordable housing trust funds, exclusive of those collected to fund an RCA prior to July 17, 2008, shall be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultants' fees necessary to develop or implement a new construction program, prepare and implement a Housing Element and Fair Share Plan, administer an Affirmative Marketing Program and for compliance with the Superior Court and the Program including the costs to the municipality of resolving a challenge.

9. Monitoring

- a. On or before February 15 of each year, the municipality shall provide annual electronic data reporting of trust fund activity for the previous year from January 1st to December 31st through the AHMS Reporting System. This reporting shall include an accounting of all Municipal Affordable Housing Trust Fund activity, including the sources and amounts of all funds collected and the amounts and purposes for which any funds have been expended. Such reporting shall include an accounting of development fees collected from residential and non-residential developers, previously eligible payments in lieu of constructing affordable units on site (if permitted by ordinance or by agreement with the municipality prior to the March 20, 2024 statutory elimination per P.L. 2024, c.4), funds from the sale of units with extinguished controls, barrier-free escrow funds, rental income from municipally-owned affordable housing units, repayments from affordable housing program loans, interest and any other funds collected in connection with municipal housing programs, as well as an accounting of the expenditures of revenues and implementation of the Spending Plan approved by the Court.

10. Ongoing Collection of Fees

- a. The ability to impose, collect and expend development fees shall continue so long as the municipality retains authorization from the Court in the form of Compliance Certification or the good faith effort to obtain it.
- b. If the municipality fails to renew its ability to impose and collect development fees prior to the expiration of its Judgment of Compliance, it may be subject to forfeiture of any or all funds remaining within its Affordable Housing 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 (C. 52:27D-320).

11. Emergent Affordable Housing Opportunities. Requests to expend affordable housing trust funds on emergent affordable housing opportunities not included in the municipal fair share plan shall be made to the Division and shall be in the form of a governing body resolution. Any request shall be consistent with N.J.A.C. 5:99-4.1.

Repealer

All ordinances or code provisions or parts thereof inconsistent with this Ordinance are hereby repealed to the extent of such inconsistency.

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.

Effective Date

This ordinance shall take effect upon its passage and publication, as required by law.

Appendix H: Spending Plan

TOWNSHIP OF NEPTUNE AFFORDABLE HOUSING TRUST FUND SPENDING PLAN

The Township of Neptune has a history of compliance with its Mount Laurel affordable housing obligation and has previously implemented all necessary ordinances for establishing an affordable housing trust fund financed through the collection of mandatory development fees to assist in accomplishing the provision of affordable housing.

The Township has prepared a Fourth Round Housing Element and Fair Share Plan that advances a comprehensive strategy for meeting its regional share of affordable housing need in accordance with the intent of the Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.) and the Fair Housing Act (N.J.S.A. 52:27D-301), and in accordance with the procedural and substantive requirements of N.J.A.C. 5:93-1 et seq. and N.J.A.C. 5:91-1 et seq. The Township has actively participated in the Fourth Round compliance process.

The Township's existing development fee ordinance, codified as LDO-1001 of the Township's General Legislation, most recently revised in 2012, will be updated and continue to require and regulate the collection of residential and non-residential development fees as revenue for the Township's affordable housing trust fund. The sections below outline the Township's plan for the administration and use of collected development fee revenues as per the requirements of N.J.A.C. 5:93-5.1(c).

I. Projected Revenues through 2035

A projection of anticipated revenues to be collected during the tenure of the Fourth Round has been calculated based on historical annualized trends in the amount of development fees collected to date.

As of December 31, 2024, the Township had a balance of \$2,383,375.14 in the trust fund account. In 2024, the Township expended an average of \$18,039.54 per year and had an average income of \$114,244.50 per year. This figure, in combination with the fund's interest rate, provides a reasonable estimate for anticipated annual development fee revenues through 2035.

The Township of Neptune projects a total of \$1,663,468.58 in revenue and interest to be collected from January 1, 2025 to December 31, 2035. This projected amount, when added to the trust fund balance from December 31, 2024, results in an anticipated total revenue of \$4,046,843.72 available to fund and administer the Township's affordable housing plan and programs. All interest earned on the account shall accrue to the account and be used only for the purposes of affordable housing. See the Projected Revenues Table, appended to the end of this Spending Plan.

II. Administrative Mechanisms for Collecting and Distributing Revenues

The Township's existing Development Fee Ordinance is recorded in LDO-1001 of Neptune's General Legislation. Procedures for collection, administration, and distribution of development fees as affordable housing trust fund revenues are fully established in this section. The Township's ordinance complies with P.L. 2008, c.46 section 8 (C. 52:27D-329.2) and the Statewide Non-Residential Development Fee Act (C. 40:55D-8.1 through 8.7).

The Development Fee Ordinance covers the following general topics:

1. Determination of residential development fees;
2. Determination of non-residential development fees;
3. Fee collection procedures;
4. Operation of the affordable housing trust fund;
5. Permitted uses of funds;
6. Monitoring; and
7. Ongoing collection of fees as related to affordable housing compliance.

All development fees are deposited in a separate affordable housing trust fund. Per stipulations in the Development Fee Ordinance the account and the record of distribution of funds is maintained by the Township's Chief Financial Officer.

III. Anticipated Use of Development Fees

As per the Township's ordinance, development fees shall be used for the sole purpose of providing low- and moderate-income housing. Funding mechanisms can be set up as a grant or revolving loan program to cover costs associated activities including, but not limited to, the following:

1. Preservation or purchase of housing for maintaining or implementing affordability controls;
2. Rehabilitation grants;
3. New construction of affordable housing units and related costs;
4. Implementing accessory apartment, market to affordable, or regional housing partnership programs;
5. Conversion of existing non-residential buildings to create new affordable units;
6. Green building strategies designed to be cost saving and in accordance with accepted national or State standards;
7. Purchase of land or improvement of land to be used for affordable housing;
8. Extensions or improvements of roads and infrastructure to affordable housing sites;
9. Financial assistance designed to increase affordability; and
10. Administration necessary for implementation of the Housing Element and Fair Share Plan.

(A) Anticipated Rehabilitation

The Township of Neptune will dedicate \$2,020,000 towards rehabilitation opportunities.

Rehabilitation Program

The Township anticipates dedicating \$2,020,000 to its rehabilitation program. As discussed in the Housing Element and Fair Share Plan, Neptune has a rehabilitation present need obligation of 97 units. To address this need, the Township plans to provide eligible households with the equivalent grant funding to meet this obligation at an estimated cost of \$10,000 to \$25,000 per grant. The Township anticipates rehabilitating an average of nine (9) units per year for the first ten (10) years, and seven (7) units per year for the remaining one (1) year to satisfy its rehabilitation obligation. See the Projected Expenditures table appended to the end of this spending plan for a yearly breakdown of rehabilitation program expenditures.

Neptune’s Rehabilitation Program is managed by the Neptune Township Affordable Housing Administrative Agent. The availability of the program shall be advertised continually on the Township’s website.

(B) Affordability Assistance Requirement

As per the requirements of N.J.A.C. 5:93-8.16, at least thirty (30%) percent of all development fees and interest earned shall be used to provide low- and moderate-income households in affordable units with affordability assistance. One-third of the required affordability assistance shall specifically be used to provide affordability assistance to very low-income households (i.e. those households earning thirty percent or less of regional median income). The Townships anticipates using a minimum of \$1,215,000.00 from the Affordable Housing Trust Fund towards affordability assistance.

The projected minimum affordability assistance requirement through 2035 is calculated as follows:

Table 1. Minimum Affordability Assistance

Trust fund balance as of 01/01/25	\$ 2,383,375.14
Projected development fees plus interest, 2025-2035	\$ 1,663,468.58
PROJECTED TOTAL	\$ 4,046,843.72
Projected minimum affordability assistance requirement (30%)	\$ 1,214,053.12
Projected minimum required for very low-income households (1/3 of total affordability assistance)	\$ 404,684.37

(C) Administrative Expenses

Neptune Township may contract with a private or public entity to administer any part of its Housing Element and Fair Share Plan. Also in accordance with N.J.A.C. 5:93-8.16, to the extent that funds are available after funding the programs outlined above, the Township can use up to twenty (20%) percent of all revenues collected from development fees 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, rehabilitation program, a Housing Element and Fair Share Plan, an affirmative marketing program, income qualification of households, monitoring the turnover of sale and rental units, and/or compliance with monitoring requirements.

The projected maximum administrative expenditures through 2035 is calculated as follows:

Table 2. Maximum Administrative Expenditures

Trust fund balance as of 01/01/25	\$ 2,383,375.14
Projected development fees plus interest, 2025-2035	\$ 1,663,468.58
PROJECTED TOTAL	\$ 4,046,843.72
Projected maximum administrative expenditures (20%)	\$ 809,368.74

Through 2035, Neptune anticipates using a total of \$808,500.00 of the maximum allowable \$809,368.74 for administrative expenses.

IV. Schedule for New or Rehabilitated Housing Units

The schedule for new or rehabilitated housing units is documented by year in the Projected Expenditures table attached to this Spending Plan.

V. Implementation in the Event of Unexpected Shortfalls

The Township of Neptune will commit to funding any shortfall of revenue needed to implement the Housing Element and Fair Share Plan as outlined above. Shortfalls will be addressed as need arises. The Township will fill gaps in funding through municipal bond. Any excess funds shall be put toward additional affordability assistance measures.

VI. In Sum

Neptune has prepared this Spending Plan in support of the implementation of its Fourth Round Housing Element and Fair Share plan, and in accordance with the administrative requirements of N.J.A.C. 5:93-1 et seq. The Spending Plan represents the Township's intended use of development fee revenues that are collected in its Housing Trust Fund, illustrating how the Township will use these funds to provide for its fair share of regional affordable housing need.

**Table 3: Housing Trust Fund
Neptune Township, New Jersey**

Projected Revenues for 2025-2035

Funding Source	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
AHIF Balance as of 1/1/2025	\$ 2,383,375.14											\$ 2,383,375.14
Projected Development Fees	\$ 114,244.50	\$ 114,244.50	\$ 114,244.50	\$ 114,244.50	\$ 114,244.50	\$ 114,244.50	\$ 114,244.50	\$ 114,244.50	\$ 114,244.50	\$ 114,244.50	\$ 114,244.50	\$ 1,256,689.50
Pmts in Beu of construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest on total account balance (3.55%)	\$ 79,160.86	\$ 73,473.56	\$ 67,786.27	\$ 57,292.97	\$ 46,799.68	\$ 36,306.38	\$ 25,813.08	\$ 15,319.79	\$ 4,826.49	\$ (5,666.80)	\$ (14,362.30)	\$ 406,779.08
Total	\$ 2,576,780.50	\$ 187,718.06	\$ 182,030.77	\$ 171,337.47	\$ 161,044.18	\$ 150,550.88	\$ 140,037.58	\$ 129,564.29	\$ 119,070.99	\$ 108,577.70	\$ 99,882.20	\$ 4,046,843.72

Projected Expenditures for 2025-2035

Type	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Rehabilitation Program	\$ 90,000.00	\$ 90,000.00	\$ 90,000.00	\$ 225,000.00	\$ 225,000.00	\$ 225,000.00	\$ 225,000.00	\$ 225,000.00	\$ 225,000.00	\$ 225,000.00	\$ 175,000.00	\$ 2,020,000.00
Administrative Costs	\$ 73,500.00	\$ 73,500.00	\$ 73,500.00	\$ 73,500.00	\$ 73,500.00	\$ 73,500.00	\$ 73,500.00	\$ 73,500.00	\$ 73,500.00	\$ 73,500.00	\$ 73,500.00	\$ 808,500.00
Affordability Assistance	\$ 110,500.00	\$ 110,500.00	\$ 110,500.00	\$ 110,500.00	\$ 110,500.00	\$ 110,500.00	\$ 110,500.00	\$ 110,500.00	\$ 110,500.00	\$ 110,500.00	\$ 110,000.00	\$ 1,215,000.00
												\$ -
Total	\$ 274,000.00	\$ 274,000.00	\$ 274,000.00	\$ 409,000.00	\$ 338,500.00	\$ 4,043,500.00						

Projected Balance available for Future Projects and Programs

\$ 3,343.72

Appendix I: Neptune Township Home Improvement Program Rehab Manual



Neptune Township Home Improvement Program (HIP)

**Operating Manual for the Administration of
Rental & For Sale Units**

Neptune Township, New Jersey

September 20, 2024

Prepared by



Adopted by Neptune Township:

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Introduction

This Rehabilitation Program Operating Manual has been prepared to assist in the administration of the Township of Neptune's Rehabilitation Program, also known as the Home Improvement Program ("HIP"). It will serve as a guide to the program's staff and applicants.

This manual describes the basic content and operation of the program, examines program purposes, and provides the guidelines for implementing the program. It has been prepared with a flexible format allowing for periodic updates of its sections, when required, due to revisions in regulations and/or procedures.

This manual explains the steps in the rehabilitation process. It describes the eligibility requirements for participation in the program, program criteria, funding terms and conditions, cost estimating, contract payments, record keeping and overall program administration. The following represents the procedures developed to offer an applicant the opportunity to apply to the program.

A. Fair Housing and Equal Housing Opportunities



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

For more information on discrimination or if anyone feels they are a victim of discrimination, please contact the New Jersey Division on Civil Rights at 1-866-405-3050 or <http://www.state.nj.us/lps/dcr/index.html>.

Fair Housing and Equal Housing Opportunities apply to both owner and tenant applications.

Section I. Eligible Participants

A. Categories of Participants

Both owner-occupied and renter-occupied housing units are eligible to receive funding for rehabilitation provided that the occupants of the units are determined to be very low-, low- or moderate-income households and that the units are determined to be substandard. Owners of rental properties do not have to be very low-, low- or moderate-income households. If a structure contains two or more units and an owner, who is not income eligible, occupies one unit funding may be provided for the rehabilitation of the rest of the units if income-eligible households occupy those units. Rents must be affordable to very low-, low- or moderate-income households.

B. Income Limits for Participation

Household income is defined as the combined annual income of all family members over 18 years of age including wages, Social Security, disability insurance, unemployment insurance, pensions, dividend/interest income, alimony, etc. Each unit's total household income must fall within the State's very low-, low- and moderate-income limits based on family size.

Regional income limits are determined annually by either the State of New Jersey or by the Affordable Housing Professionals of New Jersey's (AHPNJ). The Regional Income Limits for Region 4 (Mercer, Monmouth and Ocean Counties) are applicable to the Township of Neptune. Upon issuance of updated Regional Income Limits by AHPNJ or such other entity that has purview over the Regional Income Limits, the Program Administrator shall utilize the most recent updated Regional Income Limits without the need for formal action by the Township of Neptune.

C. Program Area

This is a municipal-wide program. The rehabilitation property must be located in Neptune Township.

D. Certification of Substandard Units

The purpose of the program is to bring substandard housing up to code. Substandard units are those units requiring repair or replacement of at least one major system. A major system is any one of the following:

1. Roof
2. Plumbing (including wells)
3. Heating
4. Electrical
5. Sanitary plumbing (including septic systems)
6. Load bearing structural systems
7. Weatherization (building insulation for attic, exterior walls and crawl space, siding to improve energy efficiency, replacement storm windows and storm doors and replacement windows and doors)

Code violations will be determined by an inspection conducted by a licensed inspector.

Section II. Available Benefits

A. Program Financing

The average per unit rehabilitation costs shall be \$10,000 or more. Financing in the form of a forgivable loan in an amount up to \$25,000 shall be made available for eligible rehabilitation work on residential units owned by eligible households. If a particular unit requires more than \$25,000, the Township will review the application for consideration for approval or denial on a case by case basis. For funding amounts over \$25,000 the applicant would need to demonstrate

an urgent need based upon public or homeowner health and safety. Additional funding for lead paint assessment and control (limited to mitigation related to HIP scope of work items) is an eligible scope item that may exceed the \$25,000 funding cap.

B. Owner-occupied Units

Eligible property owners may be eligible for an interest free loan which will be due if the property is sold and/or title/occupancy changes between years 1 through 10 except for allowable conditions under loan repayment terms section below. Upon the completion of year 10 of the loan, the loan shall be forgiven and be considered a grant only if the unit and occupant have satisfied all of the terms of the loan agreement and all applicable requirements of the HIP Program.

If the owner decides to sell the property, transfer title, or if the owner should die before the terms of the lien expire, the owner, heirs, executors or legal representatives must repay the loan according to the schedule above upon a title change. If the transfer of title occurs before the ten year period, 100% of the original loan will be due. Rental of house is allowable under certain conditions subject to approval by the Administrative Agent.

Exceptions to Loan Repayment Terms above during the lien period:

1. If the loan transfers due to inheritance of very low-, low- or moderate-income family member beneficiary who will take occupancy upon death of program mortgagee and assume the balance of the lien, or
2. If the house is sold at an affordable price pursuant to N.J.A.C. 5:97-9.3 to someone who can be qualified as income eligible, takes occupancy and agrees to assume the program lien for the remaining duration of the lien period, or
3. If the house is sold at an affordable price pursuant to N.J.A.C. 5:97-9.3 to an investor who assumes the lien and also signs a deed restriction for the remaining duration of the lien period to rent the dwelling at the affordability controls restricted rental rate and according to the affirmative marketing requirements for re-rentals. When this occurs, the Township's Administrative Agent will be responsible for monitoring compliance over that unit.

C. Renter-occupied Units

Landlords of one to four unit buildings may be eligible for an interest free loan which will be due when title to the property is transferred. The landlords are required to provide at least 50% of the total construction costs needed for each unit to meet the New Jersey State Housing Code, N.J.A.C. 5:28 and each unit must meet the major system repair or replacement requirement. At the time the application is submitted, owners must submit proof of their ability to cover their share through bank statements, credit lines, etc. Title searches and property appraisals will be required to determine if there is sufficient equity in the property to cover to cost of the loan. The landlords will be expected to pay for the costs of the title searches and provide up to date property appraisals. In addition to the interest free, deferred payment loan, a ten-year deed restriction, attached to the mortgage and note, will be used to control the contract rent and

ongoing tenant eligibility on rental units that receive assistance. The loan will be due upon transfer of title to the property; however, the deed restrictions shall remain in effect for ten years from the date the units are certified as standard. There are no monthly payments. The deed restriction will be recorded in the county deed book.

In situations where the non-income eligible owner(s) of eligible rental units occupies a unit in the structure to be rehabilitated, repairs to shared systems (i.e.: roof, heating, foundations, etc.) will be prorated with the owner(s) receiving no financial assistance for the owner's share.

If a unit is vacant upon initial rental subsequent to rehabilitation, or if a renter-occupied unit is re-rented prior to the end of controls of affordability, the deed restriction shall require the unit to be rented to a very low-, low- or moderate-income household at an affordable price and affirmatively marketed pursuant to the N.J.A.C. 5:97-9. Rents in rehabilitated units may increase annually based on the standards in N.J.A.C. 5:97-9.

D. Subordination

Neptune Township may agree to subordination of a loan if the mortgage company supplies an appraisal showing that the new loan plus the balance on the old loan does not exceed 95% of the appraised value of the unit. In addition, the household must be recertified as very low-, low- or moderate-income.

Section III. Eligible Property Improvements

A. Eligible Improvements

Housing rehabilitation funds may be used only for repairs or system replacements necessary to bring a substandard unit into compliance with municipal health, safety and building codes, applicable code violations, as well as ancillary cosmetic work that is related to the necessary repairs.

At least one major system must be replaced or included in the repairs, which include one of the following:

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

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

- Interior trim work,
- Interior and/or exterior doors
- Interior and/or exterior hardware
- Window treatment
- Interior stair repair
- Exterior step repair or replacement
- Porch repair
- Wall surface repair
- Painting
- Exterior rain carrying system repair

B. Ineligible Improvements

Work not eligible for program funding includes but is not limited to luxury improvements (improvements which are strictly cosmetic), additions, conversions (basement, garage, porch, attic, etc.), repairs to structures separate from the living units (detached garage, shed, barn, etc.), furnishings, pools, and landscaping.

If determined unsafe, stoves may be replaced. The replacement or repair of other appliances is prohibited. Rehabilitation work performed by property owners shall not be funded under this program.

C. Rehabilitation Standards

Upon rehabilitation, housing deficiencies shall be corrected and the unit shall comply with the New Jersey State Housing Code, N.J.A.C. 5:28. For construction projects that require the issuance of a construction permit pursuant to the Uniform Construction Code, the unit must also comply with the requirements of the Rehabilitation Subcode (N.J.A.C. 5:23-6). In these instances, the more restrictive requirements of the New Jersey State Housing Code or the Rehabilitation Subcode shall apply. For projects that require construction permits, the rehabilitated unit shall be considered complete at the date of final approval pursuant to the Uniform Construction Code.

D. Certification of Standard

All code deficiencies noted in the inspection report must be corrected and rehabilitated units must be in compliance with the standards proscribed in sub-section C above upon issuance of a certificate of completion or occupancy. The licensed inspector must certify any structure repaired in whole or in part with rehabilitation funds to be free of any code violations.

E. Emergency Repairs

A situation relating to a safety and/or health hazard for the occupants would constitute an emergency. A municipal inspector will confirm the need for such work. In emergency cases, the formal solicitation process will not be followed. A minimum of three (3) estimates will be

obtained when possible for the “emergency” work. However, eligibility, as stated in Section I, subsection B, must be determined prior to soliciting estimates. Application for additional non-emergency work may be made in accordance with the procedures outlined in this Operating Manual. The funding for the emergency work and any additional rehabilitation may not exceed the program financing provisions in Section II, sub-section A.

Section IV. Overview of Administrative Procedures

A. Application/Interview

Property owners interested in participating in the housing rehabilitation program may submit preliminary applications to the program staff. Preliminary applications are available at the following locations:

Neptune Town Hall
25 Neptune Blvd, Neptune, NJ 07753
Phone: (732) 988-5200
Office Hours: Monday – Friday 8:00 am to 4:00 pm

Upon request, the program staff will mail a preliminary application to an interested property owner. If after the program staff reviews a preliminary application an owner-occupant appears to be income eligible, a final application will be provided to the homeowner. Upon receipt of the completed final application an interview will be scheduled with the applicant to discuss the final application and the repairs that are needed for the residence.

Applicants for rental rehabilitation funding must provide a list of tenants and the rents paid by each. The program staff will contact the tenants to provide evidence of income eligibility of the occupants of the units.

Applications will be processed in the order they are received; however, if an application is delayed on the part of the homeowner or a third party the administrator may move onto subsequent applications for processing while the delay of the first application is in the process of being resolved. Applications subject to emergency situations may also be handled out of the order of receipt.

B. Income Eligibility and Program Certification

For the households seeking a determination of income eligibility, both owner-occupants and renter-occupants, all wage earners 18 years of age or older in the household must submit appropriate documentation to document the household income, as further described below.

Property owners of both owner-occupied and renter-occupied units must submit the following documentation:

- Copy of the deed to the property.
- Proof that property taxes and water and sewer bills are current.
- Proof of property insurance, including liability, fire and flood insurance where necessary.

The Program Administrator will utilize current income limits and pricing limit calculators as approved by the court or appropriate State agency to determine income eligibility. These may include income limit and pricing limit calculators prepared by the Affordable Housing Professionals of New Jersey or other entity recognized by the State of New Jersey.

If, after review of the income documentation submitted by the applicant the applicant, or tenant in the case of rental units, is determined to be ineligible, the applicant will receive a letter delineating the reasons for the determination of ineligibility. An applicant or tenant may be determined ineligible if the combined income of the household members exceeds a moderate income level for that size household.

The program staff will arrange for a title search or otherwise obtain adequate proof of clear title of all properties entering the program. After the initial interview and the program staff has substantiated that the occupant is income-eligible, and the title search is favorable, the Eligible Certification Form will be completed and signed.

Upon confirmation of income eligibility of the applicant or the applicant's tenants, the program staff will send a letter, including the Eligible Certification Form, to the applicant certifying the applicant's and or tenant's eligibility. Eligibility will remain valid for six months. If the applicant has not signed a contract for rehabilitation within six months of the date of the letter of certifying eligibility, the applicant will be required to reapply for certification.

C. Housing Inspection/Substandard Certification

Once determined eligible, the program staff will arrange for a qualified, licensed, housing/building code inspector to inspect the entire residential property. The licensed inspector will inspect the house, take photographs, and certify that at least one major system is substandard. All required repairs would be identified.

D. Ineligible Properties

If after review of the property documentation submitted and the inspection report and/or work write-up an applicant's property is determined to be ineligible, the program staff will send a letter delineating the reasons for the determination of ineligibility. An applicant's property may be determined ineligible for any one of the following reasons:

- Title search is unfavorable.
- Property does not need sufficient repairs to meet eligibility requirements.
- Real estate taxes are in arrears.
- Proof of property insurance not submitted.
- Property is listed for sale.
- Property is in foreclosure.

Neptune Township may disqualify properties requiring excessive repairs to meet municipal housing standards. The estimated or bid cost of repairs must exceed 50 percent of the estimated after-rehabilitation value of the property for the municipality to exclude the property.

In cases where total debt on the property will exceed the value of the property, such properties shall be reviewed and considered for approval or denial on a case by case basis.

If after review of the property documentation submitted and the inspection report and/or work write-up an applicant's property is determined to be eligible, the inspector will then certify that the dwelling is substandard by completing and signing the Certificate of Substandard Form and submitting this to the program staff.

E. Cost Estimate

The program staff will prepare or cause to be prepared a Work Write-up and Cost Estimate. This estimate will include a breakdown of each major work item by category as well as by location in the house. It will contain information as to the scope and specifics on the materials to be used. A Cost Estimate will be computed and included within the program documentation. The program staff will review the Preliminary Work Write-up with the property owner.

Only required repairs to units occupied by income eligible households will be funded through the housing rehabilitation program. If the property owner desires work not fundable through the program, including work on the non-income qualified owner-occupied unit in a rental rehabilitation project, work on a non-eligible rental unit in a multi-unit building or improvements not covered by the program, such work may be added to the work write-up if the property owner provides funds to be deposited in the municipality's Housing Trust Fund prior to the commencement of the rehabilitation of the property equivalent to *(110 percent or a higher percentage)* of the estimated cost of the elective work. Such deposited funds not expended at the time of the issuance of a certificate of completion/occupancy will be returned to the property owner with accrued interest.

F. Contractor Bidding Negotiations

After the unit and the unit occupant have been certified as eligible, the program staff will provide a list of approved, pre-qualified trade contractors for bidding. The property owner reviews this list and selects a minimum of three and a maximum of four contractors from whom to obtain bids. The program staff will then review these bids and relay a bid summary to the homeowner for review. The lowest responsible trade contractor shall then be selected. If the property owner wishes to use a contractor other than the lowest responsible bidder, the property owner shall pay the difference between the lowest bid price and the bid price of the selected contractor.

Property owners may seek proposals from non-program participating contractors. However, the Township must pre-approve the contractor prior to submitting a bid.

G. Contract Signing/Pre-Construction Conference

Program staff will meet with the property owner to review all bids by the various trades. This review will include a Final Work Write-up and Cost Estimate. The Contractor Agreement will be prepared by the program staff, as well as the Property Rehabilitation Agreement covering all the required terms and conditions.

The program staff will then call a Pre-Construction Conference. Documents to be executed at the Pre-construction Conference include: Contractors Agreement(s), Right of Entry Document, a Restricted Covenant, Mortgage and Mortgage Note. The property owner, program staff representative, and contractor will execute the appropriate documents and copies will be provided as appropriate. A staff member will outline project procedures to which property owner must adhere. A Proceed to Work Order, guaranteeing that the work will commence within fifteen (15) calendar days of the date of the conference and be totally completed within ninety (90) days from the start of work, will be issued to each contractor at this Conference.

H. Progress Inspections

The program staff will make periodic inspections to monitor the progress of property improvements. This is necessary to ensure that the ongoing improvements are in accordance with the scope of work outlined in the work write-up. It is the contractor's responsibility to notify the Building Inspector before closing up walls on plumbing and electrical improvements.

I. Change Orders

If it becomes apparent during the course of construction that additional repairs are necessary or the described repair needs to be amended, the program staff will have the qualified professional(s) inspect the areas in need of repair and prepare a change order describing the work to be done; however, this shall only be done if it is clear that the circumstance was unforeseen. The applicant and the contractor will review the change order with the program staff and agree on a price. Once all parties approve of the change order and agree on the price, they will sign documents amending the contract agreement to include the change order. Additionally, if the applicant is not funding the additional cost, new financing documents will be executed reflecting the increase.

J. Payment Schedule

The contract will permit three progress payments if the project costs less than \$20,000 or four progress payments if the project costs more than \$20,000. For example: A \$22,000 project has four payments of \$5,500 each. First payment is made when the project is one-quarter completed. Second payment is made when the project is one-half completed. Third at three quarters completed. Fourth and final payment upon completion.

The contractor will submit a payment request. The applicant will sign a payment approval if both the applicant and housing / building inspector are satisfied with the work performed. The municipality will then release the payment.

Final payment will be released once all final inspections are made, a Certificate of Occupancy is issued (if applicable) and the program staff receives a Property Owner Sign-off letter.

K. Appeal Process

If an applicant does not approve a payment that the housing/building inspector has approved, the disputed payment will be appealed to the Township Council for a hearing. The Township

Council will decide if the payment shall be released to the contractor or the contractor must complete additional work or correct work completed before the release of the payment. The Township Council's decision will be binding on both the applicant and the contractor.

L. Final Inspection

Upon notification by the contractor that all work is complete and where required a Certificate of Occupancy has been issued, a final inspection shall be conducted and photographs taken. The program staff (or a representative), the property owner, and the necessary contractors shall be present at the final inspection to respond to any final punch list items.

M. Record Restricted Covenant and Mortgage Documentation

Program staff will file the executed Restricted Covenant and Mortgage with the County Clerk.

N. File Closing

After the final payment is made, the applicant's file will be closed by the program staff.

Section V. Procedure for Income-Eligibility Certification

A. Complete a Household Eligibility Determination Form

The program staff shall require each member of an applicant household who is 18 years of age or older to provide documentation to verify their income, pursuant to the Uniform Housing Affordability Controls at N.J.A.C. 5:80-16.1 et seq. (except for the asset test).¹ Income verification documentation should include, but is not limited to the following for each and every member of a household who is 18 years of age or older:

- Four current consecutive pay stubs [including both the check and the stub], including bonuses, overtime or tips, or a letter from the employer stating the present annual income figure or if self-employed, a current Certified Profit & Loss Statement and Balance Sheet.
- Copies of Federal and State income tax returns for each of the preceding three tax years - A Form 1040 Tax Summary for the past three tax years can be requested from the local Internal Revenue Service Center or by calling 1-800-829-1040.
- A letter or appropriate reporting form verifying monthly benefits such as:
 - Social Security or SSI – Current award letter or computer print-out letter
 - Unemployment – verification of Unemployment Benefits

¹ Asset Test – N.J.A.C. 5:80-26.16(b)3 which provides that if an applicant household owns a primary residence with no mortgage on the property valued at or above the regional asset limit as published annually by COAH, a certificate of eligibility shall be denied by the administrative agent, unless the applicant's existing monthly housing costs ...exceed 38 percent of the household's eligible monthly income.

- Welfare -TANF² current award letter
- Disability - Worker's compensation letter or
- Pension income (monthly or annually) – a pension letter
- A letter or appropriate reporting form verifying any other sources of income claimed by the applicant, such as alimony or child support – copy of court order or recent original letters from the court or education scholarship/stipends – current award letter.
- Current reports of savings and checking accounts (bank statements and passbooks) and income reports from banks or other financial institutions holding or managing trust funds, money market accounts, certificates of deposit, stocks or bonds (In brokerage accounts – most recent statements and/or in certificate form – photocopy of certificates).
- Evidence or reports of income from directly held assets, such as real estate or businesses.
- Interest in a corporation or partnership -- Federal tax returns for each of the preceding three tax years.
- Current reports of assets – Market Value Appraisal or Realtor Comparative Market Analysis and Bank/Mortgage Co. Statement indicating Current Mortgage Balance. For rental property attach copies of all leases.

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

Income

1. Wages, salaries, tips, commissions
2. Alimony
3. Regularly scheduled overtime
4. Pensions
5. Social security
6. Unemployment compensation (verify the remaining number of weeks they are eligible to receive)
7. TANF
8. Verified regular child support
9. Disability
10. Net income from business or real estate
11. Interest income from assets such as savings, certificates of deposit, money market accounts, mutual funds, stocks, bonds

²TANF – Temporary Assistance for Needy Families

12. Imputed interest (using a current average annual rate of two percent) from non-income producing assets, such as equity in real estate. Rent from real estate is considered income, after deduction of any mortgage payments, real estate taxes, property owner's insurance.
13. Rent from real estate is considered income
14. Any other forms of regular income reported to the Internal Revenue Service

Not Income

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

To calculate income, the current gross income of the applicant is used to project that income over the next 12 months.

Student Income

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

Income from Real Estate

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

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

B. Records Documenting Household Composition and Circumstances

The following are various records for documenting household information:

- Social Security records or cards. Either individual Social Security card or letter from Social Security Administration
- Adoption papers, or legal documents showing adoption in process
- Income tax return
- Birth Certificate or Passport
- Alien Registration Card

Certify the income eligibility of very low-, low- and moderate-income households by completing the application form. Provide the household with the original and keep a copy in the project files.

C. Appeals

Appeals from all decisions of an Administrative Agent shall be made to the Superior Court, Monmouth County.

Section VI. Contractor Related Procedures

A. Contractor Selection

Contractors must apply to the program staff to be placed on the pre-approved contractors list. Contractors seeking inclusion on the list must submit references from at least three recent general contracting jobs. Contractors also must submit documentation proving financial stability. Contractors must carry workmen's compensation coverage and liability insurance of at least \$100,000/\$300,000 for bodily injury or death and \$50,000 for property damage. Only licensed tradesmen will be permitted to perform specialty work such as plumbing, heating and electrical. Copies of current licenses for each trade involved in the project will be required to be submitted and retained in the project file.

Contractors shall also be required to conduct lead safe work practices. Contractors shall provide a current Lead Renovators License with proof of Registration with the EPA.

B. Number of Proposals Required

The property owner will select a minimum of three general contractors from a list of pre-approved contractors. Property owners may not select contractors who do not appear on the list.³ The approved work write-up will be submitted to the selected contractors by the program staff. Contractors must visit the property and submit bids within 14 days. The contract will be

³The program may permit a property owner to seek proposals from non-program participating contractors. However, the municipality must pre-approve the contractor prior to submitting a bid.

awarded to the lowest bidder⁴, provided that the housing/building inspector or the professional who drafted the work write-up certify that the work can be completed at the price bid and that the bid is reasonably close to the cost estimate. Bids must fall within 10 percent of the cost estimate.

C. Contractor Requirements

Upon notification of selection, the contractor shall submit all required insurance certification to the program staff. A contract signing conference will be called by the program staff to be attended by the property owner and contractor. All building permits are required to be obtained prior to contract/agreement execution. At the time of contract/agreement execution the contractor shall sign a Certification of Work Schedule prepared by the program staff.

Section VII. Maintenance of Records and Client Files

A. Files To Be Maintained on Every Applicant

The program staff will maintain files on every applicant. All files will contain a preliminary application. If an applicant's preliminary application is approved, and the applicant files a formal application, the file will contain at a minimum:

- Application Form
- Tenant Information Form (Rental Units Only)
- Income Verification
- Letter of Certification of Eligibility or Letter of Determination of Ineligibility

B. Files of applicants approved for the program will also contain the following additional documentation:

- Housing Inspection Report
- Photographs - Before
- Certification of Property Eligibility or Determination of Ineligibility
- Proof of Homeowners Insurance
- Copy of Deed to Property

C. For properties determined eligible for the program where the applicants choose to continue in the program, the files shall contain the following:

- Work Write-Up/Cost Estimate
- Copies of Bids
- Applicant/Contractor Contract Agreement

⁴If the property owner wishes to use a contractor other than the lowest responsible bidder, the property owner shall pay the difference between the lowest bid price and the bid price of the selected contractor.

- Recorded Mortgage/Lien Documents
- Copies of All Required Permits
- Contractor Requests for Progress Payments
- Progress Payment Inspection Reports
- Progress Payment Vouchers
- Change Orders (If needed)
- Final Inspection Report
- Photographs - After
- Certification of Completion
- Certification of Release of Contractor's Bond

Individual files will be maintained throughout the process.

D. Rehabilitation Log

A rehabilitation log will be maintained by the program staff that depicts the status of all applications in progress.

E. Monitoring

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

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

Section VIII. Program Marketing

The municipality will conduct a public meeting announcing the implementation of the housing rehabilitation program. For the term of the program, the municipality may include flyers once a year with the tax bills, water bills or other regular municipal mailing to all property owners. Program information will be available at the municipal building, library, and senior center and on the municipal website. Posters regarding the program may be placed in retail businesses throughout the municipality.

Prior to commencement of the program and periodically thereafter, the municipality will hold informational meetings on the program to all interested contractors. Each contractor will have the opportunity to apply for inclusion of the municipal contractor list.

Section IX. Rental Procedures

Rental units are subject to the Uniform Housing Affordability Controls (UHAC) at N.J.A.C. 5-80:26.1 et. seq. once the rental units are rehabilitated.

A. Fair Housing and Equal Housing Opportunities



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

For more information on discrimination or if anyone feels they are a victim of discrimination, please contact the New Jersey Division on Civil Rights at 1-866-405-3050 or <http://www.state.nj.us/lps/dcr/index.html>.

B. Overview of the Affordable Housing Administration Process for Rental Units

- The Municipal Housing Liaison serves as an initial point of contact for unsolicited calls to the municipality about affordable housing and to appropriately direct applicants to CME Associates, the Administrative Agent.
- The Administrative Agent implements the Township's Affirmative Marketing Plan.
- The Administrative Agent serves as the initial point of contact for all inquiries generated by the affirmative marketing efforts and sends out pre-applications to interested callers.
- The Administrative Agent will accept these returned pre-applications for a specific period of time, for example, 30 days. At the end of this time period these applications will be randomly selected, through a lottery, to create a pool of applicants.
- The Administrative Agent pre-qualifies applicants in the applicant pool for income eligibility and sends either a rejection letter to those over income or a preliminary approval letter to those who appear income-eligible.
- When a unit becomes available, the Administrative Agent will interview the applicant households and proceed with the income qualification process.
- The Administrative Agent must notify applicant households in writing of certification or denial within 20 days of the determination.
- Once certified, households are further screened to match household size to bedroom size.

- Certified households that are approved for a rental affordable housing unit will sign all applicable documents, which shall be held in the applicant file. Applicants then make an appointment with the leasing agent. Applicant households seeking rental units proceed with a credit check, which is generally conducted by the developer, affordable housing sponsor or landlord. If approved, the applicant will sign the lease, pay the first month's rent and the security deposit and receive the keys.
- The certified household moves in to the affordable rental unit.

C. Roles and Responsibilities

Responsibilities of the Municipal Housing Liaison

The Municipal Housing Liaison is responsible for coordinating all the activities of the municipal government as it relates to the creation and administration of affordable housing units, in conjunction with the Municipal Attorney, where appropriate (see the section **Responsibilities of the Municipal Attorney**). The primary purpose of the Municipal Housing Liaison is to ensure that all affordable housing projects are established and administered according to the Regulations as outlined in an Operating Manual. The duties of the Municipal Housing Liaison include the following duties, and may include the responsibilities for providing administrative services as described in the next Section under, Responsibilities of an Administrative Agent.

Monitor the status of all restricted units in the municipality's Fair Share Plan. Regardless of any arrangements the municipality may have with one or more Administrative Agents, it is the Municipal Housing Liaison's responsibility to know the status of all restricted units in the community.

Serve as the municipality's primary point of contact for all inquiries from the State, Administrative Agents, developers, affordable housing sponsors, owners, property managers, and interested households. The Municipal Housing Liaison serves as the municipality's primary point of contact on affordable housing issues. Interested applicants should be provided with information on the types of affordable units within the municipality and, where applicable, the name of the Administrative Agent that manages the units and the contact information for the Administrative Agent.

Compile, verify and submit annual reporting. Administrative Agents are responsible for collecting much of the data that is ultimately included in an annual DCA monitoring report. However, it is the Municipal Housing Liaison's responsibility to collect and verify this data and consolidate it into the annual report to DCA. Any requests from DCA for additional information or corrections will be directed to the Municipal Housing Liaison.

Provide Administrative Services, unless those services are contracted out. The responsibilities for providing administrative services are described in the next Section under, Responsibilities of an Administrative Agent.

Responsibilities of an Administrative Agent

The primary responsibility of an Administrative Agent is to establish and enforce affordability controls and ensure that units in their portfolio are rented to eligible households. Administrative Agents must:

Secure written acknowledgement from all owners that no restricted unit can be offered or in any other way committed to any person other than a household duly certified by the Administrative Agent.

Create and adhere to an Operating Manual. Administrative Agents are required to follow the policies and procedures of an Operating Manual, as applicable to the scope of services they have been contracted to perform.

Implement the municipality's Affirmative Marketing Plan. The Administrative Agent, CME Associates, is responsible for implementing the Affirmative Marketing Plan adopted by the Township. At the first meeting with the Municipal Housing Liaison, Administrative Agent, and the developer, affordable housing sponsor or owner this responsibility should be discussed. Advertising costs may also be delegated to the developer, but this must be established by ordinance and a condition of approval of the Planning Board or Zoning Board.

Accept applications from interested households. In response to marketing initiatives or by referral from the Municipal Housing Liaison, interested households will contact the Administrative Agent. The Administrative Agent will supply applicants with applications, provide additional information on available units and accept completed applications.

Conduct random selection of applicants for rental of restricted units. The Administrative Agent is responsible for conducting the random selection in accordance with the Affirmative Marketing Plan and any related local ordinances, and as described in the Operating Manual.

Create and maintain a pool of applicant households. This includes reaching out to households in the applicant pool to determine continued interest and/or changes in household size and income.

Determine eligibility of households. The task of collecting application materials and documentation from applicant households and analyzing it for eligibility is the responsibility of an Administrative Agent. A written determination on a household's eligibility must be provided within twenty (20) days of the Agent's determination of eligibility or non-eligibility. Whether or not the household is determined to be eligible for a unit, it is an Administrative Agent's responsibility to secure all information provided by the household in individual files and to maintain strict confidentiality of all information regarding that household. An Administrative Agent is required to ensure that all certified applicants execute a certificate acknowledging the rights and requirements of renting an affordable unit, in the form of Appendix K of UHAC.

Establish and maintain effective communication with property managers and landlords. Property managers and landlords of restricted units should be instructed and regularly reminded

that the Administrative Agent is their primary point of contact. The Administrative Agent must immediately inform all property managers and landlords of any changes to the Administrative Agent's contact information or business hours.

Property managers and landlords shall immediately contact the Administrative Agent:

- Upon learning that an affordable rental unit will be vacated.
- For review and approval of annual rental increases.

Provide annual notification of maximum rents. Each year when the Administrative Agent releases the updated calculations of very low-, low- and moderate-income limits and calculates permissible rent increases, landlords and tenants must be notified of the new maximum rent that may be charged for each unit. The Administrative Agent's contact information must be included on such notification in case the tenant believes he/she is being overcharged.

Serve as the custodian of all legal documents. An Administrative Agent is responsible for maintaining original of all legal instruments for the units in their portfolio. Throughout the duration of a control period, an Administrative Agent must maintain a file containing its affordability control documents. This includes, but is not limited to, the recorded Declarations of Covenants, Conditions and Restrictions, Deed Restrictions, Deeds, Repayment Mortgages, Repayment Mortgage Notes, Leases and Rental Certifications.

Serve as point of contact on all matters relating to affordability controls. It is recommended that the Administrative Agent develop a system to be notified by lenders when a unit is at risk of foreclosure. In the event of a foreclosure, the Administrative Agent should work with the foreclosing institution to ensure that the affordability controls are maintained. The Administrative Agent should seek the counsel of the municipality's attorney on legal matters that threaten the durability of the affordability controls.

Provide annual activity reports to Municipal Housing Liaison for use in annual monitoring and reporting of Trust Fund expenditures. An Administrative Agent is responsible for collecting the reporting data on each unit in their portfolio.

Maintain and distribute information on HUD-approved Housing Counseling Programs.

Responsibilities of the Municipal Attorney

The Municipal Attorney assists the municipality with developing, administering, and enforcing affordability controls, including but not limited to providing all reasonable and necessary assistance in support of the Administrative Agent's efforts to ensure compliance with the housing affordability controls.

Responsibilities of Owners of Rental Units

Open and direct communication between the Owners of rental units, the Municipal Housing Liaison, and the Administrative Agent is essential to ongoing administration of affordability

controls. Although the Administrative Agent is required to serve as the primary point of contact with households, the Owner must provide the Municipal Housing Liaison and Administrative Agent with information on vacancies. Owners of rental units are also responsible for working with the Administrative Agent to ensure that the Municipal Housing Liaison has all necessary information to complete the annual DCA reporting.

Responsibilities of Landlords and Property Managers

Landlords and property managers must place a notice in all rental properties annually informing tenants of the permitted rent increase for the year and the contact information for the Administrative Agent.

Affirmative Marketing

Overview of the Requirements of an Affirmative Marketing Plan

All affordable units are required to be affirmatively marketed using Neptune Township's Affirmative Marketing Plan. Neptune Township's Affirmative Marketing Plan can be found under separate cover on file at Town Hall or with the Administrative Agent, CME Associates.

Implementation of the Affirmative Marketing Plan

The affirmative marketing process for affordable units shall begin at least four months prior to expected occupancy date of a rehabilitated rental unit that is going to be re-rented. In implementing the marketing program, the Administrative Agent, CME Associates, shall undertake all of the strategies outlined in the Neptune Township's Affirmative Marketing Plan. Advertising and outreach shall take place during the first week of the marketing program and each month thereafter until the unit has been re-rented. Applications for affordable housing shall be available in several locations in accordance with the Affirmative Marketing Plan. The time period when applications will be accepted will be posted with the applications. Applications shall be mailed to prospective applicants upon request. An applicant pool will be maintained by the Administrative Agent for re-rentals. When a re-rental affordable unit becomes available, applicants will be selected from the applicant pool and, if necessary, the unit will be affirmatively marketed as described above.

Initial Randomization

Applicants are selected at random before income-eligibility is determined, regardless of household size or desired number of bedrooms. The process is as follows:

After advertising is implemented, applications are accepted for up to 30 days. Applicants will be asked where they learned of the housing opportunity. The Administrative Agent will pre-qualify applicants as soon as applications are received, and only place preliminary income-eligible applications in the lottery, provided that applicants are notified in writing of eligibility and non-eligibility in advance of the lottery.

At the end of the period, sealed applications are selected one-by-one through a lottery (unless fewer applications are received than the number of available units, then all eligible households will be placed in a unit).

Households are informed of the date, time and location of the lottery and invited to attend.

An applicant pool is created by listing applicants in the order selected.

Applications are reviewed for income-eligibility. Ineligible households are informed that they are being removed from the applicant pool or given the opportunity to correct and/or update income and household information.

Eligible households are matched to available units based upon the number of bedrooms needed (and any other special requirements, such as the need for an accessible unit).

For future re-rentals the Administrative Agent may keep the applicant pool open after the initial lottery and add names to the existing list based on time and date of submission if additional affordable rental units are anticipated to become available within the next 4 months. This procedure may only be followed if the Administrative Agent engages in ongoing monthly affirmative marketing efforts according to the approved Affirmative Marketing Plan to ensure outreach to the housing region.

Randomization after Certification

Random selection is conducted when a unit is available, and only certified households seeking the type and bedroom size of the available unit are placed in the lottery. The process is as follows:

After advertising is implemented, applications are accepted for 30 days.

All applications are reviewed and households are either certified or informed of non-eligibility. (The certification is valid for 180 days, and may be renewed by updating income-verification information.)

Eligible households are placed in applicant pools based upon the number of bedrooms needed (and any other special requirements, such as the need for an accessible unit)

When a unit is available, only the certified households in need of that type of unit are selected for a lottery.

Households are informed of the date, time, and location of the lottery and invited to attend.

After the lottery is conducted, the first household selected is given 5 *business* days to express interest or disinterest in the unit. (If the first household is not interested in the unit, this process continues until a certified household selects the unit.)

Applications are accepted on an ongoing basis if additional rental units are expected to become available within the next 4 months, certified households are added to the pool for the appropriate household income and size categories, and advertising and outreach is ongoing, according to the Affirmative Marketing Plan.

Matching Households To Available Units

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 implement the following policies:

- Provide an occupant for each unit bedroom;
- Provide children of different sex with separate bedrooms;
- Prevent more than two persons from occupying a single bedroom;
- Require that all the bedrooms be used as bedrooms; and
- Require that a couple requesting a two-bedroom unit provide a doctor's note justifying such request.

The Administrative Agent cannot require an applicant household to take an affordable unit with a greater number of bedrooms, as long as overcrowding is not a factor. A household can be eligible for more than one unit category, and should be placed in the applicant pool for all categories for which it is eligible.

Maximum Monthly Payments

The percentage of funds that a household can contribute toward housing expenses is limited. However, an applicant may qualify for an exception based on the household's current housing cost (see below). The Administrative Agent will strive to place an applicant in a unit with a monthly housing cost equal to or less than the applicant's current housing cost.

UHAC states that a certified household is not permitted to lease a restricted rental unit that would require more than 35 percent of the verified household income (40 percent for age-restricted units) to pay rent and utilities. However, at the discretion of the Administrative Agent, this limit may be exceeded if:

- The household currently pays more than 35 percent (40 percent for households eligible for age-restricted units) of its gross household income for rent and the proposed rent will reduce the household's housing costs;
- The household has consistently paid more than 35 percent (40 percent for households eligible for age-restricted units) of eligible monthly income for rent in the past and has proven its ability to pay;
- The household is currently in substandard or overcrowded living conditions;

- The household documents the existence of assets, with which the household proposes to supplement the rent payments; or
- 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; and
- The household receives budget counseling.

Housing Counseling

The Administrative Agent is responsible for or providing referrals for counseling, as a part of the Affirmative Marketing Plan and during the application process. Although housing counseling is recommended, a household is only required to attend counseling if their monthly housing expense exceeds UHAC standards. A HUD-approved housing counseling agency, or a counseling agency approved by the NJ Department of Banking and Insurance, meets UHAC's requirements for an experienced Housing Counseling Agency. The Agent will make referrals to one of the HUD-approved housing counseling agencies in New Jersey. This counseling to very low-, low- and moderate-income housing applicants will focus on subjects such as budgeting, credit issues, and mortgage qualification, and is free of charge. A list of non-profit counselors approved by HUD and/or the New Jersey Department of Banking and Insurance is included in the Affirmative Marketing Plan and is available from the Administrative Agent.

The Applicant Interview

Ideally, the prospective applicant will be available to meet with the Administrative Agent to review the certification and random selection processes in detail and ask any questions they may have about the project or the process. However, scheduling time off from work may prove burdensome to the applicant. Applicants may also have mobility issues or special needs that also pose an obstacle to an interview. Therefore, the Administrative Agent is prepared to complete the certification process via telephone and mail. If an interview is to be conducted, the Administrative Agent will attempt to achieve the following objectives:

- Confirm and update all information provided on the application.
- Explain program requirements, procedures used to verify information, and penalties for providing false information. Ask the head of household, co-head, spouse and household members over age 18 to sign the Authorization for Release of Information forms and other verification requests.
- Review the applicant's identification and financial information and documentation, ask any questions to clarify information on the application, and obtain any additional information needed to verify the household's income.
- Make sure the applicant has reported all sources for earned and benefit income and assets (including assets disposed of for less than fair market value in the past two years). Require the applicant to give a written certification as to whether any household member

did or did not dispose of any assets for less than fair market value during the past two years.

Determining Affordable Rents and Rent Increases

In establishing rents of re-rented rehabilitated units, the Administrative Agent shall follow the procedures set forth in UHAC, utilizing the most recently published regional weighted average of the uncapped Section 8 income limits published by the Department of Housing and Urban Development ("HUD") and using the calculation procedures approved by the Court as set forth below. The income limits shall be updated by the Administrative Agent annually within 30 days of the publication of HUD's determination of median family income for a family of four for that year as follows:

1. Regional income limits shall be established for the region that the Township is located within based on the median income by household size, which shall be established by a regional weighted average of the uncapped Section 8 income limits published by HUD. To compute this regional income limit, the HUD determination of median county income for a family of four is multiplied by the estimated households within the county according to the most recent decennial Census. The resulting product for each county within the housing region is summed. The sum is divided by the estimated total households from the most recent decennial Census in the Township's housing region. This quotient represents the regional weighted average of median income for a household of four. The income limit for a moderate-income unit for a household of four shall be 80 percent of the regional weighted average median income for a family of four. The income limit for a low-income unit for a household of four shall be 50 percent of the HUD determination of the regional weighted average median income for a family of four. The income limit for a very low-income unit for a household of four shall be 30 percent of the regional weighted average median income for a family of four. These income limits shall be adjusted by household size based on multipliers used by HUD to adjust median income by household size. In no event shall the income limits be less than those for the previous year. Regional Income Limits provided by AHPNJ, the State of New Jersey or such other entity recognized by the State of New Jersey as the designated entity to provide the Regional Income Limits, may be utilized to fulfill the purpose of this paragraph.
2. The income limits are the result of applying the percentages in paragraph 1 above to HUD's determination of median income for the fiscal year.
3. The Regional Asset Limit used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.16(b)(3) shall be calculated by the Township annually by taking the percentage increase of the income limits as noted within paragraph 1 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.
4. In establishing rents of rehabilitated affordable housing units, the Township's administrative agent shall follow the procedures set forth in UHAC, utilizing the regional income limits established pursuant to the process defined above. 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.

The maximum rent for any restricted rental unit shall be affordable to a household earning no more than 60 percent of the median income, and the average rent for all restricted rental units in a single project shall be affordable to households earning no more than 52 percent of median income.

In buildings or for units that are vacant at the time of the rehabilitation, the Administrative Agent shall establish the initial affordable rent levels for the rehabilitated units. At least 50 percent of the affordable units and at least 50 percent of the affordable units within each bedroom distribution (unit size) must be low-income units. The remainder of the affordable units shall be moderate income units. At least 13 percent of all affordable rental units must be very low-income units, affordable to households earning no more than 30 percent of the regional median income, which very low-income units shall be included as part of the low-income requirement. The initial rents of rehabilitated rental units in buildings that are vacant at the time of the rehabilitation shall be structured such that there is at least one rent for each size unit (bedroom distribution) among the low-income units and one rent for each size unit (bedroom distribution) among the moderate-income units.

In determining the initial rent level for a deed-restricted rehabilitated unit, the following standards shall be used:

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

The initial rent for a restricted rehabilitated rental unit shall be calculated so as not to exceed 30 percent of the eligible monthly income of the appropriate size household, including an allowance for tenant paid utilities, as determined under N.J.A.C. 5:80-26.4, as may be amended and supplemented; provided, however, that in buildings containing multiple qualified rental units, 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. Once an affordability level (very low, low or moderate) has been established for a particular unit based upon the income of the qualifying tenant household at the time of the rehabilitation, the unit shall be deed-restricted at that affordability level, and all subsequent tenant households shall be within the same income range (very low, low or moderate) for the duration of the affordability controls on the restricted unit.

Rehabilitation Program Audit Checklist

	UP-TO-DATE OPERATING MANUAL	Comments
<input type="checkbox"/>	Income Limits	
<input type="checkbox"/>	List of Pre-Qualified Contractors	
<input type="checkbox"/>	Sample Forms and Letters	
	MAINTENANCE OF RECORDS	
	Files To Be Maintained on Every Applicant	
<input type="checkbox"/>	Preliminary Application	
<input type="checkbox"/>	Application Form	
<input type="checkbox"/>	Income Verification	
<input type="checkbox"/>	Letter of Certification of Eligibility or	
<input type="checkbox"/>	Letter of Determination of Ineligibility.	
	Files to be Maintained on Every Property	
<input type="checkbox"/>	Housing Inspection Report.	
<input type="checkbox"/>	Photographs – Before Certification of Property	
<input type="checkbox"/>	Homeowner’s Insurance	
<input type="checkbox"/>	Property Deed	
<input type="checkbox"/>	Eligibility or Determination of Ineligibility	
<input type="checkbox"/>	Work Write-Up/Cost Estimate.	
<input type="checkbox"/>	Applicant/Contractor Contract Agreement.	
<input type="checkbox"/>	Mortgage/Lien Documents.	
<input type="checkbox"/>	Copies of All Required Permits.	
<input type="checkbox"/>	Contractor Requests for Progress Payments.	
<input type="checkbox"/>	Progress Payment Inspection Reports.	
<input type="checkbox"/>	Progress Payment Vouchers.	
<input type="checkbox"/>	Change Orders (If Needed).	
<input type="checkbox"/>	Final Inspection Report.	
<input type="checkbox"/>	Photographs - After	
<input type="checkbox"/>	Certification of Completion.	
<input type="checkbox"/>	Certification of Release of Contractor’s Bond.	
<input type="checkbox"/>	Rehabilitation Log	
	MONITORING INFORMATION	
<input type="checkbox"/>	Complete Monitoring Reporting Forms	
	PROGRAM MARKETING	
<input type="checkbox"/>	Annual Public Hearing Notice on Program	
<input type="checkbox"/>	Program Flyer	
<input type="checkbox"/>	Program Brochure	
<input type="checkbox"/>	Flyer mailed Annually to All Property Owners	
<input type="checkbox"/>	Program information available in municipal building, library and senior center.	
<input type="checkbox"/>	Program information posted on municipal website.	
<input type="checkbox"/>	Program posters placed in retail businesses throughout the municipality.	

**Rehabilitation Program Audit Checklist
For Rental Units**

<input type="checkbox"/>	UP-TO-DATE OPERATING MANUAL	Comments
<input type="checkbox"/>	Income Limits	
<input type="checkbox"/>	Sample Forms and Letters	
AFFIRMATIVE MARKETING		
<input type="checkbox"/>	Copies of Ads	
<input type="checkbox"/>	Copies of PSA Requests	
<input type="checkbox"/>	Copies of Marketing Requests	
RANDOM SELECTION		
<input type="checkbox"/>	Log of Applications Received	
<input type="checkbox"/>	Log of Random Selection Results	
<input type="checkbox"/>	Database of Referrals	
MAINTENANCE OF RECORDS		
Files To Be Maintained on Every Applicant		
<input type="checkbox"/>	Preliminary Application.	
<input type="checkbox"/>	Application Form.	
<input type="checkbox"/>	Tenant Information Form	
<input type="checkbox"/>	Income Verification	
<input type="checkbox"/>	Letter of Certification of Eligibility or	
<input type="checkbox"/>	Letter of Determination of Ineligibility	
Files To Be Maintained on Every Rental Unit		
<input type="checkbox"/>	Base rent	
<input type="checkbox"/>	Identification as very low-, low- or moderate-income	
<input type="checkbox"/>	Description of number of bedrooms and physical layout	
<input type="checkbox"/>	Floor plan	
<input type="checkbox"/>	Application materials, verifications and certifications of	
<input type="checkbox"/>	all present tenants, pertinent correspondence	
<input type="checkbox"/>	Copy of lease	
<input type="checkbox"/>	Appendix K	
Files To Be Maintained on Every Property		
	Deed	

Appendix K: Operating Manual for Sale Units

NEPTUNE TOWNSHIP AFFORDABILITY
ASSISTANCE PROGRAMS

*(For Qualifying Households in Deed Restricted and Market Rate Housing within the
Township)*

NEPTUNE TOWNSHIP FOR-SALE UNIT AFFORDABILITY AND
RENTAL UNIT AFFORDABILITY ASSISTANCE PROGRAMS

I. FOR-SALE UNIT AFFORDABILITY ASSISTANCE PROGRAM

1. Down Payment Loan Program

The Township may offer a Down Payment Assistance Loan program to eligible buyers of households earning 80% or less of Area Median Income (AMI) of the housing region. To be eligible for the loan, the qualified Buyer must be able to supply 3% of the down payment with the Buyer's own funds, plus additional closing costs that exceed the amount of the loan. No gifts or other loans may be used to fund the 3% down payment amount but may be used to fund additional closing costs. The loan amount may be made up to ten percent (10%) of the purchase price.

The Township must approve the Buyer's qualifications and need for the loan. The loan has no prepayment penalty. It is due and payable when the Buyer resells, borrows against the property or refinances the First Purchase Money Mortgage. The loan may be subordinated only to the First Purchase Money Mortgage. When calculating the borrowing capacity of the homeowner and the equity in the property, this loan must be included. The Buyer must sign a Mortgage, Mortgage Note and Repayment Agreement with the Neptune Township.

2. Payment of Closing Costs

Eligible buyers may receive payment of closing costs, i.e., title work and policy, reasonable attorney's fees for closing of title, preparation of survey, homeowners insurance, recording fees and other necessary closing expenses to third parties, not to exceed one thousand five hundred dollars (\$1,500) per household. This assistance shall be in the form of a grant. Total buyer assistance grants, which include Payment of Closing Costs and Payment of Lender Fees, shall not exceed three thousand dollars (\$3,000) per unit. The buyer will execute documents required to secure payment to the Neptune Township.

3. Payment of Lender Fees

Eligible Buyers may receive payment of lender fees, i.e., mortgage points, application fees, appraisal fees, bank attorney review fees, and necessary mortgage closing expenses, not to exceed one thousand five hundred dollars (\$1,500) per unit. This assistance shall be in the form of a grant. Total buyer assistance grants, which include Payment of Closing Costs and Payment of Lender Fees, shall not exceed three thousand dollars (\$3,000) per unit.

4. Administration

Neptune's Affordability Assistance Programs will be managed by the Administrative Agent. The availability of the program shall be advertised continually on the Neptune's website. The following administrative process is applied to the For-Sale Unit Affordability Assistance Program:

- a. The Buyer contacts the Administrative Agent to confirm that he/she wants to receive Down Payment Assistance.

- b. The Buyer must complete an application and provide required documentation for the Administrative Agent to verify that he/she is qualified for Affordable Housing in the Neptune Township.
- c. The Buyer must produce an exact copy of a signed Real Estate Contract for an affordable housing unit in Neptune, which indicates clearly the full amount of the purchase price. Buyer must provide the Administrative Agent with the full name, address, phone number, and fax number of the Buyer's Attorney or Settlement Agent so that the Attorney or Settlement Agent can review and approve any and all documents required for the loan.
- d. The Administrative Agent contacts the Realtor or Developer for confirmation of the sale of the unit, and the Attorney handling the sale for the Developer at closing.
- e. The amount of the Down Payment Assistance loan is verified (not to exceed ten percent of the Purchase Price) so that a Mortgage Note, Mortgage and Repayment Agreement can be prepared by the Administrative Agent.
- f. The amount of the Down Payment Assistance loan must be disclosed to the Lender, so that the Lender can accurately prepare the First Mortgage documents. The Buyer must give a copy of the First Mortgage Commitment to the Administrative Agent upon receipt of same, so that the Lender can receive full information about the Down Payment Assistance Loan, which shall constitute a Second Mortgage on the premises. The Lender must approve the secondary financing. The Neptune Township Affordable Housing Attorney will contact the Lender once the Affordable Housing Attorney has a copy of the First Mortgage Commitment.
- g. The Township Finance Department will generate the necessary forms and obtain Township Council approval for it to issue an Affordable Housing Trust Fund check payable to the Seller's Attorney or Settlement Agent, so that the Down Payment Assistance check can be deposited into the Seller's Attorney Trust Account or Settlement Agent Trust Account pending Closing of Title. The letter and check to the Seller's Attorney or Settlement Agent shall state that the deposit money must be returned to the Township if the closing is canceled, or if the sale is declared null and void. If there is a Closing of Title, the Down Payment Assistance money shall be released to the Seller. This money shall be shown on the Closing Statement as a deposit, with credit given at closing to the Buyer. The Buyer must fully execute the Mortgage Note, Mortgage, and Repayment Agreement at the Closing of Title before any money is released.
- h. The Seller's Attorney or Settlement Agent shall verify that the Mortgage Note, Mortgage, and Repayment Agreement have been properly executed, and shall file the original Mortgage with the County Clerk to protect the Township's Second Mortgage on the property and return the Filed Mortgage to Affordable Housing Attorney along with the original Mortgage Note and Repayment Agreement.

II. RENTAL UNIT AFFORDABILITY ASSISTANCE PROGRAM

1. Rental Assistance

Neptune Township may offer a Rental Assistance Program that is managed by the Administrative Agent. Eligible recipients of the program are Very-Low, Low- or Moderate-income renters earning 80% or less of Area Median Income (AMI) of the housing region who are renting a market-rate unit or Affordable Unit and not receiving any additional rental subsidies. The following assistance is available to eligible very-low, low- and moderate-income households:

- a. Payment of "moving expenses" based upon verified receipts, in an amount not to exceed five hundred dollars (\$500) per household. Moving expenses will be paid to the tenant as a reimbursement upon the tenant's submission of a paid invoice or receipt for moving expenses.
- b. Rental security deposits shall be paid directly to the landlord and are to be returned to the Township's Affordable Housing Trust Fund upon termination of tenancy. Rental security deposits shall not exceed one thousand five hundred dollars (\$1,500). This one-time assistance is available to renters of Affordable Housing as well as market-rate units.
- c. Rental subsidies for tenants of Affordable units will be available on a case-by-case basis via temporary crisis grants for those facing eviction who will have the means to afterward maintain the housing. Assistance will be based upon size of household and number of bedrooms in apartment, which subsidies shall be limited to a time period of one (1) year per household:

# of Bedrooms	Eligible Household	Subsidy Amount
1 Bedroom	Low & Very-Low	\$55 per month
1 Bedroom	Moderate	\$100 per month
2 Bedrooms	Low & Very-Low	\$100 per month
2 Bedrooms	Moderate	\$200 per month
3 Bedrooms	Low & Very-Low	\$150 per month
3 Bedrooms	Moderate	\$250 per month

- d. Rental subsidies for market-rate units will be available based upon the household income, size of household and number of bedrooms in the apartment. Subsidies shall be limited to a time period of one (1) year per household, but may be extended beyond one (1) year if affordable housing trust funds are available through the Neptune Township:

# of Bedrooms	Eligible Household	Subsidy Amount
1 Bedroom	Very-Low, Low or Moderate	\$75 per month
2 Bedrooms	Very-Low, Low or Moderate	\$125 per month
3 Bedrooms	Very-Low, Low or Moderate	\$175 per month

- e. Rental assistance does not need to be repaid by the tenant. The amount of the rental supplement will be calculated initially based on the tenant's actual income and the amount of the market-rate rental to help bring the total shelter costs down to 30% of the total household income or lower, if warranted by the particular household circumstances. If the tenant wishes to renew the lease, he/she must be able to afford the unit without additional rental assistance from the

Township. If he/she cannot afford the rent, he/she must be re-income qualified and the rental supplement will be recalculated ONLY IF affordable housing trust funds are available. If the tenant no longer qualifies for the rental assistance, he/she may renew the lease and stay in the unit, but will no longer receive rental assistance from this program.

- f. Tenants utilizing the rental assistance program may not concurrently receive rental subsidies from any other programs. In the event that the tenant obtains an additional subsidy after program certification, the tenant must notify the Administrative Agent in writing. If the tenant does not notify the Administrative Agent they risk having an overpayment that they must repay to the Neptune Township and/or ineligibility for future Township programs.

2. Administration

- a. Neptune's Rental Unit Affordability Assistance Program will be administered by the Administrative Agent. The availability of the program shall be advertised continually on the Township's website. The Buyer must complete an application and provide required documentation for the Administrative Agent to verify that he/she is qualified for Affordable Housing in the Neptune Township pursuant to the Uniform Housing Affordability Controls.
- b. For qualified and approved payment of moving expense, Neptune Township will generate a check that is made out to the applicant. Once the check is produced, the Township.
- c. The affordability assistance recipient will sign a contract with the Neptune Township which states, at a minimum: the amount of funds granted, interest information, procedures, duration and conditions of affordability assistance, and repayment information if required.
- d. The availability of any Affordability Assistance Programs must be noticed to all tenants of affordable units within Neptune and provided to all Administrative Agents of affordable units within Neptune and advertised on the Township's website.
- e. An eligible occupant or applicant for an affordable unit within the Township may not be denied participation in the Affordability Assistance Program(s) unless funding is no longer available.

Appendix L: Affirmative Marketing Plan

AFFIRMATIVE FAIR HOUSING MARKETING PLAN
For Affordable Housing in (REGION 4)

I. APPLICANT AND PROJECT INFORMATION

(Complete Section I individually for all developments or programs within the municipality.)

Ia. Administrative Agent Name, Address, Phone Number		Ib. Development or Program Name, Address	
Ic. Number of Affordable Units: Number of Rental Units: Number of For-Sale Units:	Id. Price or Rental Range From To	Ie. State and Federal Funding Sources (if any)	
If. <input type="checkbox"/> Age Restricted <input type="checkbox"/> Non-Age Restricted	Ig. Approximate Starting Dates Advertising: Occupancy:		
Ih. County Mercer, Monmouth, Ocean		Ii. Census Tract(s):	
Ij. Managing/Sales Agent's Name, Address, Phone Number			
Ik. 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

2. Describe the random selection process that will be used once applications are received.
--

III. MARKETING

3a. Direction of Marketing Activity: (indicate which group(s) in the housing region are least likely to apply for the housing without special outreach efforts because of its location and other factors)

White (non-Hispanic)
 Black (non-Hispanic)
 Hispanic
 American Indian or Alaskan Native
 Asian or Pacific Islander
 Other group:

3b. HOUSING RESOURCE CENTER (www.njhousing.gov) A free, online listing of affordable housing

3c. Commercial Media (required) (Check all that applies)

	DURATION & FREQUENCY OF OUTREACH	NAMES OF REGIONAL NEWSPAPER(S)	CIRCULATION AREA
TARGETS PARTIAL HOUSING REGION 4			
Daily Newspaper			
<input type="checkbox"/>		Trenton Times	Mercer
<input type="checkbox"/>		Trentonian	Mercer
<input type="checkbox"/>		Asbury Park Press	Monmouth, Ocean
<input type="checkbox"/>		Ocean County Observer	Ocean
Weekly Newspaper			
<input type="checkbox"/>		Ewing Observer	Mercer
<input type="checkbox"/>		Hopewell Valley News	Mercer
<input type="checkbox"/>		Lawrence Ledger	Mercer
<input type="checkbox"/>		Pennington Post	Mercer
<input type="checkbox"/>		Princeton Town Topics	Mercer
<input type="checkbox"/>		Tempo Mercer	Mercer
<input type="checkbox"/>		Trenton Downtowner	Mercer
<input type="checkbox"/>		Windsor Heights Herald	Mercer
<input type="checkbox"/>		West Windsor-Plainsboro News	Mercer, Middlesex
<input type="checkbox"/>		Princeton Packet	Mercer, Middlesex, Somerset
<input type="checkbox"/>		Messenger-Press	Mercer, Monmouth, Ocean
<input type="checkbox"/>		Woodbridge Sentinel	Middlesex
<input type="checkbox"/>		Atlanticville	Monmouth
<input type="checkbox"/>		Coaster	Monmouth
<input type="checkbox"/>		Courier	Monmouth
<input type="checkbox"/>		Examiner	Monmouth

<input type="checkbox"/>		Hub, The	Monmouth
<input type="checkbox"/>		Independent, The	Monmouth
<input type="checkbox"/>		News Transcript	Monmouth
<input type="checkbox"/>		Two River Times	Monmouth
<input type="checkbox"/>		Coast Star, The	Monmouth, Ocean
<input type="checkbox"/>		Beach Haven Times	Ocean
<input type="checkbox"/>		Beacon, The	Ocean
<input type="checkbox"/>		Berkeley Times	Ocean
<input type="checkbox"/>		Brick Bulletin	Ocean
<input type="checkbox"/>		Brick Times	Ocean
<input type="checkbox"/>		Jackson Times	Ocean
<input type="checkbox"/>		Lacey Beacon	Ocean
<input type="checkbox"/>		Manchester Times	Ocean
<input type="checkbox"/>		New Egypt Press	Ocean
<input type="checkbox"/>		Ocean County Journal	Ocean
<input type="checkbox"/>		Ocean Star, The	Ocean
<input type="checkbox"/>		Tri-Town News	Ocean
<input type="checkbox"/>		Tuckerton Beacon	Ocean
<input type="checkbox"/>		Atlantic Highlands Herald	Monmouth
DURATION & FREQUENCY OF OUTREACH			
DURATION & FREQUENCY OF OUTREACH		NAMES OF REGIONAL TV STATION(S)	CIRCULATION AREA AND/OR RACIAL/ETHNIC IDENTIFICATION OF READERS/AUDIENCE
TARGETS ENTIRE HOUSING REGION 4			
<input type="checkbox"/>		2 WCBS-TV CBS Broadcasting Inc.	
<input type="checkbox"/>		4 WNBC NBC Telemundo License Co. (General Electric)	
<input type="checkbox"/>		5 WNYW Fox Television Stations, Inc. (News Corp.)	
<input type="checkbox"/>		7 WABC-TV American Broadcasting Companies, Inc (Walt Disney)	
<input type="checkbox"/>		9 WWOR-TV Fox Television Stations, Inc. (News Corp.)	
<input type="checkbox"/>		10 WCAU NBC Telemundo License Co. (General Electric)	

<input type="checkbox"/>		11 WPIX WPIX, Inc. (Tribune)	
<input type="checkbox"/>		13 WNET Educational Broadcasting Corporation	
<input type="checkbox"/>		58 WNJB New Jersey Public Broadcasting Authority	
TARGETS PARTIAL HOUSING REGION 4			
<input type="checkbox"/>		25 W25AW WZBN TV, Inc.	Mercer
<input type="checkbox"/>		39 WLVT-TV Lehigh Valley Public Telecommunications Corp.	Mercer
<input type="checkbox"/>		60 WBPH-TV Sonshine Family Television Corp	Mercer
<input type="checkbox"/>		63 WMBC-TV Mountain Broadcasting Corp.	Mercer
<input type="checkbox"/>		69 WFMZ-TV Maranatha Broadcasting Company, Inc.	Mercer
<input type="checkbox"/>		41 WXTV WXTV License Partnership, G.P. (Univision Communications Inc.)	Mercer, Monmouth
<input type="checkbox"/>		3 KYW-TV CBS Broadcasting Inc.	Mercer, Ocean
<input type="checkbox"/>		6 WPVI-TV American Broadcasting Companies, Inc (Walt Disney)	Mercer, Ocean
<input type="checkbox"/>		12 WHYY-TV WHYY, Inc.	Mercer, Ocean
<input type="checkbox"/>		17 WPHL-TV Tribune Company	Mercer, Ocean
<input type="checkbox"/>		23 WNJS New Jersey Public Broadcasting Authority	Mercer, Ocean
<input type="checkbox"/>		29 WTXF-TV Fox Television Stations, Inc. (News Corp.)	Mercer, Ocean
<input type="checkbox"/>		35 WYBE Independence Public Media Of Philadelphia, Inc.	Mercer, Ocean
<input type="checkbox"/>		48 WGTW-TV Trinity Broadcasting Network	Mercer, Ocean
<input type="checkbox"/>		52 WNJT New Jersey Public Broadcasting Authority	Mercer, Ocean
<input type="checkbox"/>		57 WPSG CBS Broadcasting Inc.	Mercer, Ocean
<input type="checkbox"/>		61 WPPX Paxson Communications License Company, LLC	Mercer, Ocean
<input type="checkbox"/>		65 WUVP-TV Univision Communications, Inc.	Mercer, Ocean
<input type="checkbox"/>		25 WNYE-TV New York City Dept. Of Info Technology & Telecommunications	Monmouth

<input type="checkbox"/>		31 WPXN-TV Paxson Communications License Company, LLC	Monmouth
<input type="checkbox"/>		47 WNJU NBC Telemundo License Co. (General Electric)	Monmouth
<input type="checkbox"/>		50 WNJN New Jersey Public Broadcasting Authority	Monmouth
<input type="checkbox"/>		68 WFUT-TV Univision New York LLC	Monmouth, Ocean (Spanish)
<input type="checkbox"/>		62 WWSI Hispanic Broadcasters of Philadelphia, LLC	Ocean

	DURATION & FREQUENCY OF OUTREACH	NAMES OF CABLE PROVIDER(S)	BROADCAST AREA
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TARGETS PARTIAL HOUSING REGION 4

<input type="checkbox"/>		Cablevision of Hamilton	Partial Mercer, Monmouth
<input type="checkbox"/>		Comcast of Central NJ,	Partial Mercer, Monmouth
<input type="checkbox"/>		Patriot Media & Communications, CNJ	Partial Mercer
<input type="checkbox"/>		Cablevision of Monmouth, Raritan Valley	Partial Monmouth
<input type="checkbox"/>		Comcast of Mercer County, Southeast Pennsylvania	Partial Middlesex
<input type="checkbox"/>		Comcast of Monmouth County	Partial Monmouth, Ocean
<input type="checkbox"/>		Comcast of Garden State, Long Beach Island, Ocean County, Toms River	Partial Ocean

	DURATION & FREQUENCY OF OUTREACH	NAMES OF REGIONAL RADIO STATION(S)	BROADCAST AREA AND/OR RACIAL/ETHNIC IDENTIFICATION OF READERS/AUDIENCE
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TARGETS ENTIRE HOUSING REGION 4

AM

<input type="checkbox"/>		WWJZ 640	
<input type="checkbox"/>		WOR 710	
<input type="checkbox"/>		WABC 770	
<input type="checkbox"/>		WCBS 880	
<input type="checkbox"/>		WBBR 1130	
<input type="checkbox"/>		WPST 94.5	

FM

<input type="checkbox"/>		WKXW-FM 101.5	
<input type="checkbox"/>		WPRB 103.3	

TARGETS PARTIAL HOUSING REGION 4

AM			
<input type="checkbox"/>		WFIL 560	Mercer, Monmouth
<input type="checkbox"/>		WMCA 570	Monmouth, Ocean
<input type="checkbox"/>		WFAN 660	Mercer, Monmouth
<input type="checkbox"/>		WNYC 820	Mercer, Monmouth
<input type="checkbox"/>		WWBD 860	Mercer
<input type="checkbox"/>		WPHY 920	Mercer
<input type="checkbox"/>		WNTX 990	Mercer
<input type="checkbox"/>		WCHR 1040	Mercer
<input type="checkbox"/>		WOBM 1160	Monmouth, Ocean
<input type="checkbox"/>		WWTR 1170	Mercer
<input type="checkbox"/>		WPHT 1210	Mercer, Monmouth
<input type="checkbox"/>		WBUD 1260	Mercer, Monmouth
<input type="checkbox"/>		WIMG 1300	Mercer
<input type="checkbox"/>		WADB 1310	Monmouth, Ocean
<input type="checkbox"/>		WHTG 1410	Monmouth
<input type="checkbox"/>		WCTC 1450	Mercer, Monmouth
<input type="checkbox"/>		WBCB 1490	Mercer
<input type="checkbox"/>		WTTM 1680	Mercer, Monmouth
FM			
<input type="checkbox"/>		WNJT-FM 88.1	Mercer
<input type="checkbox"/>		WWFM 89.1	Mercer, Monmouth
<input type="checkbox"/>		WRDR 89.7	Monmouth, Ocean
<input type="checkbox"/>		WRTI 90.1	Mercer
<input type="checkbox"/>		WBJB-FM 90.5	Monmouth
<input type="checkbox"/>		WWNJ 91.1	Ocean
<input type="checkbox"/>		WTSR 91.3	Mercer
<input type="checkbox"/>		WBGD 91.9	Ocean
<input type="checkbox"/>		WFNY-FM 92.3	Mercer, Monmouth
<input type="checkbox"/>		WXTU 92.5	Mercer
<input type="checkbox"/>		WOBM-FM 92.7	Ocean

<input type="checkbox"/>		WPAT-FM 93.1	Mercer, Monmouth
<input type="checkbox"/>		WMMR 93.3	Mercer
<input type="checkbox"/>		WNYC-FM 93.9	Mercer, Monmouth
<input type="checkbox"/>		WYSP 94.1	Mercer
<input type="checkbox"/>		WJLK-FM 94.3	Monmouth, Ocean
<input type="checkbox"/>		WFME 94.7	Mercer, Monmouth
<input type="checkbox"/>		WZZO 95.1	Mercer
<input type="checkbox"/>		WPLJ 95.5	Mercer, Monmouth
<input type="checkbox"/>		WBEN-FM 95.7	Mercer
<input type="checkbox"/>		WRAT 95.9	Monmouth, Ocean
<input type="checkbox"/>		WCTO 96.1	Mercer
<input type="checkbox"/>		WQXR-FM 96.3	Mercer, Monmouth
<input type="checkbox"/>		WRDW-FM 96.5	Mercer
<input type="checkbox"/>		WQHT 97.1	Mercer, Monmouth
<input type="checkbox"/>		WSKQ-FM 97.9	Mercer, Monmouth
<input type="checkbox"/>		WOGI 98.1	Mercer
<input type="checkbox"/>		WMGQ 98.3	Mercer, Monmouth
<input type="checkbox"/>		WRKS 98.7	Mercer, Monmouth
<input type="checkbox"/>		WUSL 98.9	Mercer, Monmouth
<input type="checkbox"/>		WAWZ 99.1	Mercer, Monmouth
<input type="checkbox"/>		WBAI 99.5	Mercer, Monmouth
<input type="checkbox"/>		WJRZ-FM 100.1	Ocean
<input type="checkbox"/>		WHTZ 100.3	Mercer, Monmouth
<input type="checkbox"/>		WCBS-FM 101.1	Mercer, Monmouth
<input type="checkbox"/>		WQCD 101.9	Mercer, Monmouth
<input type="checkbox"/>		WIOQ 102.1	Mercer
<input type="checkbox"/>		WNEW 102.7	Mercer, Monmouth
<input type="checkbox"/>		WMGK 102.9	Mercer
<input type="checkbox"/>		WKTU 103.5	Mercer, Monmouth
<input type="checkbox"/>		WAXQ 104.3	Mercer, Monmouth

<input type="checkbox"/>		WWPR-FM 105.1	Mercer, Monmouth
<input type="checkbox"/>		WDAS-FM 105.3	Mercer, Monmouth
<input type="checkbox"/>		WCHR-FM 105.7	Ocean
<input type="checkbox"/>		WJJZ 106.1	Mercer, Monmouth
<input type="checkbox"/>		WHTG-FM 106.3	Monmouth, Ocean
<input type="checkbox"/>		WLTW 106.7	Mercer, Monmouth
<input type="checkbox"/>		WKDN 106.9	Mercer
<input type="checkbox"/>		WWZY 107.1	Monmouth, Ocean
<input type="checkbox"/>		WBLS 107.5	Mercer, Monmouth
<input type="checkbox"/>		WWPH 107.9	Mercer

3d. 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
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TARGETS ENTIRE HOUSING REGION 4

Weekly

	Nuestra Comunidad	Central/South Jersey	Spanish-Language
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TARGETS PARTIAL HOUSING REGION 4

Weekly

<input type="checkbox"/>	New Jersey Jewish News	Northern and Central New Jersey	Jewish
<input type="checkbox"/>	El Hispano	Camden and Trenton areas	Spanish-Language
<input type="checkbox"/>	Ukrainian Weekly	New Jersey	Ukrainian community

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
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Mercer County

<input type="checkbox"/>	Mercer County Board of Education	1075 Old Trenton Rd, Trenton, NJ
<input type="checkbox"/>	Medical Center at Princeton	253 Witherspoon St, Princeton, NJ
<input type="checkbox"/>	Bristol-Myers Squibb	100 Nassau Park Blvd, Princeton, NJ and 820 Bear Tavern Rd, Trenton, NJ
<input type="checkbox"/>	St. Lawrence Rehabilitation Center	2381 Lawrenceville Rd, Lawrenceville, NJ
<input type="checkbox"/>	McGraw-Hill	120 Windsor Center Dr, East Windsor, NJ

<input type="checkbox"/>		Conair Corporation	150 Milford Rd, Hightstown, NJ
<input type="checkbox"/>		Shiseido America, Inc.	366 Princeton Hightstown Rd, East Windsor, NJ
<input type="checkbox"/>		NJ Manufacturers Insurance Company	1001 Grand St S, Hammonton, NJ
<input type="checkbox"/>		Homasote	932 Lower Ferry Rd, Trenton, NJ
<input type="checkbox"/>		Robert Wood Johnson University Hospital	1 Hamilton Health Pl, Trenton, NJ
<input type="checkbox"/>		Congoleum Corp.	3500 Quakerbridge Rd, Mercerville, NJ
<input type="checkbox"/>		Coca-Cola Foods	480 Mercer St, Hightstown, NJ
<input type="checkbox"/>		Peddie School	111 Armellino Ct, Hightstown, NJ
<input type="checkbox"/>		Dana Communications	2 E Broad St, Hopewell, NJ
<input type="checkbox"/>		Merrill Lynch	410 Scotch Rd, Hopewell, NJ
<input type="checkbox"/>		Janssen Pharmaceutical	1125 Trenton Harborton Rd, Titusville, NJ
<input type="checkbox"/>		St. Francis Medical Center	601 Hamilton Avenue Trenton NJ 08629-1986
<input type="checkbox"/>		The Trenton Times	500 Perry St, Trenton, NJ
<input type="checkbox"/>		Gaum. Inc.	1080 US Highway 130, Robbinsville, NJ

Monmouth County

<input type="checkbox"/>		Meridian Health System	1350 Campus Parkway Neptune
<input type="checkbox"/>		US Army Communications Electronics Command Fort Monmouth	CECOM Bldg 901 Murphy drive Fort Monmouth
<input type="checkbox"/>		County of Monmouth Hall of Records	1 East Main Street Freehold
<input type="checkbox"/>		Central State Healthcare Systems	West Main Street Freehold
<input type="checkbox"/>		Monmouth Medical Center	300 Second Ave Long Branch
<input type="checkbox"/>		Asbury Park Press	3601 Route 66 Neptune, NJ
<input type="checkbox"/>		Food Circus Super Markets, Inc.	835 Highway 35 PO BOX 278 Middletown, NJ
<input type="checkbox"/>		Monmouth University	Cedar Ave West Long Branch
<input type="checkbox"/>		Naval Weapons stations Earle	State Highway 34 Colts Neck, NJ
<input type="checkbox"/>		Norkus Enterprises, Inc.	505 Richmond Ave Point Pleasant, NJ
<input type="checkbox"/>		Horizon Blue Cross Blue Shield	1427 Wyckoff Road Farmingdale, NJ

Ocean County

<input type="checkbox"/>		Saint Barnabas Health Care System	300 2nd Ave Long Branch, NJ 07740
<input type="checkbox"/>		Six Flags Theme Parks Inc	Route 537 Jackson, NJ 08527

<input type="checkbox"/>		Meridian Health Care System	415 Jack Martin Blvd, Brick, NJ
<input type="checkbox"/>		Southern Ocean County Hospital	1140 Route 72 West, Manahawkin, NJ
<input type="checkbox"/>		Jenkinsons	300 Ocean Ave Pt. Pleasant Beach, NJ 08742

3f. Community Contacts (names of community groups/organizations throughout the housing region that can 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
Fair Share Housing Center	Statewide	N/A	Ongoing as needed
NAACP (Asbury Park/Neptune, Long Branch and Lakewood Branches)	Monmouth and Ocean Counties	African-American	Ongoing as needed
Latino Action Network	Statewide	Hispanic	Ongoing as needed
STEPS	Statewide	N/A	Ongoing as needed

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 applies)									
	<table border="1"> <thead> <tr> <th>BUILDING</th> <th>LOCATION</th> </tr> </thead> <tbody> <tr> <td><input type="checkbox"/> Mercer County Library Headquarters</td> <td>2751 Brunswick Pike, Lawrenceville, NJ 08648</td> </tr> <tr> <td><input type="checkbox"/> Monmouth County Headquarters Library</td> <td>125 Symmes Drive, Manalapan, NJ 07726</td> </tr> <tr> <td><input type="checkbox"/> Ocean County Library</td> <td>101 Washington Street, Toms River, NJ 08753</td> </tr> </tbody> </table>	BUILDING	LOCATION	<input type="checkbox"/> Mercer County Library Headquarters	2751 Brunswick Pike, Lawrenceville, NJ 08648	<input type="checkbox"/> Monmouth County Headquarters Library	125 Symmes Drive, Manalapan, NJ 07726	<input type="checkbox"/> Ocean County Library	101 Washington Street, Toms River, NJ 08753
BUILDING	LOCATION								
<input type="checkbox"/> Mercer County Library Headquarters	2751 Brunswick Pike, Lawrenceville, NJ 08648								
<input type="checkbox"/> Monmouth County Headquarters Library	125 Symmes Drive, Manalapan, NJ 07726								
<input type="checkbox"/> Ocean County Library	101 Washington Street, Toms River, NJ 08753								
4b. Municipality in which the units are located (list municipal building and municipal library, address, contact person)									
4c. Sales/Rental Office for units (if applicable)									

V. CERTIFICATIONS AND ENDORSEMENTS

<p>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 (select one: Municipality's substantive certification or DCA Balanced Housing Program funding or HMFA UHORP/MONI/CHOICE funding).</p> <p>_____</p> <p>Name (Type or Print)</p> <p>_____</p> <p>Title/Municipality</p>
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Signature	Date
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